

**DEPARTMENT OF HOMELAND SECURITY  
APPROPRIATIONS FOR FISCAL YEAR 2010**

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**HEARING**  
BEFORE A  
SUBCOMMITTEE OF THE  
COMMITTEE ON APPROPRIATIONS  
UNITED STATES SENATE  
ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

ON

**H.R. 2892/S. 1298**

AN ACT MAKING APPROPRIATIONS FOR THE DEPARTMENT OF HOME-  
LAND SECURITY FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2010,  
AND FOR OTHER PURPOSES

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**Department of Homeland Security  
Nondepartmental witnesses**

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# CONTENTS

WEDNESDAY, MAY 13, 2009

	Page
Department of Homeland Security .....	1
Nondepartmental Witnesses .....	103



**DEPARTMENT OF HOMELAND SECURITY  
APPROPRIATIONS FOR FISCAL YEAR 2010**

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**WEDNESDAY, MAY 13, 2009**

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The subcommittee met at 2:07 p.m., in room SD-192, Dirksen Senate Office Building, Hon. Robert C. Byrd (chairman) presiding.  
Present: Senators Byrd, Murray, Lautenberg, Tester, Voinovich, Cochran, and Brownback.

**DEPARTMENT OF HOMELAND SECURITY**

**STATEMENT OF HON. JANET NAPOLITANO, SECRETARY**

**OPENING STATEMENT OF SENATOR ROBERT C. BYRD**

Senator BYRD. I call this subcommittee to order.

Welcome, Madam Secretary. I welcome you to this challenging and important job. As you may know, I at first opposed the creation of a Department of Homeland Security and I'll tell you why I did that.

I figured that it would be a management nightmare, but since the Department was established, I've been a strong advocate for giving the department all the resources that it needs to succeed.

The Bush administration's official position was that the Department could be created at no cost, no cost to the taxpayers. Now this translated into a Department with aging assets and an inability to be nimble in preparing for future threats.

In response, Congress on a bipartisan basis increased homeland security spending by an average of \$2 billion per year. \$2 billion per year. That's \$2 for every minute since Jesus Christ was born. You got that? \$2 for every minute, every 60 seconds since Jesus Christ was born.

These increases were invested in border security, chemical security, port security, transit security, aviation security, and cyber security. We also ensured that State and local partners in homeland security received adequate resources to equip and train our first responders.

Now, these investments have paid off, making our citizens more secure, making us better prepared for any, any disaster, but we have work to do, much more work to do.

I am pleased to see that President Obama has sent us a budget that backs up his promises with real resources. Now, having said that, there are some gaps in the budget and we're going to explore

those gaps today, and we'll work with you, Madam Secretary, to identify responsible ways to narrow those gaps.

In 2005, I, Robert Carlisle Byrd, B-Y-R-D, led a bipartisan effort to improve the security on our borders and to enforce our immigration laws. We increased the number of Border Patrol agents and detention beds, and we provided funds for fencing, vehicle barriers, and new technology on our Southwest—let me say that again—on our Southwest border.

We also provided funds for fugitive operations teams, Secure Community programs and for worksite enforcement.

Madam Secretary, I have read your testimony. I look forward to your continuing and expanding these efforts.

Madam Secretary, I'm aware, I know that you're aware of the recent devastation from flooding in Southern West Virginia. That's God's country. Last night, last night, Governor Manchin requested a Federal disaster declaration. Today, I sent the President a letter urging his approval and I urge you, I urge you to recommend to the President and he approve this request as soon as possible so that Federal funding can begin flowing to West Virginians who are in need of help.

Madam Secretary, you lead a Department of 208,000 men and women. That's a rather large army. You lead a Department of 208,000 men and women who are on the front line every day protecting our citizens. We commend those employees for their service and we welcome you to this subcommittee today.

I also welcome Senator George Voinovich, our new ranking member. Welcome, Senator George Voinovich. I'm very proud to have you here and be with you today.

George Voinovich follows in the footsteps of my good friends and able colleagues, Senator Thad Cochran and Senator Judd Gregg. I look forward to working with all of our subcommittee members this year and following Senator Voinovich's opening remarks, we will hear from Secretary Napolitano. Then we will hear from each member who will be recognized by seniority for up to 7 minutes, 7 minutes for remarks and questions.

I now recognize Senator Voinovich for any opening remarks that he may wish to make.

#### STATEMENT OF SENATOR GEORGE VOINOVICH

Senator VOINOVICH. Thank you very much, Chairman Byrd.

I must say that I am honored to serve as the Ranking Member of this subcommittee. You and I have worked together over the years on matters that have been mutually beneficial to both the State of West Virginia, our neighbor, and my State, the State of Ohio.

Senator BYRD. Yes.

Senator VOINOVICH. Madam Secretary, glad to see you and look forward to your insights on the priorities of your Department during this consideration of your budget.

I enjoyed meeting with you in my office and I'm pleased that you're willing to serve our country at a very critical time and I think I share Senator Byrd's concern that you have an unbelievable management task when you're talking about 208,000 people, 22 agencies, that still haven't been really brought together, and you're

in the situation where you've got to take it to the next phase so that it gets done the way we anticipated in the beginning. Although, I agree with Senator Byrd; I wasn't real happy with the way they put everything together, but it's done and so we're going to do our best to support it.

Senator BYRD. We're going to do that, man.

Senator VOINOVICH. For fiscal year 2010, the president's total discretionary request for the Department is \$42.7 billion. This is a 6.3 percent increase from the fiscal year 2009 appropriations level.

It's an increase over the fiscal year 2009, excluding emergency supplemental appropriations. Including emergency supplemental funding, it's almost a 1 percent decrease from below the current year level.

In other words, when you take in the supplemental, you're in about 1 percent below that.

This is also a 42.3 percent increase since the first appropriations act that funded the Department of Homeland Security in fiscal year 2004, a 42.3 percent increase in just 7 years.

We are quickly approaching the time when we will have doubled the resources available to your Department. Within this dramatic rise in funding, over the past 4 years we've devoted a significant portion of the increase to border security. As a former governor of one of the Nation's Southwest border States, you are in a unique position of having been on the front lines of this issue and I think will be able to offer advice and guidance based on your personal experience in terms of what's going to work and what you need to get it done.

This budget proposes to fund U.S. Customs and Border Protection at \$10 billion. Taking into account all the reorganizations of the Department that were executed over the years, we're talking about a 93.3 percent increase from fiscal year 2004. This is gigantic.

This budget proposes funding of \$5.4 billion for U.S. Immigration and Customs Enforcement. Again, we're talking about an increase of, a 120 percent increase, since fiscal year 2004.

I've often wondered if there was another way we could secure the border and deal with the 11 million or so illegal immigrants. And, as we talked in the office, I really believe that without a comprehensive immigration reform plan, if we plan to enforce our current laws, it could require a further investment of \$272 billion and 31 years to locate and remove the estimated 11 million unauthorized aliens in the United States and this is something I want to talk to you about as we go through this period of time.

It's important to note that the fiscal year 2010 budget proposes adequate resources to pay for the border initiatives funded over the past 4 fiscal years and commits to meeting the goal of 20,000 Border Patrol agents this December and to maintaining that level through fiscal year 2010. Again, is 20,000 the right number? Should it be more?

As you know, I've also been interested in improving the efficiency and effectiveness of the Federal Government during my time here in the Senate and for the Department, and this was an area that you also identified right away needed to be done. You got some

good people working with you. I've seen them. I think you've got a good team that you've put together.

In addition to hearing about your budget initiatives for fiscal year 2010, I hope to hear your thoughts on a number of issues facing the Department, including the progress being made to secure our Nation's borders and prepare this country for future emergencies.

In closing, Madam Secretary, there's a tremendous focus on the Southwest but the Northern border also poses challenges to enforcing our laws while facilitating trade, and I'd hope to invite you one of these days to visit Ohio to gain a better understanding of the unique aspects of a State on the Northern border with no land border with Canada, only coastline.

Thank you, Mr. Chairman.

Senator BYRD. Thank you. Thank you very much. And when you visit Ohio, West Virginia is just across the river.

Senator VOINOVICH. That's right.

Senator BYRD. I hope you'll come there, too.

Secretary NAPOLITANO. Thank you. That would be great.

Senator BYRD. All right. Now, Madam Secretary, please proceed.

#### STATEMENT OF JANET NAPOLITANO

Secretary NAPOLITANO. Thank you. Thank you, Mr. Chairman and Senator Voinovich, members of the subcommittee. Thank you for this opportunity to testify on the Department of Homeland Security portion of President Obama's budget proposal for fiscal year 2010.

The proposed total budget for the Department is \$55.1 billion which includes \$42.7 billion in appropriated funding.

DHS performs a broad range of activities across a single driving mission: to secure America from the entire range of threats that we face.

The Department's leadership in the past several weeks, in response to the H1N1 flu outbreak only proves the breadth of the Department's portfolio as well as the need to make DHS a stronger, more effective Department.

This budget strengthens our efforts in what I see as the five main mission areas where we need to focus in order to secure the American people.

First, guarding against terrorism, the founding purpose and perennial top priority of the Department.

Second, securing our borders, an effort even more urgent as the United States looks to do its part to counter a rise in cartel violence in Mexico.

Third, smart and effective enforcement of our immigration laws. We want to facilitate legal immigration and pursue enforcement against those who violate the immigration law.

Fourth, improving our preparation for, response to, and recovery from disasters, not just hurricanes and tornadoes, but also unexpected situations, like the H1N1 flu.

Pause a moment there, Mr. Chairman, and mention that I spoke with Governor Manchin and also Kentucky Governor Beshear yesterday with respect to the flooding that has occurred and we are

working with them on their emergency declaration applications, so that we can move those through.

Senator BYRD. How much did you say your budget is?

Secretary NAPOLITANO. In appropriated funds, it's \$42.7 billion; total funds, it's \$55.1 billion.

Senator BYRD. And it's \$55.10 for every minute since Jesus Christ was born, right?

Secretary NAPOLITANO. Mr. Chair, I haven't done the math, but it sounds pretty close.

Senator BYRD. It's correct. If anybody wants to challenge it, raise your hands.

Secretary NAPOLITANO. I'm going to take it as good as gold.

The fifth major mission area for us, after preparation and response to and recovery from disaster and challenge for us, is to create one Department of Homeland Security, to unify these 22 agencies so that they work together to ensure that we are operating always at full strength.

In addition to these five main mission areas, there are three approaches for the Department which crosscut everything that we do. First among those is to expand our partnerships, our partnerships with States, with cities, with tribal governments, who are the first detectors and the first responders.

Second, to bolster our science and technology portfolio, investing in new technologies that can increase our capabilities while being cognizant of interests, such as privacy protection, that must be taken into account.

And third, to maximize efficiency. Through the efficiency review process that we launched in March, we hope to ensure that every security dollar is spent in its most effective way.

This budget adheres to the President's major reform goals, government efficiency, transparency and cohesion, and will play a major part in bringing about a culture of responsibility and fiscal discipline within the Department.

The Department budget request was based on alignment with the Department's priorities and the programs were assessed based on effectiveness and on risk.

First, with respect to budget priorities, to guard against terrorism, this budget proposal includes \$121 million to fund research for new technologies that detect explosives at public places and transportation networks. It has \$87 million for new measures to protect critical infrastructure and cyber networks from attack. It enhances information-sharing among Federal, State, local and tribal law enforcement.

With respect to border security, the budget proposal includes \$116 million to deploy additional staff and technology to the Southwest border, to disrupt southbound smuggling of drugs and bulk cash which will help combat cartel violence.

It also provides \$40 million for smart security technology funding on the Northern border, to expand and integrate our surveillance systems there.

To ensure smart, effective enforcement of our immigration laws, this budget proposal includes \$112 million to strengthen e-Verify to help employers maintain a legal workforce; a total of \$198 million for the Secure Communities Program which helps State, local and

tribal law enforcement target criminal aliens; and it improves security and facilitates trade and tourism through the Western Hemisphere Tribal Initiative, \$145 million, and US-VISIT, \$344 million.

To help Americans prepare for, respond to, and recover from natural disasters, this budget proposal includes doubling the funds from \$210 million to \$420 million to increase the number of front-line firefighters. It includes a \$600 million increase to the Disaster Relief Fund to help individuals and communities impacted by disasters, and it strengthens pre-disaster hazard mitigation efforts to reduce injury, loss of life and destruction of property.

And finally, to unify the Department, this budget proposal includes \$79 million for the consolidation of the Department's headquarters while we bring 35 different offices together, generating significant savings in the long run. It also includes \$200 million to consolidate and unify our IT infrastructure and bring all of DHS into the same system.

Mr. Chairman, in my few months as Secretary, I have seen a number of remarkable accomplishments, in addition to challenges, at the Department of Homeland Security. I am seeing this Department's potential. I believe we are on the path toward realizing it.

We aim to do even better at achieving this country's security mission and this budget will help the Department do just that.

Thank you, Mr. Chairman, and I hope that my more complete statement can be included in the record.

[The statement follows:]

#### PREPARED STATEMENT OF JANET NAPOLITANO

Mr. Chairman, Senator Voinovich, and members of the subcommittee: Let me begin by saying thank you for the strong support you have consistently shown the Department, and I look forward to working with you to make certain that we have the right resources to protect the homeland and the American people and that we make the most effective and efficient use of those resources.

I am pleased to appear before the subcommittee today to present President Obama's fiscal year 2010 Budget Request for the Department of Homeland Security (DHS). I will also summarize the progress we have made since the start of the new administration along with some of our key accomplishments from last year.

#### FISCAL YEAR 2010 BUDGET REQUEST

The Department of Homeland Security's Budget will strengthen current efforts that are vital to the Nation's security, bolster DHS' ability to respond to emerging and evolving threats, and allow DHS to embrace new responsibilities in order to secure the Nation. This Budget puts forward critical investments in the protection of the American people.

DHS and its many component agencies fulfill a broad mandate and conduct many different activities within a single, unified security mission. DHS performs critical tasks from protecting transportation hubs to conducting maritime rescues, from aiding disaster victims to enforcing immigration laws. Within this broad portfolio, the Department aims to secure the American people from all hazards—including terrorist threats and natural or accidental disasters—and to work effectively with its many partners to lead the collaborative effort to secure the Nation. DHS undertakes the mission of securing the United States against all threats through five main action areas, each of which is strengthened by this Budget:

—*Guarding Against Terrorism.*—Protecting the American people from terrorist threats is the founding purpose of the Department and DHS' highest priority. This Budget expands DHS efforts to battle terrorism, including detecting explosives in public spaces and transportation networks, helping protect critical infrastructure and cyber networks from attack, detecting agents of biological warfare, and building information-sharing partnerships with State and local law enforcement that can enable law enforcement to mitigate threats.

- Securing Our Borders.*—DHS prevents and investigates illegal movements across our borders, including the smuggling of people, drugs, cash, and weapons. In March, the Department announced a new initiative to strengthen security on the southwest border in order to disrupt the drug, cash and weapon smuggling that fuels cartel violence in Mexico. This Budget strengthens those efforts by adding manpower and technology to the southwest border. This Budget also funds smart security on the northern border and facilitates international travel and trade. The President's request also makes targeted investments to reduce security risk across our Nation's vast maritime borders.
- Smart and Tough Enforcement of Immigration Laws and Improving Immigration Services.*—DHS welcomes legal immigrants, protects against dangerous people entering the country, and pursues tough, effective enforcement against those who violate the Nation's immigration laws. This Budget contains funding to strengthen our employment eligibility verification systems, target and crack down on criminal aliens and expedite the application process for new legal immigrants.
- Preparing for, Responding to, and Recovering from Natural Disasters.*—The Department must aid local and State first responders in all stages of a natural disaster—preparing for the worst, responding to a disaster that has occurred, and recovering in the long run. This budget contains funding to strengthen DHS assistance for local first responders and the communities and families affected by disasters.
- Unifying and Maturing DHS.*—DHS is a young department. Its components must further evolve in order to operate as effectively as possible as one agency with a single, unified security mission. This Budget contains funding to initiate consolidation of mission support activities that will remain off-site from the St. Elizabeths campus, reducing the many small and widely scattered leased locations and supporting the goal to build "One DHS."

DHS is employing several cross cutting initiatives to strengthen activities in each of these mission areas.

First, DHS is working across the board to increase cooperation with its partners—State, local, and tribal law enforcement agencies, international allies, the private sector, and other Federal departments. The effort to secure America requires close coordination and collaboration; this Budget increases resources dedicated to these critical partnerships.

Second, the Department is bolstering its science and technology portfolio. This will lead to the development of new techniques and technologies that will expand DHS' law enforcement capabilities while minimizing law enforcement's impact on everyday, law-abiding citizens. This Budget contains important investments in technologies that will allow DHS officers to perform their security tasks more quickly and with greater accuracy.

Third, the Department continually aims for greater efficiency in its operations. Through the Department-wide Efficiency Review Initiative launched in March, DHS is ensuring all its resources are used in the most effective way possible to secure the Nation.

The total fiscal year 2010 budget request for the Department of Homeland Security is \$55.1 billion in funding; a 5 percent increase over the fiscal year 2009 enacted level excluding supplemental funding. The Department's fiscal year 2010 gross discretionary budget request<sup>1</sup> is \$45.8 billion, an increase of 6 percent over the fiscal year 2009 enacted level excluding emergency funding. The Department's fiscal year 2010 net discretionary budget request is \$42.7 billion.<sup>2</sup>

The following are highlights of the fiscal year 2010 Budget Request:

#### *Guarding Against Terrorism*

*State and Local Fusion Centers.*—Full support and staffing by the end of fiscal year 2011 are requested for the 70 identified State and Local Fusion Centers, facilities where information and intelligence is shared between Federal, State, local and tribal authorities. Funding is dedicated to IT maintenance, support, and training.

*Explosives Detection Systems (EDS) Procurement and Installation.*— An increase of \$565.4 million to accelerate the Electronic Baggage Screening Program (EBSP) at the Nation's airports to ensure 100 percent of all checked baggage is screened with an in-line explosive detection capability system, or a suitable alternative. This

<sup>1</sup> Gross discretionary funding does not include funding such as Coast Guard's retirement pay accounts and fees paid for immigration benefits.

<sup>2</sup> This does not include fee collections such as funding for the Federal Protective Service (NPPD), aviation security passenger and carrier fees (TSA), credentialing fees (such as TWIC—TSA), and administrative cost of the (National Flood Insurance Fund, FEMA).

funding will support facility modifications, recapitalization efforts, as well as procurement and deployment of electronic baggage screening technology systems.

*Bomb Appraisal Officers.*—\$9 million for an additional 109 Bomb Appraisal Officers (BAOs) to provide expertise in the recognition of and response to improvised explosive devices at airports to enhance aviation security. The request will provide BAO coverage at 50 percent more airports including all Category X, I, and II airports, and will provide a BAO in every hub-spoke airport system, and to airports that currently have only one BAO assigned.

*Visible Intermodal Prevention and Response Teams.*—An increase of \$50 million is requested to fund 15 Visible Intermodal Prevention and Response (VIPR) teams dedicated to guarding surface transportation. The VIPR teams contain multi-skilled resources, including Transportation Security Inspectors, canine teams, Transportation Security Officers, Bomb Detection Officers, and Federal Air Marshals. These teams enhance the Transportation Security Administration's (TSA) ability to screen passengers, identify suspicious behavior, and act as a visible deterrent to potential terrorists in surface transportation environments.

*Vulnerability Assessments.*—A \$3.0 million increase is requested to provide for new nuclear reactor security consultations with the Nuclear Regulatory Commission. The budget request will also support vulnerability assessment pilot projects, which provide State and local stakeholders with a comprehensive understanding of vulnerabilities and critical infrastructure resiliency.

*Bombing Prevention.*—\$4.2 million is requested to enhance improved, coordinated national bombing prevention and improvised explosive device (IED) security efforts. Additionally, this funding will provide resources to enhance national awareness of the threat, facilitate multi-jurisdiction planning, and conduct additional capabilities assessments for 132 high-risk urban area detection, deterrence, response, and search elements. These elements include canine units, bomb squads, SWAT teams, and dive teams.

*Cybersecurity for the Federal Government.*—A \$75.1 million increase is requested to enable DHS to develop and deploy cybersecurity technologies to counter on-going, real world national cyber threats and apply effective analysis and risk mitigation strategies to detect and deter threats.

*Explosives Detection Research.*—Total funding of \$120.8 million, an increase of \$24.7 million, is requested to support DHS' Science and Technology Directorate (S&T) in addressing critical capability gaps in detecting, interdicting, and lessening the impacts of non-nuclear explosives used in terrorist attacks against mass transit, civil aviation, and critical infrastructure. Of the \$24.7 million, \$10.0 million will develop high-throughput cargo screening technology through automated, more efficient equipment. The remaining \$14.7 million will build on fiscal year 2009 efforts to counter the threat of hand-carried improvised explosive devices to mass transit systems by detecting all types of explosive threats such as homemade, commercial, and military explosives.

*Cybersecurity Research.*—Total funding of \$37.2 million, an increase of \$6.6 million, is requested to support Science and Technology in addressing critical capability gaps identified in the Comprehensive National Cybersecurity Initiative (CNCI). Specifically, this effort will develop technologies to secure the Nation's critical information infrastructure and networks.

*Transformational Research and Development (R&D).*—A \$7.2 million increase is requested for Transformational R&D to improve nuclear detection capabilities, address enduring vulnerabilities, and reduce the operational burden of radiation and nuclear detection. The increase in fiscal year 2010 will further these efforts to accelerate material optimization and production techniques, and establish a low-rate production capability for these materials. Additional funding could have a tremendous impact on the ability to uncover threats by detecting radiation sources.

*Bio Watch.*—Total funding of \$94.5 million is requested for the BioWatch program in the Office of Health Affairs, which provides the capability for early detection and warning against biological attacks in over 30 of our Nation's highest-risk urban areas through placement of a series of biological pathogen collectors. The request sustains the baseline capability of Gen-1/Gen-2 collectors while moving into the next generation of equipment. The funding would complete field testing for the Gen-3 prototype unit, secure IT architecture to facilitate networking between the biodefense systems, and procure production units to support the Gen-3 operational test and evaluation.

*Vetting Infrastructure Modernization.*—An increase of \$64 million is requested to modernize vetting infrastructure data management, adjudication workflow, and integration of all vetting systems in the third and final phase of the Vetting Infrastructure Improvement Plan. Modernization will enable a universal fee mechanism that will reduce duplicative background checks and fees for transportation workers,

and provide the capability to process new populations using existing enrollment and vetting infrastructure, while continuing to ensure privacy and security.

*Information Integration and Technology.*—Total funding of \$34 million is requested for U.S. Secret Service information technology. Funding would provide for a secure cross-domain IT application, engineering and architecture activities to modernize and improve Secret Service systems, information-sharing environments, database performance, cyber security, and continuity of operations through robust backup and recovery procedures.

*Intermodal Security Coordination Office (ISCO).*—A \$10 million increase is requested for the Intermodal Security Coordination Office within DHS Policy to support integrated planning between DHS and the Department of Transportation in the area of maritime transportation, as well as in other homeland security mission areas. The Intermodal Security Coordination Office will develop a strategic plan and metrics to guide development and modernization of intermodal freight infrastructure that links coastal and inland ports to highways and rail networks; an assessment of intermodal freight infrastructure needs and capability gaps; and recommendations to address the needs and capability gaps. The recommendations to address intermodal freight infrastructure needs and capability gaps will be incorporated into DHS' 5-year programming and budgeting guidance, and tracked to ensure they are achieved.

*Electronic Crime Task Forces (ECTFs).*—Total funding of \$2.0 million is requested to support the operational costs of 13 ECTFs and DHS-mandated Certification and Accreditation of the Secret Service online reporting system.

*Train 21.*—Total funding of \$4.1 million is requested for Train 21, a business operations and training transformation initiative that advances the Federal Law Enforcement Training Center's mission to provide training for law enforcement personnel.

*Uniformed Division Modernization.*—Total funding of \$4.0 million is requested to support a restructuring of the U.S. Secret Service Uniformed Division's (UD) legal authorities governing pay and compensation to bring the UD in line with the rest of the Federal Government and to more effectively recruit and retain the talent necessary to carry out its protective mission.

*National Technical Nuclear Forensics.*—A \$2.8 million increase is requested to expand efforts to develop the capability to improve technical nuclear forensics on U.S.-made nuclear and radiological materials. The increase will also expand international collaborative efforts to collect and share relevant nuclear forensics information.

#### *Securing Our Borders*

*Combating Southbound Firearms and Currency Smuggling.*—An increase of \$26.1 million is requested to enhance DHS' capability to combat southbound firearms and currency smuggling through additional personnel at and between the ports of entry and along the southwest border. This funding will support an additional 44 Border Patrol agents and 8 support staff as well as 65 Customs and Border Protection officers and 8 support staff. Resources are also requested to expand and maintain the Licensed Plate Reader (LPR) program to help establish and maintain effective control of the border. Additionally Immigration and Customs Enforcement (ICE) requests an additional \$70 million to hire 349 positions (specifically Special Agents, Intelligence Analysts, and Criminal Investigators) to increase enforcement staffing, improve cooperative efforts with the Mexican Government, and establish another Border Violence Intelligence Cell. This cross-program initiative will increase national security by expanding activities to secure our borders.

*Maritime Border Security Enhancements.*—\$700 million is requested to purchase five new Coast Guard Cutters, two Maritime Patrol Aircraft and one aircraft flight simulator to increase surface and air asset presence in the maritime domain and vastly improve threat detection and interdiction capabilities. \$103 million is requested to purchase 30 new Coast Guard small boats to replace aging, obsolete assets with more capable, multi-mission platforms. \$1.2 million is requested to establish a permanent Biometrics at Sea System, an investment which enables Coast Guard boarding teams to identify dangerous individual documented in the US-VISIT database and yields the type of cross-component operational integration sought through creation of DHS and that must continue to be built upon.

*Northern Border Technology.*—\$20.0 million is requested to assist U.S. Customs and Border Protection (CBP) in providing improved situational awareness along the northern border through the design, deployment, and integration of surveillance, sensing platforms, detection technologies and tactical infrastructure. This technology will expand DHS capabilities, increase the effectiveness of our agents, and increase the ability to detect unlawful border activity successfully.

*CBP Air and Marine (A&M) Personnel.*—A \$19.1 million increase is requested to support Border Patrol agents by providing air cover as well as expanding maritime assistance along the borders. Funding is requested to hire an additional 68 pilots, 20 marine and 56 support personnel. During fiscal year 2010, A&M plans to continue the expansion of its capabilities across the northern and coastal border and place heavy emphasis on the maritime requirements along the southeast and Caribbean borders. The additional personnel resources are requested as new marine vessels are deployed to marine branches at strategic locations along the coastal borders.

*Research and Development for Border and Maritime Security.*—A \$7.1 million increase for Science & Technology is requested to fund a new research effort to provide advanced detection, identification, apprehension, and enforcement capabilities along borders, increasing the security of the border and lowering the risk of a successful terrorist attack. Additionally, funding will provide new technologies to the United States Coast Guard, Customs and Border Protection, and Immigration and Customs Enforcement, and other components operating in the maritime environment.

*Smart and Tough Enforcement of Immigration Laws and Improving Immigration Services*

*E-Verify.*—Total funding of \$112 million and 80 new positions are requested to support improvements to the employment eligibility verification system, E-Verify. The growth of the E-Verify program will increase the need for monitoring and compliance activities to protect employees from discriminatory practices, safeguard privacy information, and enhance program efficacy. The fiscal year 2010 program increase is primarily for monitoring and compliance activities, as well as IT-related business initiatives to improve system use.

*Secure Communities.*—Total funding of \$39.1 million is requested to hire, train, and equip 80 new enforcement personnel who will identify suspected criminal aliens, determine subjects' alien status, prioritize ICE enforcement actions against the highest threat criminal aliens, and assist in the removal of apprehended criminal aliens. Funding will also support the continued investment in information technology to improve efficiencies within ICE criminal alien identification prioritization and removal processes.

*Detention and Removal Operations Modernization (DROM).*—Total funding of \$25 million is requested for improvements to the system of detaining and removing illegal immigrants. The funding will be dedicated to developing and deploying the Detainee Location Tracking Module as part of the Bed Space and Transportation Management System, expanding the ICE Data warehouse data capacity and reporting capability to support the DRO IT data, and expanding Web services to allow the Electronic Travel Document application to communicate with other internal or external applications. DROM will effect improvements in the areas of real-time dynamic data reporting, detainee management, management of detention beds and tracking detainees, bed-space availability management, and transportation management for improved efficiency in detention and removals.

*Law Enforcement Systems Modernization.*—Total funding of \$49 million is requested to fund the ICE Law Enforcement Systems Modernization initiative, including a number of case management, information sharing, and operational support service projects that will improve access to law enforcement information. For example, the case management Traveler Enforcement Communication System (TECS) system modernization effort will support the investigative arm of ICE and update a 20-year-old system, giving ICE improved capabilities for case management, money laundering tracking and reporting, telephone analysis, intelligence reporting and dissemination, Bank Secrecy Act data access, information sharing of subject record data, and statistical/performance reporting. The funding will also support the design and development for the integration of ICE-Agreements of Cooperation in Communities to Enhance Safety and Security (ACCESS) and Information Sharing.

*Immigrant Integration.*—Total funding of \$10 million is requested for an Immigrant Integration program within USCIS, in order to improve the integration of immigrants into the United States. This program allows USCIS and the Office of Citizenship to work across the Federal Government and with State and local Governments, U.S. businesses, non-profits, academia, and faith-based organizations to support effective integration efforts across the country. USCIS will provide grants to community-based organizations for citizenship preparation programs; facilitate English language learning through improved web resources; build volunteer capacity by developing a training certification framework for volunteers and, promote citizenship with integration messages at the workplace, among Federal agencies, and the general public.

*US-VISIT Identity Management and Screening Services.*—An \$11.2 million increase is requested to support the increased workload demands associated with the transition from 2 to 10 fingerprint biometric capture for foreign visitors. The increase will support biometric identifications and verifications, latent print processing, data sharing with other agencies, and the growing Secure Communities initiative, which shares biometric information with local law enforcement. The funding will also support information sharing and technical assistance to select foreign governments to promote the adoption and use of common biometric identity management standards in order to advance the ability to screen travelers to and workers within the United States.

*Western Hemisphere Travel Initiative (WHTI).*—A \$20.9 million increase is requested to continue maintaining and operating the WHTI program that supports Departmental efforts to facilitate the efficient movement of people at the land border POEs. WHTI provides a tool to conduct the necessary authentication at the time of crossing and it also accelerates the verification process mandated by law to the extent possible with Radio Frequency Identification (RFID) Technology and communications technology.

*Preparing for, Responding to, and Recovering From Natural Disasters*

*Pre-Disaster Mitigation (PDM).*—A \$60 million increase is requested for Pre-Disaster Mitigation in the Federal Emergency Management Agency. Funding will assist in the implementation of pre-disaster hazard mitigation measures that are cost-effective and are designed to reduce injuries, loss of life, and damage and destruction of property, including damage to critical services and facilities.

*Adequate Fire and Emergency Response Staffing for Adequate Fire and Emergency Response (SAFER) Grants.*—Total funding of \$420 million is requested to double the funds devoted to SAFER grants administered by the Federal Emergency Management Agency, which help fire departments increase the number of frontline firefighters. Funding will enable fire departments to increase their staffing and deployment capabilities, ensuring around the clock protection.

*Disaster Relief Fund (DRF).*—Total DRF funding of \$2 billion, an increase of \$0.6 billion, is requested. The DRF, administered by the Federal Emergency Management Agency (FEMA), provides a significant portion of the total Federal response to victims in declared major disasters and emergencies. This increase will provide relief for non-catastrophic disaster activity.

*First Responder Technology.*—Total funding of \$12 million is requested to develop and design technologies to address capability gaps identified by Federal, State, local and tribal first responders. This program will test technologies, assess usability, and commercialize them to increase availability across all first responder communities.

*Gap Analysis Program.*—An additional \$3.0 million is requested for the Gap Analysis Program to supplement programs that evaluate the strengths and weaknesses of each State's emergency plans and evacuation plans and expand beyond earlier focus on hurricane-prone regions and rural and suburban areas to all hazards.

*Maturing and Unifying DHS*

*DHS Headquarters Consolidation Project.*—An additional \$75.0 million is requested in fiscal year 2010 to initiate consolidation of mission support activities that will remain off-campus, reducing the amount of small and widely scattered leased locations.

*Strategic Requirements Planning Process.*—An additional \$5.0 million and five FTE are requested for the DHS Strategic Requirements Planning Process (SRPP) to establish tangible Department-wide targets and goals to help integrate DHS components' efforts and ensure that the Department fulfills its homeland security mission. The SRPP is designed to coordinate with the Department's resource allocation and investment processes and ensure that both of these processes address the most critical homeland security needs and capability gaps. The SRPP is designed to utilize risk assessments to prioritize analysis of capability gaps, and risk would also be used to inform the prioritization of investment in capability gaps and needs identified through the SRPP.

*OIG Auditors.*—An increase of \$5.1 million is requested to hire an additional 60 staff. The increase of staffing will better position the Office of Inspector General to assist in supporting the Department's integrated planning guidance (IPG) of strengthening border security and interior enforcement. In addition, the increase will expand oversight of activities relating to DHS issues on immigration and border security, transportation security, critical infrastructure protection, Federal and State/local intelligence sharing, Secure Border Initiative (SBI), and acquisition strategies. The OIG's oversight activities add value to DHS programs and operations by providing an objective third party assessment to ensure integrity and transparency.

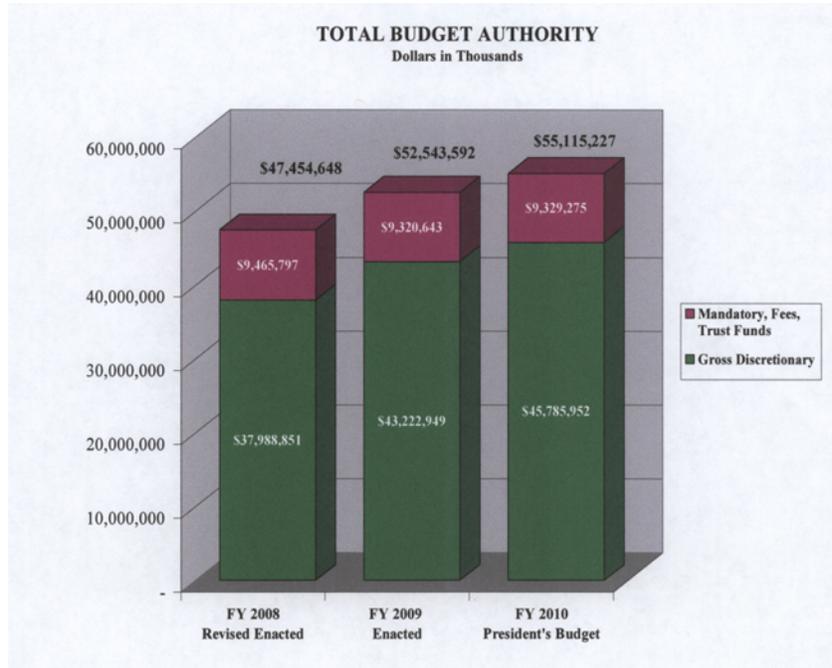
*Data Center Development/Migration.*—A \$200.0 million increase is requested to support further migration of component systems, applications and disaster recovery to the DHS Enterprise Data Centers for central DHS management. Select DHS component budgets include funds to migrate their component specific applications to the DHS Data Center. The Data Center consolidation efforts will standardize IT resource acquisitions across DHS components, as well as streamline maintenance and support contracts, allowing for less complex vendor support and expediting response times in the event of an emergency. Benefits derived from consolidation include enhanced IT security, improved information sharing with stakeholders, and enhanced operational efficiencies over time.

*Information Security and Infrastructure.*—\$23.0 million is requested to support: Network Security Enhancements, Internet Gateway Enhancements, and Single Sign-On Capability.

*Network Security Enhancements.*—This funding is requested to mitigate high-risk areas within the DHS firewall. This request will establish critical Policy Enforcement Points across the DHS Network, improve DHS Security Operation Center capabilities (i.e., remediation, forensics), and establish robust classified facilities with highly skilled analysts. Network Security Enhancements will identify all internet connections for remediation by migrating separate, legacy component connections behind the DHS Trusted Internet Connections (TICs).

*Internet Gateway Enhancements.*—This request will implement a High Assurance Guard to support mission requirements for accessing social networking sites and establishing the DHS Email Disaster Recovery capability where 100 percent of all e-mail traffic will be behind the two DHS TICs.

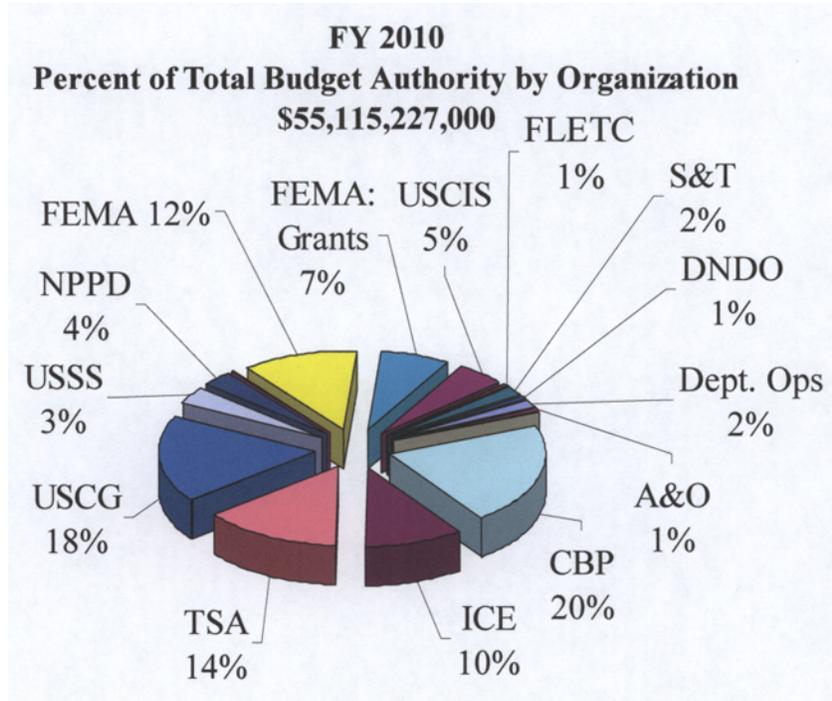
*Single Sign-On (SSO) Capability.*—Increased fiscal year 2010 funding will be utilized to initiate the application integration and establishment of the core infrastructures for AppAuth, eAuth, the SSO Gateway, and Service Oriented Architecture required under the SSO project. Through the close alignment with HSPD-12, DHS employees and Federal, State, local and private-sector partners will be able to log in to their systems with only a single set of credentials in order to access multiple applications.



Fiscal year 2010 Gross Discretionary funding increases by \$2.6 billion, or 6 percent, over fiscal year 2009.

There is an increase of \$8.6 million, or .1 percent, in estimated budget authority for Mandatory, Fees, and Trust Funds over fiscal year 2009.

Does not include supplementals or rescissions of prior-year carryover funds.



The following offices are less than 1 percent of the total budget authority and are not labeled in the chart above: Office of the Inspector General, Office of Health Affairs.

Departmental Operations is comprised of the Office of the Secretary & Executive Management, the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Office of the Undersecretary for Management, the Office of the Chief Financial Officer, and the Office of the Chief Information Officer.

**TOTAL BUDGET AUTHORITY BY ORGANIZATION**  
[Gross Discretionary & Mandatory, Fees, Trust Funds]

	Fiscal year				
	2008 Revised Enacted <sup>1</sup>	2009 Enacted <sup>2</sup>	2010 President's Budget <sup>3</sup>	2010 +/- fiscal year 2009 enacted	2010 +/- fiscal year 2009 Enacted (percent)
Departmental Operations <sup>4</sup> .....	\$573,983	\$644,553	\$904,673	\$260,120	40
Analysis and Operations .....	304,500	327,373	357,345	29,972	9
Office of the Inspector General .....	108,711	98,513	127,874	29,361	30
U.S. Customs & Border Protection .....	9,285,001	11,274,783	11,436,917	162,134	1
U.S. Immigration & Customs Enforcement .....	5,054,317	5,928,210	5,762,800	(165,410)	.....
Transportation Security Administration .....	6,809,359	6,990,778	7,793,576	802,798	11
U.S. Coast Guard .....	8,631,053	9,623,779	9,955,663	331,884	3
U.S. Secret Service .....	1,629,496	1,637,954	1,709,584	71,630	4
National Protection and Programs Directorate .....	896,476	1,158,263	1,958,937	800,674	69
Office of Health Affairs .....	118,375	157,191	138,000	(19,191)	-12
Federal Emergency Management Agency .....	5,515,178	5,985,805	6,612,287	626,482	10

## TOTAL BUDGET AUTHORITY BY ORGANIZATION—Continued

[Gross Discretionary &amp; Mandatory, Fees, Trust Funds]

	Fiscal year				
	2008 Revised Enacted <sup>1</sup>	2009 Enacted <sup>2</sup>	2010 President's Budget <sup>3</sup>	2010 +/- fiscal year 2009 enacted	2010 +/- fiscal year 2009 Enacted (percent)
FEMA: Grant Programs .....	4,117,800	4,245,700	3,867,000	(378,700)	-99
U.S. Citizenship & Immigration Services .....	2,822,012	2,690,926	2,867,232	176,306	7
Federal Law Enforcement Training Center .....	273,302	332,986	288,812	(44,174)	-13
S&T Directorate .....	830,335	932,587	968,391	35,804	4
Domestic Nuclear Detection Office .....	484,750	514,191	366,136	(148,055)	-29
TOTAL .....	47,454,648	52,543,592	55,115,227	2,571,635	4.89
Less Rescission of Prior Year Carryover Funds: <sup>5</sup> .....	(124,985)	(61,373)	.....	-61,373	-100
ADJUSTED TOTAL BUDGET AUTHORITY ...	47,329,664	52,482,219	55,115,227	2,633,008	5
SUPPLEMENTAL <sup>6</sup> .....	15,129,607	2,967,000	.....	(2,967,000)	.....

<sup>1</sup>Fiscal year 2008 revised enacted reflects net reprogramming/transfer adjustments for CBP (\$2.6 million); TSA (-\$10.5 million); USSS (\$34.0 million); NPPD (-\$5.6 million); OHA (\$1.9 million); FEMA (-\$23.0 million); US CIS (\$282.167 million); FLETC (\$5.636 million) FEMA—DRF to OIG(\$16 million). Reflects technical adjustments to revise fee estimates for TSA Aviation Security—General Aviation Fee (\$.050 million); TSA Aviation Security—Passenger & Aviation Security Infrastructure Fee (\$96.025 million); TSA Transportation Threat Assessment and Credentialing—Registered Traveler (-\$31.601 million); TSA Transportation Threat Assessment and Credentialing—Transportation Worker Identification Credentials (\$37.9 million); TSA Transportation Threat Assessment and Credentialing—HAZMAT (-\$1.0 million); TSA Transportation Threat Assessment and Credentialing—Alien Flight School (\$1.0 million); and FEMA—Radiological Emergency Preparedness (-\$492 million). Pursuant to Public Law 110-161 reflects a scorekeeping adjustment for rescissions of prior year unobligated balances from USCG—AC&I (-\$137.264 million) and a rescission of current-year appropriations for USM (-\$5.0 million).

<sup>2</sup>Fiscal year 2009 enacted reflects technical adjustments to revise fee estimates for TSA—Transportation Threat and Credentialing—Registered Traveler (-\$10.0 million), TSA—Transportation Threat and Credentialing—Transportation Worker Identification Credentials (\$22.7 million); TSA—Transportation Threat and Credentialing—HAZMAT (-\$3.0 million); TSA—Transportation Threat and Credentialing—Alien Flight School (\$1.0 million). Reflects USCG realignment of Operating Expenses funding and Pursuant to Public Law 110-53 reflects TSA realignment of funds for 911 Commission Act implementation (\$3.675 million—Aviation Security, 13.825 million—Surface, \$2.5 million—Support). Reflects a scorekeeping adjustment for a rescission of prior year unobligated balances from USCG—AC&I (-\$20.0 million).

<sup>3</sup>Fiscal year 2010 President's Budget reflects the proposed transfer of Federal Protective Service from ICE to NPPD (\$640.0 million).

<sup>4</sup>Departmental Operations is comprised of the Office of the Secretary & Executive Management, the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Office of the Undersecretary for Management, the Office of the Chief Financial Officer, and the Office of the Chief Information Officer.

<sup>5</sup>Pursuant to Public Law 110-161, reflects rescission of prior year unobligated balances: fiscal year 2008—Counter-Terrorism Fund (-\$8.480 million); TSA (-\$4.5 million); Analysis and Operations (-\$8.7 million); FEMA—Disaster Relief Fund (-\$20.0 million); USCG—Operating Expenses (-\$9.584 million); CBP (-\$2.003 million); US CIS (-\$6.72 million); FEMA (-\$2.919 million); ICE (-\$5.137 million); FLETC (-\$334 million); OSEM (-\$4.211 million); USM (-\$444 million); CFO (-\$380 million); CIO (-\$493 million); DND0 (-\$368 million); OHA (-\$0.045 million); OIG (-\$0.032 million); NPPD (-\$1.995 million); S&T (-\$217 million).

Pursuant to Public Law 110-161, reflects fiscal year 2008 rescissions of start-up balances: CBP (-\$25.621 million); FEMA (-\$14.257 million); Departmental Operations (\$12.084 million); Working Capital Fund (-\$2.509 million).

Pursuant to Public Law 110-329, reflects fiscal year 2009 rescissions of prior year unobligated balances: Analysis and Operations (-\$21.373 million); TSA (-\$31.0 million); FEMA—Cerro Grande (-\$9.0 million).

<sup>6</sup>In order to obtain comparable figures, Total Budget Authority excludes:

- Fiscal year 2008 supplemental funding pursuant to Public Law 110-161: CBP (\$1.531 billion); ICE (\$526.9 million); USCG (\$166.1 million);
- NPPD (\$275.0 million); FEMA (\$3.030 billion); US CIS (\$80.0 million); FLETC (\$21.0 million).
- Fiscal year 2008 supplemental funding pursuant to Public Law 110-252: USCG (\$222.607 million); FEMA (\$897.0 million).
- Fiscal year 2008 supplemental funding pursuant to Public Law 110-329: OIG (\$8.0 million); USCG (\$300.0 million); FEMA (\$8.072 billion).
- Fiscal year 2009 supplemental funding pursuant to Public Law 110-252: USCG (\$112 million).
- Fiscal year 2009 supplemental funding pursuant to Public Law 111-5: USM (\$200 million); CBP (\$680 million); ICE (\$20 million); TSA (\$1.0 billion); USCG (\$240 million); FEMA (\$610 million); OIG (\$5 million).
- Fiscal year 2009 supplemental funding pursuant to Public Law 111-8: USSS (\$100 million).

## EFFICIENCY REVIEW

As the Department highlights its spending priorities in this Budget, it is simultaneously conducting a bold and far-reaching Efficiency Review initiative to ensure that taxpayer dollars are spent in the most effective way possible. Efficiency Review encompasses both simple, common-sense reforms and longer-term, systemic changes that will, over time, make DHS a leaner, smarter department better equipped to protect the Nation.

I launched the Efficiency Review on March 27, 2009 announcing sixteen Department-wide initiatives beginning within 120 days, including:

30 Days:

- Eliminate non-mission critical travel and maximize use of conference calls and web-based training and meetings
- Consolidate subscriptions to professional publications and newspapers

- Minimize printing and distribution of reports and documents that can be sent electronically or posted online
- Maximize use of Government office space for meetings and conferences in place of renting facilities

## 60 Days:

- Implement an electronic tracking tool for fleet usage data to identify opportunities for alternative fuel usage; heighten vigilance for fraud, waste or abuse; and optimize fleet management
- Conduct an assessment of the number of full-time, part-time employees and contractors to better manage our workforce
- Utilize refurbished IT equipment (computers and mobile devices) and redeploy the current inventory throughout DHS
- Leverage buying power to acquire software licenses for Department-wide usage (estimated savings of \$283 million over the next 6 years)

## 90 Days:

- Develop cross-component training opportunities for employees
- Develop a process for obtaining preliminary applicant security background data for candidates referred for final consideration (savings of up to \$5,500 per avoided full background check)
- As replacements are needed, convert new printers, faxes, and copiers into all-in-one machines (estimated savings of \$10 million over 5 years)
- Streamline decision-making processes in headquarters offices to eliminate redundancies

## 120 Days:

- Establish a plan to ensure the DHS workforce has employees sufficient in number and skill to deliver our core mission
- As replacements are needed for non-law enforcement vehicles, initiate acquisition and leasing of hybrid vehicles, or alternative-fuel vehicles in cases where hybrids are not feasible (estimated mileage improvement of above 30 percent)
- Maximize energy efficiencies in facility management projects (estimated savings of \$3 million a year)
- Standardize content for new-employee orientation and mandatory annual training modules department-wide.

I have issued formal guidance to all DHS employees regarding the 30-Day initiatives, and planning for the remaining initiatives is underway. Beyond the first 120 days, Efficiency Review will become a central element of budget development and the long term strategic vision of the Department.

*Progress*

The initiatives strengthened by this Budget would build atop what the Department has already accomplished since the start of the new administration.

To secure the border, DHS has launched a major new initiative to combat drug, cash and weapons smuggling that support drug cartels in Mexico in their efforts against law enforcement. The initiative includes hundreds of new personnel at the border and increased technological capabilities. These efforts have resulted in significant seizures of smuggled items headed into Mexico.

The Department has distributed \$970 million to bolster transit and port security. The Recovery Act signed by President Obama contains \$1 billion for the development of new explosives-detection technologies to increase safety at transit hubs and public places. To guard against terrorism, I signed a new agreement with Germany to cooperate in developing new counter-terrorism technologies.

In terms of increasing preparedness for, response to, and recovery from natural disasters, DHS has led the national effort in response to and preparedness for the 2009 H1N1 flu outbreak. Furthermore, the Department has responded quickly and effectively to severe ice storms in Kentucky, Arkansas, and Missouri, as well as to record flooding on the Red River in North Dakota and Minnesota. The Department has also taken critical steps to speed recovery in the Gulf Coast communities still struggling due to Hurricanes Katrina and Rita, including the extension of critical programs.

The Department has also taken important steps toward building a single identity and culture. The Recovery Act contained \$650 million for a new, consolidated headquarters for DHS, which is now scattered in buildings throughout the Washington, DC area. In March, I announced a moratorium on new branding for DHS components, which will now all use the established DHS seal.

Thank you for inviting me to appear before you today. I look forward to answering your questions and to working with you on the fiscal year 2010 Budget Request and other issues.

## REDUCTIONS FOR STIMULUS BILL FUNDED ACTIVITIES

Senator BYRD. Without objection, that will be done, and I thank you, Madam Secretary.

Now, when President Obama worked with the Congress to enact the American Recovery and Reinvestment Act, he, President Obama, stressed the need to provide funding for programs that would create jobs and make long-term investments in the growth of the economy. He did not talk about using the stimulus bill simply to pre-fund fiscal year 2010 activities.

Therefore, I was distressed to see that the President has proposed to cut, C-U-T, cut funding for over \$750 million of programs in fiscal year 2010 that we funded in the stimulus bill.

We included funding in the stimulus bill for fire station construction, port and transit security, the Emergency Food and Shelter Program, for Coast Guard facilities, and for deploying checkpoint security equipment at our airports. We argued that these investments would create over 5,000 jobs while improving security.

I simply don't understand, no, I don't understand why the President, this President, your President, my President, our President, has proposed these reductions. I don't understand why.

I cannot fathom reducing funds for the Emergency Food and Shelter Program by \$100 million when the unemployment rate is above 8 percent. You get that? And it continues to go up. I cannot fathom reducing fire, port or transit grants by \$485 million when there is a continuing need to improve our security. I do not accept the notion that these cuts are justified by the availability of stimulus funds which, in most cases, were provided for different purposes.

I have a question for you now and I'm going to listen to your answer.

Will you work with me to identify ways to restore these funds?

Secretary NAPOLITANO. Mr. Chairman, of course we'll work with you and your staff on this budget as it moves through the process.

## SECURITY OF CHEMICAL FACILITIES

Senator BYRD. All right. On August 28, 2008, there was a chemical explosion at the Bayer Crop Science Chemical Plant in Institute, West Virginia, just outside Charleston. The explosion took the life of—the lives of—two workers and it sickened several first responders to the incident.

The explosion occurred in a unit where the chemical company makes MIC. MIC is an extremely toxic chemical and most notably associated with the catastrophic leak that occurred in 1984 at a similar pesticide plant in Bhopal, India, killing over 4,000 people.

The West Virginia chemical facility includes a tank that can hold up to 40,000 pounds of MIC. That storage tank is located 50 to 75 feet, 50 to 75 feet, from the location of the August explosion. That's about as far as it is from here to your table or just a little bit beyond.

Needless to say, the explosion caused a resurgence of anxiety about the chemical industry in the Kanawha Valley, the great Kanawha Valley.

After the explosion, the company failed to provide critical information to first responders about the nature of the explosion. In the months, during the months, since the explosion, we learned that no one Federal agency is responsible for the safety of chemical plants.

Among the agencies with responsibility are your National Programs and Protection Directorate, the Coast Guard, the EPA, the Occupational Safety and Health Administration, and the Chemical Safety Board.

Now, this leaves us, it leaves you and me with the classic Washington question, who's in charge here? Who is in charge here? Can you answer that question? Will you look into this matter and see if there's a better way for our Government to secure our chemical facilities and investigate accidents; Do you care to respond?

Secretary NAPOLITANO. Yes, Mr. Chairman. Yes, we will look into that particular accident and sympathies to the families and workers; and first responders involved.

Second, we are in the process and have been issuing the first set of rules governing chemical and chemical storage facilities. They're known as CFATs, and working with the private sector all over the country on rules that allow us to have greater knowledge about what is contained in these various plants around the country which have multiple uses, including forewarning of first responders as to what they are dealing with.

[The information follows:]

#### ACCIDENT AT BAYER CROP SCIENCE CHEMICAL PLANT

There are multiple agencies which Congress has given jurisdictional authority over the BCS facility in Institute, West Virginia. Included among the Federal Agencies with regulatory oversight are the Coast Guard, Environmental Protection Agency (EPA), and Occupational Safety and Health Administration. Other Federal agencies have specific fact jurisdiction such as the Chemical Safety and Hazards Investigation Board which continues to conduct the investigation into the August 28, 2008, explosion at the facility.

Which agency serves as the lead Federal agency on a specific issue is dependent upon the issue and the facts. This is actually an appropriate situation, as it ensures that the organization with the necessary technical expertise has the leadership role. For instance, in incidents involving the maritime transfer portion of an inland facility, the Coast Guard is the logical Incident Commander just as it is the logical regulatory agency. For incidents involving the internal, non-maritime portion of an inland facility, the EPA is the appropriate Incident Commander, just as they are the logical regulatory agency.

It is especially worth noting that in the case of these two agencies there exists a close working relationship and most incidents are actually responded to under a Unified Command Structure, in keeping with the National Response Framework and National Incident Management System precepts. Through a Unified Command, while one organization does provide a leading role, the expertise of both are leveraged.

Senator BYRD. Thank you, Madam Secretary.  
Senator Voinovich.

#### DISASTER RELIEF FUND

Senator VOINOVICH. Thank you, Mr. Chairman.

As you know, the administration has worked hard to break the cycle of requesting emergency funding for the wars in Iraq and Afghanistan. Yet no one has suggested fixing the way we budget for our natural disasters.

Using a 5-year average and excluding any large-scale disasters has condemned us to a guaranteed cycle of using emergency

supplementals to fund disasters. Last year alone, we provided almost \$12 billion in supplemental appropriations.

The budget request in front of us includes \$2 billion for the Disaster Relief Fund. According to FEMA, just to pay for the declared disasters we have on the books today, the Disaster Relief Fund needs \$5.8 billion in fiscal year 2010, not \$2 billion. That's a gap of \$3.8 billion in your request already and hurricane season is just around the corner.

And the question I've got is when are we really going to be forthright about putting money aside for disasters because you don't have enough money in this budget to take care of the commitments that have already been made, and we know probably after August some time we'll probably have other requests coming in, so that means another emergency supplemental.

I'd be interested in how you're going to deal with this.

Secretary NAPOLITANO. Thank you, Senator. You're right. This budget request follows a process by which the request for the DRF is \$2 billion, which is based on a 5-year rolling average.

The practice has been to come in later and get separate appropriations that are almost disaster-specific on the theory that it is difficult to predict at the beginning in the budget process what you're actually going to need by the end of the next fiscal year.

Senator VOINOVICH. Yeah. But in this particular case, you know that it's inadequate right now by \$3.8 billion because you're already committed.

Secretary NAPOLITANO. We're more than willing to work with you and the committee if there's a better way to fund disaster relief, but under the circumstances and given where we stand, we thought this was the best thing to put forward for the committee's consideration.

#### NEED FOR NATIONAL GUARD TO SECURE SOUTHWEST BORDER

Senator VOINOVICH. Okay. The House marked up its version of the fiscal year 2009 war and pandemic influenza supplemental appropriations bill and they put in \$250 million for the National Guard.

The question I have is this. Is the National Guard essential? This \$250 million supposedly goes to the Department of Defense and they're going to hire people to go and, I guess, work on the borders and we allowed that to happen. I'm sure your State was involved.

The question then was do we need the National Guard until we could get the additional border agents onboard. So we have now close to 20,000 border agents, and the question is do we need the National Guard to supplement our Border Patrol in order to secure the border, and if we do, how long are we going to need them, and would it be more prudent for us to hire more border patrol agents than to put the money into the National Guard who, you know, have other responsibilities in their respective States?

Secretary NAPOLITANO. Yes, Senator. Yes, your memory is correct. I did call for the National Guard at the border. I was the first Governor to do so and that led to the creation of something called Operation Jump Start which involved 6,000 Guard to help with facilities construction, back office work.

It was designed to really free up Border Patrol officers between the ports of entry, so that they could increase their interdiction work for illegal immigration. That project lasted 2 years and it was very helpful and very effective.

The marker in the supplemental, the \$250 million, is to give us flexibility to look at whether there's another role for the Guard at the border in light of the increased drug-related violence in the northern states of Mexico. So that as we look at that operation, what options are available to us.

Without making a final decision, there at least is a designated sum that would be available for that.

Senator VOINOVICH. So at this stage of the game, you're not confident that with the additional Border Patrol agents, you're going to be able to tackle the problem that we've got right now?

Secretary NAPOLITANO. I think—I think I would put it another way, which is to say that we want to be sure that the Border Patrol agents can keep focused on their work between the ports of entry and that we may need some back-up capacity to deal with this particular situation in Mexico.

Senator VOINOVICH. So you may not use the—the Defense Department may not use the \$250 million if you don't think it's necessary?

Secretary NAPOLITANO. We will—it's a marker. It's to hold money so that we have the option to use it, yes.

Senator VOINOVICH. Well, I'd like to have you keep us informed about what's going on with that, with that money.

Secretary NAPOLITANO. Pleased to do so. Yes, sir.

#### FUNDING FOR BIOMETRIC AIR EXIT

Senator VOINOVICH. We talked about this—I was very much involved in the visa waiver legislation and now it's kind of in limbo because of the fact that we're supposed to develop a biometric air exit, and I noticed that there is no money in your budget to implement that program.

We have two pilot tests that are going to start, one with CBP and one with the TSA. I talked to some CBP people. They said TSA should do it. We're not interested in it. That's local opinion.

But, what I'm concerned about is that until this is in place, this program of visa waiver as I say is going to be in limbo, and I'd just like to find out from you when do you think that you're going to be in a position to go forward with this and if you are, if you don't have any money in your budget, how are you going to take care of buying the equipment that you're going to need, whether TSA uses it or CBP?

Secretary NAPOLITANO. Yes, Senator. There are two pilots. I believe they are scheduled to terminate in July so that we can study what happened.

In my view, having been at the Department now a hundred and some odd days and looking at all of the infrastructure we have in place now to keep track of people entering the country, one of our large gaps is we have not determined nor paid for what it costs when they leave the country and therefore we haven't really completed the loop, the system that we need to have, and I believe it deserves a kind of more general look than a particular budget item.

So we are—and I've asked the staff at the Department to really think about an exit measurement strategy that would be affordable and employable. These two pilots, I think, may get us there, at least for air exit.

Senator BYRD. Senator Voinovich, your time is up, but I'll give you an opportunity to ask another question, if you wish.

Senator VOINOVICH. Well, it's just a follow-up. Please keep me informed on this because this is not only for security but it's also a big public diplomacy issue and I've talked to the Secretary of State about it. A lot of countries want to get in and now it's on hold.

Secretary NAPOLITANO. Yes, sir. Absolutely.

Senator BYRD. I stated earlier that we would proceed on the basis of seniority.

Senator Murray.

Senator MURRAY. Mr. Chairman, I greatly appreciate that consideration. Senator Lautenberg has been since 2 o'clock and I would defer to him with your acquiescence since he's been here so long.

Senator BYRD. Senator. Thank you, Madam. Senator Lautenberg.

#### CUTS TO PORT AND RAIL SECURITY GRANTS

Senator LAUTENBERG. First, I want to thank Senator Murray for being so gracious. All of us have time pressures, but I will not refuse to take the courtesy that she's offered.

And Madam Secretary, we're pleased to see you. We think that you were kind of the ideal person to take this job. You may not agree with that after you've been on the job a bit more, but we're comforted by your experience and your determination. We urge you to continue.

My State, the State of New Jersey, has a high degree of vulnerability. We have a 2-mile distance between the airport, Newark Airport, and our very busy Port of New York-New Jersey, and the FBI has declared that that's the most dangerous 2-mile target in the country for a terrorist attack.

So when we look at a couple of the cuts that have been taken, very frankly, we look at them with a degree of deep concern. The administration requests \$250 million each—port security grants and rail security grants—and that represents a 38 percent cut from last year's funding.

The port security grants were provided in the Economic Recovery Act and they were intended to supplement funds provided through the regular budgetary process, and I, frankly, am at a bit of a loss to understand why it's happening, and I will not ask you to contradict what's being done, but I would bring the fact that we have this vulnerability and in our area, 9/11 took place. 700 people from the State of New Jersey perished that day and we find ourselves, even with the responsibility of 9/11 for the creation of the Department of Homeland Security, find ourselves somewhat bewildered by this choice for cuts. So I'd throw that out to you as something to think about and we can talk about some more. I will call on you to review it.

## PIRACY

In recent months, there have been a number of pirate attacks on U.S. flag ships off the coast of Somalia. The Transportation Security Administration requires Federal Marshals, Air Marshals, to fly on high-risk international and domestic flights, but just yesterday, the Coast Guard announced a directive that essentially States that U.S. flagged vessels should consider the use of armed private security guards, again placing the onus on the security industry.

You know, when I look at an American flag and it flies from a ship, I see that as a piece of sovereign territory. It's the kind of ship that brought me home from my service in the military and I don't understand why such a distinguished heroic figure like General Petraeus says that the private sector ought to invest more in its own security.

If we can't count on the Navy to jump in here at times, or other branches of the military to protect our fleets of marine cargo, then I think we're suffering from a delusion and I would hope that you would kind of agree with us that the—we might take on the responsibility of protecting these vessels when the cargo they're carrying in this area, oddly enough, is humanitarian cargo and military cargo.

Those are the two—it's almost 100 percent of the cargo that's carried there and I don't know how we can turn our back on that.

I would ask whether there's anything that your Department would like to add to the understanding of what's taken place. Again, I'm not going to press you now on this.

## TRANSFER OF SENSITIVE TECHNOLOGY TO HOSTILE NATIONS

Your Department's Immigration and Customs Enforcement Agency, responsible for helping to prevent the transfer of sensitive technology from the United States to hostile nations.

Now, given Iran's nuclear ambitions, what is ICE doing to help stop Iran from having those materials available to it? That's the question.

Secretary NAPOLITANO. That's the question?

Senator LAUTENBERG. Yes, indeed. I saved the easiest one.

Secretary NAPOLITANO. Well, thank you, because I'd be happy to respond on the port security grants and others, but we'll get—we'll work with you and get you that information that you need as the budget moves toward a markup, Senator.

But we are—we have several initiatives with respect to the illegal export of contraband, it would be contraband, to countries that can't get it and particularly to Iran and I'd be happy to inform you or give you the staffing on how we are doing those initiatives, but we've had some success there, I must say.

[The information follows:]

## CUTS TO PORT SECURITY AND RAIL SECURITY GRANTS

We do appreciate the criticality of the Nation's port and transit systems, to include a number of systems within New Jersey. However, we believe the monies provided by the American Recovery and Reinvestment Act of 2009 (ARRA) will be well utilized by our transportation and port partners as they continue to secure our Nation's transit systems and ports and build additional capabilities. As the fiscal year 2010 budget was developed, we did consider the ARRA funds and where ARRA

funds were available, and we made reductions on the basis of competing DHS priorities.

#### UASI GRANT PROGRAM REDUCTIONS

Senator LAUTENBERG. We'll talk to you about that. In pre-confirmation hearing questions, you said, I quote you, "I strongly support the idea that homeland security grants must be allocated in a manner and form by risk."

I remind everybody that the 9/11 Commission in its report on what took place on 9/11 was very specific. Yet the President's request for the Urban Area Security Initiatives, called UASI, falls \$163 million below the authorized level for 2010.

UASI is a grant program totally based on risk and consistent with the 9/11 Commission's recommendation. Why are we seeing this kind of a reduction?

Secretary NAPOLITANO. First of all, a couple of things, Senator. One is with respect to many of these grant programs, not specifically UASI, but there was money in the stimulus bill for that.

Chairman Byrd disagrees that that should be able to be counted against the 2010 number, but there was some reasoning there.

Second, you are right. We have adopted within our granting process something we call cost of capability, our phrase for really evaluating risk, and if you look at the overall grant proposals and add them all together, UASI plus all of the other grants, you'll see that the Department has actually given you a real grant funding number that we think can beneficially be used by the recipients this year.

Senator LAUTENBERG. Well, will it reach last year's—the current budget's—level?

Secretary NAPOLITANO. It depends on the grantees. I'll share with you, Senator, one issue—

Senator LAUTENBERG. I'm comforted by that.

Secretary NAPOLITANO. And one issue we're going to need to confront, Senator, is some of the communities are talking to us about matches. Most of our grants require some form of local or State matching funds and with their budgets stretched the way they are, they're looking for waivers of the match. That may be something that we need to bring up with the committee at some point.

Senator LAUTENBERG. Thank you. Thank you.

Senator BYRD. Senator Cochran.

#### HOUSING CASE MANAGEMENT

Senator COCHRAN. Mr. Chairman, I'm pleased to join you in welcoming the Secretary to this subcommittee hearing to review the budget request of the Department of Homeland Security.

Madam Secretary, I was very pleased that one of your first initiatives was to visit the gulf coast areas that were so severely damaged by Hurricanes Katrina and Rita. I know that Governor Haley Barbour appreciates your attention to the problems that remain in Mississippi and Louisiana, in particular, which continue to suffer from the serious need to rebuild and recover from this terrible disaster.

We look forward to working with you and the Department to help ensure that the continuing needs in the gulf coast region are met.

I have a few questions, some of which I will submit for the record, but I would like to specifically express my appreciation to FEMA and the Department for the assistance it provided through the Disaster Case Management Pilot Program for Temporary Housing.

This program has helped non-profit organizations in our State reduce the number of families remaining in temporary FEMA housing due to Hurricane Katrina from nearly 8,000 in August of 2008 to just 2,000 today.

But in the case of these Hurricane Katrina victims, housing case management continues to be required to assist some families in returning to permanent housing. I hope you will work with our Governor and help explore the possibility of further Federal assistance for this purpose.

Secretary NAPOLITANO. Senator, yes, we are working with both States on this. This is the last remaining portion of FEMA housing associated with Katrina.

FEMA has actually placed well over 100,000 families now and between the two States, there are about 5,000—maybe a few more—left. Each of the families has had opportunities or options presented to them for a substitute for the FEMA housing. We have offered, as well, to Louisiana.

I don't know about Mississippi. I'll follow up, but I know we offered Louisiana case workers, whether they needed money for more case workers because the case management is supposed to derive from the State offices, not from the Federal offices. Louisiana turned down that offer.

So we proceed, but, unfortunately, while my sympathies go to these remaining, last remaining, occupants of the FEMA housing, it is several years past the actual deadline that was supposed to be closing and it's time now to begin closing this chapter.

[The information follows:]

In July 2008, FEMA approved the State Mississippi Disaster Case Management Pilot Program proposal and granted funding. The Mississippi Case Management Consortium is administering this program on behalf of the State of Mississippi. The original end date was March 1, 2009, but FEMA granted a 3 month extension until June 1, 2009. FEMA recently approved Mississippi's request to extend their Disaster Case Management Pilot Program until August 1, 2009.

#### ASSISTANCE TO FIREFIGHTER GRANTS

Senator COCHRAN. On another subject, I want to bring to your attention or invite your attention to the strict training and certification requirements that are placed on fire departments who wish to apply for assistance to firefighters grants.

It leaves small volunteer fire departments with little ability to compete for these funds. These are primarily rural departments providing service which are in areas where there's far more land area. They're often in more need of resources than their urban counterparts.

In our State, professional fire departments are even advocating for resources to help the volunteer departments in outlying areas

because cooperation with these departments is often critical to their successful missions.

If you believe that the current distribution of assistance to firefighter grants is inequitable or should include volunteer fire departments, I hope you will explore something akin to a set-aside that would allow the use of these funds and grants to send those firefighters to training sessions with the more urban and better-organized professional fire departments.

Secretary NAPOLITANO. Well, thank you, Senator. That's the first time I've heard that suggestion made and it's an interesting one and we will pursue it.

Senator COCHRAN. Thank you very much.

Senator BYRD. Senator Murray.

Senator MURRAY. Thank you, Mr. Chairman.

Let the record show I offered Senator Tester to go ahead of me. He declined. I think he has something back in his office he doesn't want to do, but he graciously said no.

Senator TESTER. Just wanted to hear your question, Senator.

Senator MURRAY. Yeah.

Madam Secretary, thank you so much for being here today.

First of all, before I ask my questions, I do want to say to you that you have some great people working in your agency, from Coast Guard to FEMA folks. We've had a lot of weather-related disasters in my State and these people have saved lives and been there time and again. So I just want to remind all of us that some really amazing people work for you and they make huge differences in our States and I appreciate it.

Secretary NAPOLITANO. Thank you.

#### PACIFIC NORTHWEST NATIONAL LAB

Senator MURRAY. I did want to start by thanking you for finally budgeting some adequate levels of funding for the Pacific Northwest National Lab which is in my State. The Department has a large portfolio of research and touches on almost every aspect of your Department's priorities, from cargo import security to border security projects. And, unfortunately, PNNL has had to build some new facilities or modify some of their current ones at the 300 area at the Hanford Nuclear Reservation to accommodate about 600 staff who are going to be forced out of the current offices that they're in in order to accommodate the clean-up that is ongoing at Hanford.

Any disturbance of those facilities or disruption of the construction schedule will have a significant impact on those agencies that are under your jurisdiction.

So because of that, DHS, Science and Technology, signed a memorandum of understanding with DOE to budget funding for PNNL and every year we have had to fight DHS and this year we did not. Thank you very much for including that in your budget.

Our Chairman has been most generous to provide it within our appropriations process here, but I appreciate that and I hope I have your commitment to continue to budget that \$12 million for the PNNL (Lab) in the budget you sent us.

Secretary NAPOLITANO. Yes.

## 2010 OLYMPICS

Senator MURRAY. Thank you very much. The second topic I wanted to bring up was the 2010 Olympics and the Northern border.

The Winter Olympic Games are going to be held in Vancouver, British Columbia. It's less than a year away. We've got 7,000 athletes from 80 countries who are going to be participating. A quarter million people will be attending those games. We have about 10,000 reporters and members of the media who are going to be there to report and televise that, up to about 3 billion people.

These games are obviously in Canada, but I think most people don't realize how significant that is to my State of Washington. The distance from downtown Vancouver, which is central to the games, is about—to our border—is about the same distance as Salt Lake City to Park City during the 2002 Olympics. So we've been very involved in the key transportation planning and the security planning relating to that.

And I also need to mention that Whatcom County where the border crossing is the third busiest crossing with Canada, which is our largest trading partner. We've had the Department and representatives from DHS, Customs and Border Protection, Immigration, Customs Service, everybody, Secret Service, FEMA, been working with our State for a long time on preparing for this and last year our chairman was very supportive in funding the 2010 Olympics Coordination Center in Bellingham, Washington, which is right on the border and I am happy to see that—to tell you today that project is going well and we are working very hard to make sure we've got the security in place for a very significant event in less than a year away.

I just wanted to remind us of all of that and your Department, your agencies, that will be involved, and I extend to you a visit, extend to you a warm invitation to come and visit the Northern border, specifically, as we prepare for the 2010 Olympics to see the challenges that we have for that.

Secretary NAPOLITANO. Well, thank you, Senator, and that would be a lovely invitation to accept, particularly for August in Washington, DC, I suspect.

Senator MURRAY. Perfect time.

Secretary NAPOLITANO. But we are, and do have personnel that are, working on both sides of the border in preparation for the games. So we definitely have it on our radar screen.

Senator MURRAY. Okay. And we talked with Secretary Chertoff before about maintaining that coordination center following the Olympics. So I'd like to have a conversation with you in the future about the possibility of doing that, as well.

Secretary NAPOLITANO. Absolutely.

Senator MURRAY. Okay. Well, we will have much more to talk about as that gets closer, but I just wanted to make sure that we're still on your radar.

Secretary NAPOLITANO. Absolutely.

## COAST GUARD'S ICEBREAKER POLAR STAR

Senator MURRAY. The final question I wanted to bring up was I was disappointed to see that the President's budget didn't contain

the second half of the funding required to retrofit the Coast Guard Icebreaker Polar Star. Two of the Coast Guard's icebreakers, Polar Star and Polar Sea, have now exceeded their 30-year intended service lives and Polar Star's now not operational and it's been in caretaker status since 2006.

The third icebreaker, the Healey, is primarily a research vessel and doesn't offer the same capabilities as the Polar Sea and Polar Star.

We are watching as Russia and Canada and Norway and other countries have invested a lot of money right now in their ice-breaker capabilities. Not surprisingly, the changing global climate has increased the possibilities of a vessel like this with oil and gas exploration and a lot of research that's very important, and I'm very concerned that if the United States doesn't have the proper tools and doesn't have a presence, we are going to be behind a lot of people very quickly.

I know that the Coast Guard Commandant Allen has been very forceful about this need and—last year, in fact, Congress appropriated \$30.3 million of the about \$63 million, so about a half of it, to retrofit the Polar Star. So I was surprised to see that the Coast Guard didn't include any of the funds in its spending plan for the Recovery Act or in the budget to finish this project and wondered if you could respond.

Secretary NAPOLITANO. Yes, and we can get back to you with further detail on that, but the view is with the additional money that the Congress appropriated last year and the backed-up funds that that retrofit—it's in dry dock right now.

Senator MURRAY. Correct. And it's ongoing.

Secretary NAPOLITANO. While we examine more generally, Senator, what is needed for that capacity for the Coast Guard moving forward and rather than rush that decision process which is a long-term capital process for the Coast Guard, we are really looking at what is, in light of all of the myriad missions the Coast Guard is being asked to perform, what we should come to the Congress for in the 2011 budget.

Senator BYRD. Senator Brownback.

NBAF

Senator BROWNBACK. Thank you, Mr. Chairman.

Welcome, Secretary, glad to have you here. Got a big job and Godspeed to you on getting it done.

I want to talk with you about two areas, if I can do that in the time I've got on the NBAF facility that the DHS and USDA will be doing, constructing in Kansas and then also on flood map.

I was looking. We obviously want to get this facility moving forward. I know you want to get this facility moving forward. The zoonotic diseases keep coming. The H1N1 is a zoonotic disease. So we want to move this forward as fast as we can, yet we've got this kind of dance we've got to do on the movement on Plum Island and then the money to be able to move this on forward.

I was looking in your budget and I wanted to get this—make sure I'm clear on this and just to clarify on this—because it comes to my attention in the CBO baseline score, the sale of Plum Island in fiscal year 2015—2015—and if that's the case, it will be a large

problem to be able to get the offsetting collections by 2011 to start the funding on the construction of the facility.

So to clarify for this committee and for the CBO, do you intend to sell Plum Island in calendar year 2010 and use the proceeds from this sale as an offsetting collection for the funding of the construction of the NBAF in fiscal year 2011?

Secretary NAPOLITANO. Senator, again I'll get back to you on that. I don't know if we are dependent on the sale of Plum Island in 2010, but what we are trying to do is make sure that there is a funding stream for NBAF so that as the State of Kansas puts in its own resources that facility continues.

We are still awaiting—I think it's a GAO report about moving the facility with respect to one or two of the diseases on to the mainland as opposed to Plum Island. We expect that shortly. Everybody that looked at that issue has concluded that that shouldn't be a problem and that Kansas is a very good place to place the NBAF facility.

But some of those things have to happen, as well. So we're working on the funding stream and making sure we take care of any safety concerns that might arise.

[The information follows:]

Using the authority granted by Congress in the fiscal year 2009 DHS Appropriations Act (Public Law 110-329), the Department is working with the General Services Administration (GSA) to sell Plum Island. GSA expects to put the island on the market in fiscal year 2010 with a final sale and closing date in fiscal year 2011. The sale proceeds will be an offsetting collection to the appropriation for National Bio and Agro-defense Facility (NBAF) construction and all other associated costs including Plum Island environmental remediation. The Science and Technology (S&T) Directorate plans to request an appropriation in fiscal year 2011, the fiscal year in which S&T plans to sell Plum Island, as well as begin construction of the actual building that will house the NBAF.

Senator BROWNBACK. Okay. And if you could get back to myself, more importantly to CBO, because of the way that statute is written, so that we do have a funding stream to move forward in 2011 and maybe just to get at that, I noticed in the budget tables for future year expenditures for NBAF construction, you lumped the 2011 to 2014 into the same column and I know this is a lot of detail, but I do want to get it out because it's a very particular issue on NBAF.

Just to clarify, do you intend to budget the entire \$584 million for the 2011 fiscal year budget for NBAF, do you know? Are you familiar with that particular line?

Secretary NAPOLITANO. I'm very familiar with NBAF because of our conversations and some meetings I had in Kansas earlier this year. It depends, sir, on a number of things whether we actually plug that full number in 2011 or not.

So what I would like to do is keep you and your office informed as we move along as we're keeping the State of Kansas informed, as well.

Senator BROWNBACK. Okay. Just obviously I think it is something that matters, has some urgency to it, needs to move forward as quickly as we can. The State is prepared to move forward, is moving forward as rapidly as it can, and so to the degree that the agency can move forward and make decisions on this, it'd be, I think, to the security of the country a very high-priority item, but

also I think it can move forward on a good basis, on a rapid basis, so we can get the facility up and going.

Secretary NAPOLITANO. Senator, I couldn't agree more. We actually have a team of people working with the State of Kansas and all the players on this particular project. So we've made it a high priority within our department, as well.

#### FLOOD MAPPING

Senator BROWNBACK. Good. Thank you very much.

I also want to note to you, and this is a flood map issue, that actually I would think being from Arizona you would recognize this and the reason I raise it is it's coming up in my State but I gotta think it's coming up in a lot of places.

Garden City, Kansas, has just been told that there's a region in their city where 800 to 1,000 are now in the flood plain that haven't been in the flood plain previously. It's in the western part of the State, fairly dry, too often very dry, and they built two drainage ditches in the city to connect with a dry river that doesn't have water in it, and for four different iterations of flood insurance maps they've not said this is in a flood plain and now they're saying that it is.

And the odd thing is if they hadn't been responsible and built the manmade drainage ditches, it wouldn't be in a flood plain. So I've said to them, "Well, I guess we should fill in the drainage ditches. Is that the idea?" Well, no, you'll probably get more flooding. I said, "That's my whole point. If we hadn't been responsible, we wouldn't be in the floodplain and now you're making us do this," and I can't imagine there aren't really quite a few cities in the country that are getting caught in a fairly similar situation, that being the same sort of—you get a heavy rainfall—event. It's a fairly flat area. Okay. This is going to flood and you're looking at it, going it hasn't flooded in several hundred years and it's drier now than it's been.

I would ask you, if you could, or have your office to look at this because this is going to cause us quite a bit of additional expense for my city and I really think it's probably going to affect a fair number of cities from Kansas on west that get into a semi-arid region and then get caught in this zone of, well, it might be a flash flood that will happen, and then they have to buy the flood insurance where they haven't ever had to any time previously and for prior iterations of flood insurance maps.

We'll get you some more specifics on that. If you could look at it, it would be really appreciated.

Secretary NAPOLITANO. Senator, I'm familiar with that—I became familiar with that issue as the Governor of a State not known for rain and yes, we will keep you informed on that.

I just want to say, however, that those—the mapping process that is being used, our direction is use the best science available to make these determinations and that will guide us as we move forward, but then we have to temper that with what people are actually seeing, experiencing, and all of the rest.

So we will look forward to working with a number of members of the Congress and of the Senate on this issue. It's been raised by several.

Senator BROWNBACK. Thank you. Thank you, Mr. Chairman.

Senator BYRD. Thank you. Thank you.

Senator TESTER.

Thank you, Secretary Napolitano, for being here. Senator Byrd,

I want to tell you it's a real pleasure and honor for me to serve on this subcommittee with you.

Senator Voinovich, I serve with you on Homeland Security and that, too, is an honor and I look forward to serving with you on this committee, too.

Secretary Napolitano, I see that you have Sarah Cuban on staff. Is she doing a good job?

Secretary NAPOLITANO. Excellent job, Senator.

Senator TESTER. Well, good. Then we don't have to deal with that budget line item.

Madam Secretary, as—

#### SOLE SOURCE CONTRACTING

Senator TESTER. As we try to help to ensure that the American people are kept safe, we also need to protect their tax dollars. When we talk about IT initiatives with the things that we buy in the name of homeland security, it is easy to lose track of our needs to be smart about how we spend our tax dollars.

In our conversations, you have always acknowledged that balance. I appreciate that, and I appreciate your interest in trying to do right by the taxpayer in a very difficult job.

However, I do have a number of questions. Stemming from a recent conversation, these won't come as a surprise to you. They deal with small business.

I understand the need to move recovery dollars to the ground very quickly. However, I am concerned that the decision to use existing no-bid sole source contracting to begin planning and design for reconstruction of land ports of the entry from Canada to Montana in particular sent the wrong message signal to small businesses interested in this work.

As you know, I have talked about it is vital to the Recovery Act work, as well in rural America as it does on the coasts.

With that concern in mind, what is the Department doing to ensure that interested small businesses are aware of the subcontracting opportunities that may be available on some of this work?

I understand that there are small businesses, small business subcontracting requirements. How is the Department going to ensure compliance? And one of the real good efforts underway in tracking recovery dollars is that the agencies are required to track how the dollars are spent. Should prime contractors be disclosing publicly how they are sharing the wealth on some of these contracts?

Several questions. Have at it.

Secretary NAPOLITANO. Thank you, Senator. Yes, this involves the Recovery Act monies for construction and improvements on land ports,—

Senator TESTER. Yes.

Secretary NAPOLITANO [continuing]. And you're right, in the effort to get that money out quickly, it went to general contractors, basically who had done work before and were known quantities.

But the requirements do include the requirement to subcontract because we're focused on jobs, job creation in the areas where those ports are going to be. We are going to be monitoring that very closely. We're going to be making information available to small businesses through the Internet and other sources so that they can apply and compete for those subcontracts and other channels, as well, and then, yes, we are making our process in terms of what we're spending those Recovery Act dollars very, very transparent and posting them on our website, among other things.

Senator TESTER. I need to be clear that I think we need to get the most bang for the buck and we need to be competitive, but is there something your department's doing specifically with the prime contractors to encourage them to use local contractors when the bid is competitive?

Secretary NAPOLITANO. We have a direct connection. We're actually putting together a joint office with CBP and GSA together, working on these and other port projects, so that we have direct connect with the generals, general contractors.

#### TSA ACQUISITIONS PROCESS

Senator TESTER. Okay. I have a TSA question. I will leave it to you to decide whether or not the Screening Partnership Program is the best bang for the taxpayer buck.

However, the inability of TSA to follow through on the acquisitions process indicates a need to reform within this agency. There are seven airports that have waited 15 months. I would really like a commitment from you or at least a commitment to investigate what's going on here.

The contract for security at these seven airports in Montana will be awarded, it's scheduled on June 7. I was told last night, as a matter of fact, that no way that's going to happen. We have been put off several times before. It's costing us a lot more money than if we just put the contract out and get somebody to do it that really does it.

Can you make me any sort of—give me any sort of vision or commitment on what the process is going to be there? And I know this is a big agency and this is a small thing, but it's a big thing to me.

Secretary NAPOLITANO. No, I can understand why. Of course, I'm going to get a commitment from TSA not to call Senators or committees the day before my hearing.

Senator TESTER. No, no, no. They—

Secretary NAPOLITANO. I'll start there. But in any event, no. Senator, I will look at this directly. We'll follow up directly with you. We'll see what we can do.

[The information follows:]

The Request for Proposals for seven airports in Montana was released February 7, 2009. Proposals were received March 19 and reviewed. The Office of Acquisitions' estimate for Montana contract award is at the end of July. All seven airports included in the RFP currently have commercial service with security screening provided by TSA's National Deployment Office (NDO). TSA is committed to providing security screening until the contractor is able to provide screening operations.

Senator TESTER. TSA didn't call me, actually. It was—

Secretary NAPOLITANO. Oh, somebody else.

Senator TESTER. Exactly right. That was in the know. So thanks.

Senator BYRD. Senator, is that satisfactory?

US-VISIT PROGRAM

Senator TESTER. All right. On another topic, I'm deeply concerned how DHS has done with procurement on IT ventures, kind of rolling back over the last few years.

The US-VISIT Program was originally supposed to cost \$3 billion. To date, GAO can't tell us what the actual cost is going to be because it's far from full operating capacity.

Can you give us any insight there on what's going on with the Visit Program and if it's effective and if there is a light at the end of the tunnel as far as how much it's going to cost?

Secretary NAPOLITANO. Senator, that's one of the areas that we're looking at and drilling down deeply on now, not just in terms of what's already happening and what it's costing our US-VISIT but where is the light at the end of the tunnel, and I don't think it would be appropriate for me to answer that question now because I don't know the answer. We're still looking at it, but we'll get back to you.

[The information follows:]

Insight on the US-VISIT program, if it's effective and if there is light at the end of the tunnel as far as how much it's going to cost?

For fiscal years 2004 through 2009, US-VISIT has been appropriated \$2.18 billion. These funds have been effectively managed. US-VISIT has delivered biometric entry screening capabilities to our air, land, and sea ports of entry on time and within budget, and not only meeting but actually surpassing performance expectations. These nationwide deployments of cutting-edge biometric technologies have resulted in a number of significant achievements.

Success of the system has been proven with sustained positive performance. US-VISIT has screened more than 100 million travelers applying for entry to the United States since its inception, and it has provided homeland security decision makers on the front lines information with which to take adverse actions against more than 5,000 travelers seeking entry into the United States. US-VISIT has also supported the Department of State in preventing visa applicants from obtaining visas through deception or fraud.

Over time, US-VISIT has transitioned from a program that supports the screening of international travelers entering the United States to a more robust program that supports a wider array of Federal agencies engaged in supporting the Department of Homeland Security (DHS) mission. Some examples of other DHS efforts US-VISIT supports include:

- The U.S. Coast Guard and its "biometrics at sea system," which has reduced illegal migration from the Dominican Republic to Puerto Rico by 75 percent.
- Immigration and Customs Enforcement's Secure Communities initiative, which will greatly enhance immigration enforcement by using technology to automate sharing with law enforcement agencies and by applying risk-based methodologies to focus resources on assisting all local communities to remove high-risk criminal aliens.

Because biometric exit will most likely be the highest cost factor to the program, US-VISIT has undertaken substantial testing, planning, and analysis of biometric exit. US-VISIT has conducted prototype testing of possible air, land, and sea exit scenarios, with a second round of air exit pilots now underway in Detroit and Atlanta. The Department will use the results of these pilots to inform deployment of Air/Sea Biometric Exit. A second round of land exit pilots is planned for later this year to help identify the best approach to exit at the land ports.

DHS will not submit appropriations requests until the Department is certain it has identified a viable path forward for implementing biometric exit in the air, sea, and land environments. Future funding requests for biometric exit will be produced during the formal Administration budgeting cycle as appropriate.

Senator TESTER. Well, I appreciate that. I've got some other questions we can put into the record for the Secretary, but I just want to echo something that many other people said before.

You've got a big job. There's a lot of money that hits the ground that, quite frankly, if we can hold some folks accountable, and I will be the first and I hope I don't hurt anybody's feelings in this room, but I'm going to tell you some of the big contractors, I don't think we're getting the bang for the buck for, and they need to step up to the plate and be accountable for what they're doing and, quite frankly, I think that if the small contractors were in there being able to get a piece of the pie, not only would we get better work but it'd bring the big guys around and say, you know what, we gotta be competitive, we've gotta make sure we deliver, and it's a big agency and I don't envy your position, but I will tell you this. If there's one person in the Obama administration that can run an agency like I think it should be run, it's you.

So thank you very, very much for your public service and very good luck to you in running this very important agency.

Secretary NAPOLITANO. Thank you, Senator.

Senator BYRD. That's a great compliment.

Secretary NAPOLITANO. That was very nice. Thank you. And we will follow up on all of those matters.

#### DECLARATION OF MAJOR DISASTER

Senator BYRD. All right. Madam Secretary, West Virginia, with its mountainous terrain, floods occur, unfortunately, all too often. Nearly a year ago, Governor Joseph Manchin requested the declaration of a major disaster for the State of West Virginia in response to heavy rains and high winds that resulted in severe flooding in many areas of the State.

Inconceivably, inconceivably, it took nine days for the disaster to be officially declared. Critical Federal assistance to victims who were facing immediate hardships needed to be made available as quickly as possible. Each day the funds were held up resulted in real suffering for many families and small business owners.

May I have your commitment that you will do everything in your power to ensure that such unnecessary delays will not occur again, particularly with regard to the most recent request received from the State of West Virginia?

Secretary NAPOLITANO. Mr. Chairman, yes, we are doing everything we can to eliminate unnecessary delay in that grant process. It goes, of course, from the field to FEMA to me to OMB to the White House and we have been able to turn around declarations very rapidly in my tenure as Secretary. We will continue to work to improve even on that record.

#### SOUTHWEST BORDER FENCING

Senator BYRD. All right. Do the best you can do, do the best you can.

Since fiscal year 2007, Congress has provided over \$3 billion, that's \$3 for every minute since Jesus Christ was born, Congress has provided over \$3 billion to construct 670 miles of fencing and other barriers on our Southwest border and to deploy cameras, radar, and sensors.

Madam Secretary, in your opinion are the fence and new technology working?

Secretary NAPOLITANO. Senator, we have and intend to complete the fencing that the Congress has appropriated for. We are now deploying the first major stretch of what is called SBI net which is virtual fencing. It will go on the Mexico-Arizona border.

There were, as you remember, some glitches and significant problems with that technology. It was not operationally interfaced with our Border Patrol agents. It now is. Those towers are now going in. The environmental issues have been addressed and the like. So we have fencing. We have virtual fencing.

We have and will have 20,000 boots on the ground, among other things, and so what we're seeing now, Senator, is the numbers of illegal crossings going down and it's been going down fairly significantly over the last 2 years.

I think that's partially due to these enforcement efforts and probably partially due to the American economy, as well, but we have, in my view, a process and are embarked on a plan that gives us operational control on that Southwest border and it's very different down there now than it was, say, 8 or 10 years ago.

#### ASSISTANCE TO FIREFIGHTER GRANTS

Senator BYRD. I am disturbed, Madam Secretary, by the proposed cut in funding for our firefighters. The budget request proposes a major shift in the distribution of grants to firefighters. It significantly reduces the funding for equipping and training our firefighters and it significantly increases the amount for hiring firefighters.

Now, this is a question I ask of you. Was the decision made based on risk, on need, or effectiveness of the programs?

Secretary NAPOLITANO. Yes, Mr. Chairman, and if I might, let me explain how we arranged that or how we looked at the grant process for fire.

Senator BYRD. All right.

Secretary NAPOLITANO. We have the grant program that is—was funded in the Recovery Act. That is for the construction of fire stations. That's the same program that they use for equipment and training and then you have another grant program that's used to actually hire firefighters or retain firefighters. It's a personnel program.

There was money in the stimulus act for fire stations and there has been money appropriated before for equipment and training. Our exploration and consultation with localities was that, in this day and age of very tight, tight budgets, they preferred money to actually pay for personnel, for salaries, because they didn't want to have to lay people off and so we rearranged the budget to reflect that priority.

Senator BYRD. Thank you. Senator Voinovich.

#### SBINET

Senator VOINOVICH. Thank you, Mr. Chairman.

The U.S. Customs and Border Protection is working to finish the pedestrian and vehicular fence along the Southwest border, and what I'd like to know is what further tactical infrastructure projects are going to be needed, roads or pedestrian fence and so forth that have been identified that need to be undertaken.

I think it would be worthwhile for you, I'd like to have it and I'm sure maybe the chairman would, to tell us just where we actually are in fulfilling the strategic plan to secure the border in terms of the physical things that need to be done.

We've had lots of problems with this SBInet Program, on-again/off-again, and the real question for you is: do you have enough in this budget to take you as far as you need to go and once you've gone that far, what more are you going to need in future budgets to get us in a position where you can tell the American people we've done the job that you expect us to do to secure the border?

Secretary NAPOLITANO. Senator, in—we have enough in this fiscal year 2010 request to do what I believe we need to do at the Southwest border, particularly given that we have plussed-up for some equipment, personnel and things, such as K-9 teams, to help us on the Southwest border on our initiative to begin looking at southbound trafficking.

If we have a particular need this year on sort of a surge sort of theory, I believe I have enough resources in my back pocket in order to deal with that, as well. So I'm very comfortable with the fiscal year 2010 budget request for CBP.

Now, the harder question is what's the end goal? When can we say we're done? And we are, and I am, relooking at that now. There was some work done on that by the prior administration. I want to take an independent look at it, based on my own experience, and I'm doing that work right now.

I will close with one final thought, however, Senator, which is this. One thing I think we need to avoid is backing off of our work on the border because numbers are going down, apprehensions are going down and the like. This is precisely the time when we should keep at our current efforts, keep at everything that we're doing and then estimate and plan that we're going to have to sustain these efforts over time.

Part of the problem at that border historically has been there's a lot of money put in 1 year and then the next year there wasn't and there was no continuity and one of the things that we're going to have to have is a sustainment and continuity.

Senator VOINOVICH. Well, there's been a lot of speculation about are we having less people coming across the border because our economy's in the tank. Are there people here that have worked and are now going home? I mean, there's—

Secretary NAPOLITANO. Lots.

#### COORDINATION WITH DOJ

Senator VOINOVICH [continuing]. A lot of questions that you can ask about what's impacting on people's behaviors. So I think that's something that we have to be guarded against. The point you're making is let's stay with it, stay the course and get the job done the way it's supposed to be done.

One of the things around here that bothers me is that so often we look at things in silos and you got the Justice Department involved. There's that wonderful program we talked about in the office where they bring people in, hold them and book them and charge them and it seems that once that's done, they usually don't

come back because if they do, they're going to be arrested for something significant.

Secretary NAPOLITANO. Operation Streamline, yes.

Senator VOINOVICH. Right, yeah. And have you looked at the other budgets that are impacting on yours to make sure that they're up to snuff in terms of what you think needs to be done there? Do you coordinate with these folks at all and talk about that? Do you have a special group that meets together?

Secretary NAPOLITANO. The Attorney General and I have met together because that's really the closest phase of interaction on a lot of these things, and we're working on trying to break down some of the silos that still exist.

For example, there are memoranda of understanding, some of which date back to the mid 1970s, about what kind of legal authorities ICE, INS really, the predecessor to ICE, has in investigations and if they turn up drugs in the context of a human smuggling ring and the like, and the Attorney General and I are working to revise those memoranda to reflect modern day reality where everything is interrelated and law enforcement needs to be interrelated, as well.

Senator VOINOVICH. If you think that there is some more that needs to be done, you know, in terms of the Justice Department, I think you ought to let us know about that in terms of our consideration, in terms of their budget.

Secretary NAPOLITANO. Thank you.

#### E-VERIFY

Senator VOINOVICH. E-Verify. The Appropriations Committee uses E-Verify, Homeland Security uses E-Verify, but Federal contractors are still not required to use E-Verify.

Is the rule to require Federal contractors to use E-Verify going to go into effect on June 30 or is it going to be delayed again?

Secretary NAPOLITANO. My understanding is it's not complete there. I do not know the answer. I can say, however, that I believe E-Verify is an important part of our ongoing immigration enforcement to make sure that employers are hiring those who are lawfully qualified to work within our country.

I was—when I was Governor, I signed probably the Nation's toughest employer sanctions law and it pushed employers into the E-Verify system, incentivized them to use it, and it's no surprise that a quarter of the employers of the whole country that are on E-Verify right now are Arizona employers.

I've seen it work. I used it as a Governor. We intend to make it, like I said, an integral part of our ongoing workplace enforcement.

Senator VOINOVICH. Thank you, Mr. Chairman.

Senator BYRD. Senator, you made the remark "up to snuff." Are you talking about Copenhagen?

Senator VOINOVICH. Pardon me?

Senator BYRD. Are you talking about Copenhagen?

Senator VOINOVICH. No, I'm not talking about—I think, Senator, you understand what that means. Maybe some people that haven't been around as long as you have don't understand that, but we sure do know what that means.

Secretary NAPOLITANO. Skoal.

Senator BYRD. Would you say that again?

Secretary NAPOLITANO. Skoal. It's another brand.

Senator BYRD. Madam Secretary, I thank you for your testimony today.

We plan to mark up our fiscal year 2010 bill in mid-June. Therefore, it will be essential that we receive responses to our questions for the record by May 27.

Do you have anything further, Madam Secretary?

Secretary NAPOLITANO. Mr. Chairman, did you say May 27?

Senator BYRD. Yes, I did.

#### ADDITIONAL COMMITTEE QUESTIONS

Secretary NAPOLITANO. Mr. Chairman, we will do everything humanly possible to meet your requirements and your deadline.

Senator BYRD. Very well. I thank you, Madam Secretary.

Senator, do you have any closing remarks?

Senator VOINOVICH. No, I haven't.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

#### QUESTIONS SUBMITTED BY SENATOR ROBERT C. BYRD

##### DEPARTMENTAL MANAGEMENT

##### ACQUISITIONS

*Question.* Nearly 40 percent of the Department's annual budget is spent on contracts. The Department has been heavily criticized for its oversight of those contracts. The Government Accountability Office reported in November 2008 that senior department officials did not provide the oversight to ensure that acquisitions needed to help meet important national security objectives meet specifications and stay within budget. GAO found that 45 of 48 major acquisitions were not reviewed regularly by a Homeland Security oversight board created to do the reviews.

To increase oversight and efficiency of its major contracts, the Department of Defense is planning to increase the size of its defense acquisition workforce by converting up to 33,400 contract employees to Federal employees by 2015 and by hiring 3,669 additional government acquisition professionals by fiscal year 2010. What measurable goals and incentives do you have for improving contracting by the Department of Homeland Security?

*Answer.* DHS is focused on quality contracting created by a well trained, professional acquisition workforce, monitored through active oversight from program initiation through contract completion. The DHS Workforce (including Contracting Officers, Contracting Officer Technical Representatives and Program Managers) are all Federal employees with Federal certifications. They perform inherently governmental functions that have never been performed by contractor employees, thus there are no conversions planned for these career fields.

For other career fields, DHS is taking an aggressive approach to determining the appropriate balance between Federal and contract employees. All components' professional services contracts over the simplified acquisition threshold are being reviewed before a new contract is awarded or an option on a contract is exercised to ensure that the proposed contract awards do not include inherently governmental requirements or personal services. In addition, the Components are reviewing their current service contract workload to determine whether (a) any work can and should be justified for conversion as inherently governmental, (b) any work should be justified for conversion to in-house performance by Federal employees in order to maintain a minimum residual core capability, or (c) any contract work costs appear excessive.

If any one or all of these criteria exist, the Component will submit, by July 3, 2009, a list of such activities by contract number, function, location, FTE and associated justification for review and approval. The analysis will culminate on DHS's planned conversion of contract positions to Federal employee positions for fiscal year 2010.

DHS uses the following metrics and measurable goals to improve its contracting capability:

- DHS has initiated the Acquisition Professional Career Program (APCP) to improve fill critical shortages with trained acquisition professionals (this is not a conversion of contractors to Federal employees; rather it identifies needed positions and from creation fills the position with an appropriate Federal employee). Currently, DHS has more than 300 vacancies in Contracting, Program Management and Contracting Officer's Technical Representative Positions. To fill this gap, DHS has hired 64 APCP employees. An additional 36 employees will be hired by the end of fiscal year 2009 to further close the vacancy gap. DHS is adding four additional acquisition career fields to those it centrally manages. During fiscal year 2010 DHS will measure the current vacancies and future need for Federal employees in the career fields of Test and Evaluation, Logistics, Business and Financial Management and Cost Estimating. DHS will use the intern program to fill critical vacancies with Federal employees.
- DHS measures its quality in contracting by the number and dollar value of its competitively awarded contracts. Fiscal year 2008 marked a recovery by DHS to pre-Katrina levels of competition. Fiscal year 2008 was the third, over a six fiscal year period, in which DHS achieved a level of competition equaling or exceeding 70 percent. DHS's fiscal year 2007 and 2008 competitive accomplishments exceeded the Government-wide average of 64 percent and 67 percent, respectively. DHS establishes and monitors competition goals by contracting activity. The following are the recent accomplishments.

[In Percent]

DHS Component/Contracting Activity	Fiscal year		
	2008 Accomplishment in Competition	2007 Accomplishment in Competition	2006 Accomplishment in Competition
CBP (Includes SBI) .....	74	65	60
DHS-HQ. (OPO and CIS) .....	80	66	54
FEMA .....	79	81	37
FLETC .....	74	77	85
ICE .....	79	70	57
TSA .....	71	62	61
USCG .....	68	73	53
USSS .....	47	49	42
Department wide .....	75	69	48

- Annually, DHS also establishes goals for contract awards to small businesses and for small business participation at the sub contract level. Since SBA instituted the annual small business procurement scorecard for fiscal year 2006, DHS received the highest ranking or distinction with a score of green for fiscal year 2006 and fiscal year 2007 based on DHS's quantity and quality of contracting performed by small businesses; another favorable score is likely when SBA releases the annual scorecard for fiscal year 2008 in June, 2009. The current metrics for fiscal year 2008 are as follows:

Category	Goal (percent)	Accomplishment (dollars)	Accomplishment (percent)
Total Procurement Dollars .....	N/A	\$13,905,538,042	N/A
SB Prime Contracts .....	31.9	4,524,001,365	32.53
8(a) Contracts .....	4.0	838,369,605	6.03
SDB Prime Contracts [other than 8(a)] .....	4.0	1,006,019,811	7.23
SDB Prime Contracts [overall; including 8(a) contracts] .....	8.0	1,844,389,417	13.26
HUBZone SB Prime Contracts .....	3.0	424,655,973	3.05
SDVOSB Prime Contracts .....	3.0	264,303,028	1.90
VOSB Prime Contracts .....	N/A	660,369,837	4.75
WOSB Prime Contracts .....	5.0	921,484,775	6.63

- In addition, DHS performs oversight reviews of specific contracts as well as overall assessments of its ten contracting organizations using the GAO reviewed Oversight Program. These reviews collect metrics and discern best practices as well as organizational weaknesses. Where appropriate, targeted learning and corrective action are immediately instituted to correct problems and improve future contracts. Specifically DHS is performing reviews on the fleet purchase

card program, use of Time and Materials contracts, performance based contracting, award fee contracts.

- In order to improve the entire acquisition process, DHS has developed and implemented an acquisition policy and process under Directive 102.01. This directive instituted an issue and decision focused acquisition governance process for DHS programs.
- DHS is piloting a department-wide web hosted metrics application known as nPRS which will provide information on the cost, schedule and performance status of DHS's major development contracts. Currently approximately 40 of the 52 major acquisition programs are reporting their metrics in the new system. By the end of fiscal year 2009 DHS intends to have all 52 major acquisition programs reporting all of their cost, schedule and performance data in this automated system.
- Finally DHS reviews all of its acquisition programs through a "portfolio review" process to achieve a common situational awareness of what each Component within DHS is acquiring and allow early identification and correction of problem contracts within the Components.

*Question.* The Department of Homeland Security released revised acquisition oversight procedures in November 2008. Have these procedures made a difference?

*Answer.* The re-engineered acquisition management procedures have made a significant difference to DHS' ability to oversee and control acquisition programs. As more programs transition to the revised acquisition management procedures, the Department is better able to assess program status and proactively identify and mitigate risks. The following are some of the key differences as a result of the revised acquisition procedures:

- The new acquisition governance framework addresses the entire acquisition portfolio, including capital assets, information technology, and services. Through this broader perspective, the Department has a full understanding of its acquisition portfolio.
- The new framework provides for the appointment of a Component Acquisition Executive (CAE), who is responsible for a given Component's portfolio of acquisition programs. Documentation and process are core components of the new framework. Programs are required to request approval to proceed at key milestones in the acquisition life cycle. At these Acquisition Review Boards, decision makers focus on key decisions and issues, and issue an Acquisition Decision Memorandum which provides authority and direction for each ARB conducted.
- Additionally, each program is required to have an approved Acquisition Program Baseline (APB) which documents the program's cost, schedule and performance baseline. Each Level 1 and 2 program is expected to have an approved APB by the end of the year.
- Through the DHS-wide metrics program, new Periodic Reporting System (nPRS), DHS gathers and analyzes the cost, schedule and performance metrics for all of DHS' major acquisition programs. By the end of May, all Level 1 programs are expected to have their information in the system.

Although much work remains to fully implement the acquisition management reforms identified in Directive 102-01, the Department is encouraged by the gains realized to date and expects to see corresponding improvements in the end-State outcomes of the acquisition programs as they are fielded under the new process. This new process in concert with the Procurement Oversight Process provides DHS with a full view of acquisition from beginning through mission completion.

#### RELIANCE ON CONTRACTORS

*Question.* The Department has been criticized for being too dependent on contractors in performing its mission. This leaves the Department vulnerable to decisions which reflect a conflict of interest from contractors. It also limits the Department's ability to create an in-house workforce, which is critical to preventing terrorism and responding to natural disasters. The Defense Department is requesting a significant increase in its acquisition workforce.

What percent of your Department's workforce is made up by contractors? Do you have an aggressive plan to reduce your Department's reliance on contractors?

*Answer.* As discussed between DHS/USM and Committee staff in April, pursuant to Section 519 of the fiscal year 2009 DHS Appropriations Act (Public Law 110-329), the Department is taking an aggressive approach to determining the appropriate balance between Federal and contract employees. Effective immediately, all Components' professional services contracts are being reviewed before a new contract is awarded or an option on a contract is exercised to ensure that the proposed contracts do not include inherently governmental, nearly inherently governmental

or personal services requirements. The program office will demonstrate that there are sufficient Federal employees within the organization to provide adequate direction and oversight to the service contractor—before the contract is awarded. Components have also begun to review their current service contract workload to determine whether; (a) any work can and should be justified for conversion as inherently governmental; (b) any work should be justified for conversion to in-house performance by Federal employees in order to maintain a minimum residual core capability; or (c) any contract work costs appear excessive. If any one or all of these criteria exist, the Component shall submit, by July 3, 2009, a list of such activities by contract number, function, location, FTE and associated justification for review and approval to the Office of the Chief Procurement Officer. CPO/CHCO will issue policies regarding the actions needed to achieve the most effective and balanced workforce of contractor and Federal employees while maintaining appropriate management and oversight.

To better identify the total workforce and the current balance between in-house and contract workload, DHS will combine its FAIR Act inventory of work performed in-house by Federal employees with estimated Contractor Work Year Equivalents using the same process applied to DOD’s Section 807 reporting requirements. This requirement involves an automated review all of the estimated 19,500 DHS contracts captured in the Federal Procurement Data System for fiscal year 2008. The percent of the overall DHS contract workforce can then be estimated. More importantly, the question of question of whether requirements should or can be performed by Federal employees or contractors is best answered on a function by function and business line level or review. Components have developed plans for these reviews and will conduct reviews, in accordance with CPO/CHCO requirements, to determine the proper and cost effective balance of contractor and Federal resources in the performance of mission and mission support requirements.

*Question.* Please provide an agency by agency list of conversions from contractors to Federal FTE’s for fiscal year 2009 and fiscal year 2010.

*Answer.* DHS has approved plans to convert approximately 500 contractor FTE to performance by Federal employees over the course of the fiscal year 2009-fiscal year 2010 timeframe. This number may change in fiscal year 10 and the out-years as a result of one or more of the analyses discussed above.

Approximately 350 FTE are planned for conversion from contractor to Federal in-house performance at the National Protection and Programs Directorate (NPPD). Within the NPPD, 110 FTE of the 350 FTE have been successfully converted from contract to in-house performance (on-board).

An additional 188 FTE have been identified and approved for conversion from contractor to Federal in-house performance at the Coast Guard associated with food preparation requirements. The USCG has determined that this work needs to be performed by military billets in order to protect their sea-share rotational requirements.

NPPD Org.	On Board/In Process
Infrastructure protection (IP) .....	47/29
Cybersecurity and Communications (CS&C) .....	17/29
US-VISIT .....	35/20
Office of Risk Management and Analysis (RMA) .....	5/6
Office of the Under Secretary (OUS) .....	6/8
<b>Total .....</b>	<b>110/92</b>

The total equals 202 (110 + 92) of the 350 with 148 expected in fiscal year 2010.

TRANSFORMATION AND SYSTEMS CONSOLIDATION (TASC)

*Question.* The Department plans to procure an acquisition management system to consolidate and modernize component financial systems. What is the current schedule for TASC implementation? Provide an obligation schedule associated with available funds and funds requested as part of the fiscal year 2010 budget. The schedule should include when each component’s financial system will be consolidated. A current financial management vendor argues that the Department is pursuing a “high risk/high cost” single system concept versus a “lower risk/lower cost” consolidated approach that leverages existing systems. Why is TASC a better solution? What is the lifecycle cost for TASC? Can you quantify the benefits TASC will produce? Will there be savings associated with the new system over time?

*Answer.* Please see the following.

### *Overview*

The Transformation and Systems Consolidation (TASC) effort at DHS focuses on increasing transparency and reliability of information by consolidating the financial, asset and acquisition management systems of the Department as well as standardizing business processes and the DHS accounting line. TASC gives DHS a way to increase its fiscal accountability to the American taxpayer and improve the efficiency of its mission-critical financial services while moving DHS Components toward becoming “One DHS.”

DHS currently maintains 13 separate financial management systems resulting in multiple business processes and accounting lines. Mission support requires a real-time enterprise view of DHS resources, yet some of the current systems rely on manual processes. Components maintain similar systems with similar functionality, yet the cost for upgrades, integration, operations, maintenance and mandated changes are replicated across the Department. Currently, the myriad of existing systems do not provide consistent internal controls over financial reporting.

### *Schedule*

DHS is in the midst of conducting an acquisition to select a vendor to provide (1) an enterprise solution that integrates end-to-end business processes in support of financial, acquisition and asset management; and (2) integration services and program management support for TASC. As a part of the acquisition process, vendors are to propose a recommended migration timeline that includes a schedule for all DHS Components to transition to the new TASC system. This proposed schedule is closely tied to the vendor’s recommended technical solution and is subject to negotiation during the acquisition process. A final schedule will be established and available upon contract award.

### *Fiscal Year 2010 Budget*

The fiscal year 2010 Budget requests \$11 million for TASC. DHS is currently on target for a second quarter 2010 award. If the Department continues to meet the procurement milestones, component migration may begin by 2011.

The information related to the break-out of the fiscal year 2010 TASC spend plan will be provided to the Committee separately as it is procurement sensitive and should not be published in the official hearing record.

### *Approach and Litigation*

In November 2007, DHS issued a solicitation for services to manage the migration and consolidation of DHS Components’ financial, procurement and asset management systems by leveraging two established system baselines within the Department: Oracle and SAP. However, on April 15, 2008, the United States Court of Federal Claims (COFC) ruled in a pre-award protest filed by Savantage Financial Services, Inc. (hereinafter referred to as “Savantage”) that DHS could not continue its acquisition strategy of leveraging existing Departmental systems. The Department revised its procurement strategy to conducting a full-and-open competition in accordance with the Court’s order and Part 15 of the Federal Acquisition Regulation.

On November 24, 2008, Savantage filed a motion with the COFC alleging that DHS was in contempt of the April 2008 order. Savantage also filed a pre-award bid protest challenging the terms of the new solicitation. The COFC combined all of the allegations into one hearing. On April 22, 2009, the Court ruled in favor of the Department on all counts, concluding that the Department was not in contempt of its prior order and that the current solicitation was compliant with law and regulation.

On April 22, 2009, the Department received a “Notice of Appeal” of the April 2009 decision by Savantage to the United States Court of Appeals for the Federal Circuit. As part of the appellate process, Savantage can seek a stay or injunction against the procurement proceeding pending resolution of the appeal. To date, Savantage has not requested a stay. Savantage has 60 days from the date of filing the “Notice to Appeal” to submit its brief. The Department then has 40 days to file its response.

### *Lifecycle Cost*

TASC will be awarded as an Indefinite Delivery Indefinite Quantity (IDIQ) contract. Although the system solution is yet to be determined, \$450 million is the order of magnitude estimate for the total value of the work to be performed under this 10-year contract assuming all option years are exercised. The order of magnitude is consistent with other financial system benchmarks within the Federal Government. The actual cost of the work will be determined by the solution selected through the competitive acquisition process. However, the aggregate dollar value of the work is expected to be fairly consistent from year to year while showing a gradual increase over the life of the contract.

### *Benefits*

The Department's approach is in line with the guidance of the Financial Management Lines of Business (FMLoB), as mandated by Financial Systems Integration Office (FSIO). This concept is one of cost avoidance while improving the quality and performance of financial management systems by leveraging common standards and shared service solutions. It also includes implementing other Government-wide reforms that foster efficiencies in Federal financial operations. TASC is aligned with the FMLoB guidance that enables the Department to reach a key goal of becoming compliant with the Office of Management and Budget (OMB) Circulars A-123, A-127 and A-130.

Consolidation benefits include:

- Eliminate redundancies across DHS
- Avoid costs associated with inefficiencies
- Strengthen internal controls
- Standardize business processes and line of accounting
- Create consolidated financial reporting capability
- Reduce manual processes
- Correct Department-wide material weaknesses
- Centralize hosting, database integration, upgrades and maintenance

### *Cost Benefits*

TASC yields significant cost benefits by eliminating both redundant hosting and interface requirements as well as proprietary vendor reliance while reducing operations and maintenance costs by supporting fewer financial systems. TASC provides the optimal solution for the Department to increase the transparency of its financial data and accountability to Congress and the American taxpayer.

As the Department works to resolve fiscal challenges, the TASC initiative is more critical than ever, DHS must be relentless in its pursuit of fiscal transparency and its ability to report on financial data in a timely and accurate way. DHS appreciates the Committee's continued vigilance and support of the Department and looks forward to providing a briefing on this initiative in the future.

#### DHS CONSOLIDATED HEADQUARTERS PROJECT

*Question.* The request includes \$75 million to consolidate and realign DHS mission support leases currently dispersed throughout the NCR. These functions are not planned for transfer to the St. Elizabeth's campus. The request says that this is a "one time opportunity." Why? What is the total cost of this initiative? Is \$75 million the minimum amount needed in fiscal year 2010 to begin this process? What will that amount buy in fiscal year 2010? Has a prospectus been approved for this project? Has a prospectus been submitted to Congress for consideration? Provide a schedule for this project, from initial solicitation to the opening of the facility. Provide a schedule for the realignment of DHS offices to this new facility. What is the amount GSA needs to initiate a contract for this facility in fiscal year 2010? What is the impact if a lower level is provided for this initiative? Provide the impact in \$15 million segments from \$75 million to \$0.

*Answer.* The DHS National Capital Region (NCR) Housing Master Plan was developed to provide the strategic vision for facilities that support a unified department, organizational structure, operations and culture. The plan outlines priorities of implementation and addresses the mission fragmentation caused by the Headquarters (HQ) elements being scattered throughout the NCR. While St. Elizabeths will accommodate the main Department and Component HQ mission execution functions, it does not have the capacity to accommodate all of the DHS mission support functions. As a result, the DHS NCR Housing Master Plan proposes to consolidate and realign the remaining functions that are currently dispersed throughout the NCR in more than 40 locations (and growing) to enhance performance across the spectrum of operations, through improved communications, coordination and co-operation among all DHS Headquarters Components. In addition, since DHS will incur occupancy costs for leases regardless of the location, consolidation will reduce risk of continued dispersal by replacing existing leases throughout the NCR as they expire with new occupancies that meet the ISC standards. Consolidating locations will foster a "one-DHS" culture, will optimize our prevention and response capabilities and is vital for the safety, security and success of DHS in achieving the mission of securing the homeland. This question has several parts and each is provided below with an answer.

This is a unique opportunity because forty-five leases for approximately 1.2 million RSF are expiring by fiscal year 2010 that creates a window of opportunity to consolidate into on to three lease of the same RSF. If we do not take advantage of

this opportunity now the leases will need to be extended or held over on a sole source basis at a higher cost and without achieving the goals of the consolidation plan.

DHS projects a need for \$251 million over the next 4 years with \$75 million in fiscal year 2010 to complete this initiative. The General Services Administration (GSA) Pricing Guide requires tenant agencies to fully fund tenant improvements (TI) before GSA will start the contracting process. Tenant improvements are the finishes and fixtures that typically take space from the "shell" condition to a finished, usable condition. GSA estimates these costs to be approximately \$103 million. The minimum amount needed in fiscal year 2010 to begin this process for a large consolidation is \$75 million.

The total for the initiative is \$251 million with the expectation that we acquire 1.2 million RSF of space with a two phase implementation schedule over a 4 year period. The \$75 million gets the initiative started for phase 1 move in calendar year 2012.

No, a prospectus has not been approved. The GSA has developed a prospectus and submitted it to the Office of Management and Budget (OMB) for review and clearance.

The schedule below is the current schedule developed by GSA for this initiative.

- Advertise—July 2009
- Offers Due—September 2009
- Negotiations—October 2009
- Best and Final—December 2009
- Lease Signatures—March 2010
- Final Lease Award—May 2010
- Phase 1 & 2 Design and Phase 1 Construction Complete—July 2012
- Phase 1 Move-In—August/September 2012
- Phase 2 Construction Complete—July 2013
- Phase 2 Move-In—August/September 2013
- Phase 1 of the new lease is scheduled for 2012 and will house Citizen Immigration Services (CIS), elements of the Undersecretary for Management (USM) and Science and Technology (S&T) in approximately 500,000 RSF. Phase 2 is scheduled for 2013 and will house the remainder of CIS. This plan is pending the final prospectus clearance from OMB and may change.

This initiative is for a leased office space and GSA does not require an appropriation. All costs will be passed to the tenant agency. The impact of a lower level of funding for this initiative in fiscal year 2010 is a delay in the consolidation effort and the planned schedule cannot be maintained. The result will require lease extensions, hold over and sole source procurements to sustain the status quo. It will change the acquisition strategy and require smaller blocks of space which will diminish the potential benefits of the consolidation effort resulting in higher costs than the strategy developed by GSA. The current situation of a dispersed DHS HQ with the associated problems stated above will continue.

The impact to the consolidation initiative in \$15 million segments:

- \$75 million will deliver space in 2 phases for a single consolidated location. This follows the consolidation strategy and will achieve the desired end State of eight to ten locations for the DHS HQ.
- \$60 million will either extend the number phases requiring more extensions/holdovers, sole source procurement or result in greater costs in the future years in an attempt to make-up for the shortfall. The attached migration schedule optimizes the moves to limit the impact of consolidation and it will need to be revised if the requested funding is not provided resulting in higher overall costs.
- \$45 million will not significantly reduce the number of locations and will not achieve the desired consolidation. DHS HQ will continue to lease space without the benefit of a comprehensive strategy and will continue to be scattered around the NCR. It will require lease holdover, extensions and sole source actions that will cost more than the consolidation strategy.
- \$30 million will relegate the initiative to a one for one replacement of leases without the benefit of consolidation only allowing consolidation of a specific component with the same issues as stated in the \$45 million segment. It will not be an efficient use of resources and could create a vacancy risk that will require a backfill from another component continuing to scatter the DHS HQ.
- \$15 million will only allow partial replacements of large leases or an ad-hoc approach to space management.
- \$0 million is the status quo and is a step back because additional locations will continue to be added when components acquire additional lease space as they grow.

HSPD-12 CARD ISSUANCE

*Question.* How many DHS Federal employees and contractors have HSPD-12 compliant cards today? What is the gap? Will the \$25 million eliminate the gap or is there a remaining financial commitment in the outyears? What is the impact if DHS doesn't meet the October 2010 mandate? Does this request fund DHS component requirements? If not, how are components paying for the cards? Provide a schedule by component (including headquarters offices) to issue smartcards to all DHS Federal employees and contractors.

*Answer.* As of May 19, 2009, DHS has issued HSPD12 compliant cards to 10,060 Federal employees and contractors. There are approximately 240,000 cards to be issued. The \$25 million will cover card issuance for 135,000 cards; however, additional funding will be required in fiscal year 2011 to complete card issuance and to cover operations and maintenance costs. The completion of the card issuance was mandated by the Executive Branch. The impact of not completing card issuance in 2010 will be the delay in obtaining the security benefits provided by the HSPD-12 card.

The \$25 million does cover Component requirements. The schedule for issuing DHS Headquarters and Component HSPD-12 compliant cards was developed based on geographical regions. Using a collaborative, enterprise approach, issuance workstations and support will be shared across Components. When card issuance begins in a region, the objective will be to complete issuance to the majority of DHS employees and contractors in the region, regardless of Component affiliation. A regional approach, versus a component-by-component approach, was selected because of the efficiencies to be gained by doing so. Issuing cards by the regions indicated below ensures that the department can deliver cards to more employees in a shorter period of time.

Start Date	Milestone	Estimated End Date
Q1—fiscal year 2010 .....	Begin remaining Expanded National Capital Region locations and complete issuance, which includes remaining Washington, D.C. personnel as well as Virginia, Maryland, Pennsylvania, West Virginia, and Delaware. Estimated total of 52,500 additional issuances to DHS employees and contractors. The completion of this region in Q2, including the initial Headquarters issuances, will result in completing issuance to approximately 25 percent of the DHS population.	Q2
Q2—fiscal year 2010 .....	Begin the South West Region, which includes California, Arizona and Nevada. Estimated total of 39,200 additional issuances to DHS employees and contractors.	Q4
Q3—fiscal year 2010 .....	Begin the Mid Atlantic Region (for card issuance purposes, this will include New York and New Jersey). Estimated total of 20,600 additional issuances to DHS employees and contractors.	Q4
Q4—fiscal year 2010 .....	Begin the New England and South Atlantic Regions. The New England Region includes Maine, Vermont, New Hampshire, Massachusetts, Connecticut, and Rhode Island. Begin The South Atlantic Region, including Georgia, South Carolina and North Carolina. Estimated total of 22,700 additional issuances to DHS employees and contractors. Complete issuance in the Expanded National Capital, South West, Mid Atlantic, and New England Regions and portions of the South Atlantic Region, which, with the prior completion of Region 1, will result in completing issuance to approximately 58 percent of the DHS population (total of approximately 135,000 and initial 10,000 at Headquarters). The remaining States within the South Atlantic Region and remaining regions will be addressed in fiscal year 2011.	Q4

## USM CONVERSION OF CONTRACTORS TO FTE

*Question.* The budget request indicates that there are 25 contractors to FTE conversions in fiscal year 2009. However, the budget shows zero planned for fiscal year 2010. Is this the full extent of contractor conversions? Why?

*Answer.* The Office of the Under Secretary for Management, like other DHS Components, is currently considering the conversion of a limited amount of workload from contract to in-house performance in fiscal year 2009 and the out years. This review is not yet complete.

## ACTION ORDERS

*Question.* Shortly after being confirmed, you issued action directives instructing specific offices to gather information and review existing strategies and programs. Please describe (in summary form) what you found. How did the results of these reviews impact the allocation of resources for the fiscal year 2010 request? Be specific.

*Answer.* The action directives did not impact the fiscal year 2010 Budget Request because most of the responses were received after the budget request was submitted. As I review the reports, I will formulate new policies, make changes to existing procedures and launch new initiatives. The action directive reports are the first step, as they serve as a snapshot of the current challenges, needs and recommendations. To that end, they will help inform future resource allocation requests, but at this point have not altered the fiscal year 2010 resource allocation.

## NON-PAY INFLATION

*Question.* The Department is being required to absorb \$331million in non-pay inflation costs. Please explain how these costs will be absorbed without impacting operations.

*Answer.* The Department's goal is to find sufficient savings through the efficiency review process to absorb the estimated \$331 million in non-pay inflation. We plan to generate savings in travel costs, acquisition of office equipment, software, general supplies and support contracts to offset some of the estimated 2 percent increase in prices. Our efficiency review is ongoing and we expect to identify additional measures that will generate further savings.

## OUT-YEAR FUNDING

*Question.* According to the President's budget, homeland security funding would decrease between fiscal year 2010 and 2014. Other domestic agencies receive healthy increases over the same period of time. Even after adjusting for the assumed enactment of additional aviation security fees, there are no increases for homeland security. Is this reduction based on a threat analysis? If so, please provide in classified form. Can you achieve these reductions without cutting personnel or major acquisition programs like the Secure Border Initiative or Deepwater? If the increase in air passenger fees is not enacted by Congress, how will this impact the need for DHS discretionary resources?

*Answer.* Through our current programmatic review and internal budget build for fiscal year 2011 to 2015, DHS is analyzing how to most effectively and efficiently allocate resources including the optimal balance of personnel and major acquisition programs. Following this review, additional information will be included in our fiscal year 2011 budget submission.

Raising air passenger fees increases the portion of existing Aviation Security activities offset by direct users of aviation transportation, thereby decreasing net discretionary appropriated resources. If the increase in air passenger fees is not enacted by Congress, DHS will work with OMB to evaluate other options toward maintaining current operations.

## U.S. CUSTOMS AND BORDER PROTECTION

## PROGRAM INTEGRITY

*Question.* What was the total fiscal year 2009 level of funding provided and what is the total requested fiscal year 2010 level for CBP Program Integrity?

*Answer.* The total funding level in fiscal year 2009 for the Conduct and Integrity program is \$19.181 million; in fiscal year 2010 the funding level is \$20.242 million.

*Question.* How many positions related to the integrity program were on-board in fiscal year 2008, will be on-board by the end of fiscal year 2009, and are requested for fiscal year 2010?

Answer. As of September 30, 2008 there were 159 (143 agents/16 support) positions related to the Conduct and Integrity program on-board in fiscal year 2008; 255 (227 agents/28 support) positions will be on-board by the end of fiscal year 2009. There are no additional positions requested for fiscal year 2010.

*Question.* From 2007–2009 (to date):

—How many investigations?

—How many arrests?

—And how many convictions?

Answer. Please see the following tables.

#### CBP INTERNAL AFFAIRS INVESTIGATIONS

	Fiscal year		
	2007	2008	2009
Investigations Closed .....	578	757	113
Investigations Open .....	28	235	569
<b>TOTAL INVESTIGATIONS .....</b>	<b>606</b>	<b>992</b>	<b>682</b>

#### CBP EMPLOYEE ARRESTS

	Fiscal year		
	2007	2008	2009
Non Mission Critical Arrests .....	222	286	179
Mission Critical Arrests .....	8	21	17
Convictions (Mission Critical Arrests Only) .....	7	9	14
<b>TOTAL ARRESTS .....</b>	<b>230</b>	<b>307</b>	<b>196</b>

From October 1, 2006 to present, CBP Internal Affairs (CBP/IA) initiated 2,280 investigations involving current or former CBP employees or contractors. Of that total, 1,448 investigations (63.5 percent) are closed. The remaining 832 cases (36.5 percent) constitute CBP/IA's open investigative inventory.

It should be noted that these figures do not include investigations into CBP employee misconduct conducted by the DHS Office of the Inspector General (DHS/OIG), U.S. Immigration and Customs Enforcement's Office of Professional Responsibility (ICE/OPR), or the FBI Border Corruption Task Forces (FBI/BCTF). The DHS/OIG, ICE/OPR and FBI/BCTF maintain separate investigative inventories with respect to cases involving CBP employees.

From October 1, 2006 to present, 720 current and former CBP employees have been arrested for (or charged with) criminal misconduct ranging from mission critical corruption (e.g., alien or drug smuggling, bribery, conspiracy, money laundering, etc.) linked directly to the employees' discharge of their official duties to off-duty arrests for DUI/DWI, shoplifting, assault, etc. Of the 720 total arrests, 46 involved mission-critical corruption.

CBP is the largest law enforcement agency in the United States with more than 56,000 employees, of which approximately 40,000 are sworn law enforcement officers. During fiscal year 2008, CBP received more than 43,000 allegations of criminal and non-criminal misconduct lodged against CBP employees.

The 46 corruption arrests since October 1, 2006 represent less than one percent (.08) of the total workforce. Of the 46 CBP employees arrested for (or charged with) mission critical corruption, 31 cases resulted in convictions and 14 cases are at various stages in the judicial process. In one case all charges were dismissed.

#### TRADE REGULATIONS

*Question.* Provide a brief description of the details and changes contained in the new "10 + 2" regulations.

Answer. On November 25, 2008, Customs and Border Protection (CBP) published in the Federal Register (73 FR 71730), an Interim Final Rule, "Importer Security Filing and Additional Carrier Requirements" (CBP Dec. 8–46). Pursuant to Section 203 of the Security and Accountability for Every Port Act of 2006 ("SAFE Port Act," Public Law 109–347) this Interim Final Rule requires the submission of certain information from carriers and importers pertaining to cargo destined to the United States by vessel, for the most part, prior to lading of such cargo onto the vessel at

the foreign port. The Interim Final Rule was effective on January 26, 2009; however, a 12 month delayed enforcement date (until January 26, 2010) was provided to allow industry to determine best practices to comply with the new requirements. CBP is conducting an extended round of outreach activities to engage with the trade community on all aspects of the rule.

Carriers are generally required to submit two data elements, a vessel stow plan and container status messages (CSMs) relating to containers loaded on vessels destined to the United States. This is in addition to the data elements that carriers are already required to electronically transmit in advance of lading pursuant to Section 343(a) of the Trade Act of 2002 (19 U.S.C. 2071 note). Vessel stow plan information must generally be transmitted to CBP no later than 48 hours after the vessel departs from the last foreign port. CSM information must generally be transmitted to CBP no later than 24 hours after a CSM is entered into the carrier's equipment tracking system. See 73 FR 71779–80 for regulatory text and 73 FR 71731–32 for general discussion.

CBP Dec. 08–46 also requires the submission of an Importer Security Filing (ISF). The party required to submit the ISF, known as the "ISF Importer," is the party causing the goods to enter the limits of a port in the United States. ISF Importers, are generally required to submit an ISF containing 10 data elements which include: seller, buyer, importer of record number/foreign trade zone applicant identification number, consignee number(s), manufacturer (or supplier), ship-to party, country of origin, commodity HTSUS number, container stuffing location, and consolidator (stuffer). Only five data elements are required, however, for shipments consisting entirely of foreign cargo remaining on board ("FROB") and shipments consisting entirely of goods intended to be "transported" as immediate exportation or transportation and exportation in-bond shipments. These include: booking party, foreign port of unloading, place of delivery, ship to party, and commodity HTSUS number. Generally, an ISF must be transmitted to CBP no later than 24 hours prior to lading at the foreign port. The regulations allow for some flexibility as to timing of transmission and interpretation for six of the data elements. [See 73 FR 71782–85 for regulatory text and 73 CFR 71733–34 for general discussion.] CBP invited public comments on these six data elements in the Regulatory Assessment and Final Regulatory Flexibility Analysis. Comments regarding this interim final rule are due by June 1, 2009.

#### AUTOMATION MODERNIZATION

*Question.* Is the lower level of funding requested for ACE and TECS an indicator that the agency is backing off of its support for automation modernization?

*Answer.* CBP is committed to modernizing the import/export process through the deployment of the Automated Commercial Environment (ACE). The successful completion and roll out of this mission critical system will ensure that international trade flows smoothly and efficiently without sacrificing national security. ACE is an investment that will strengthen the agency's anti-terrorism capability through enhanced risk assessment, expand coordination with other Federal agencies to ensure the safety of imported goods, guarantee the efficient accounting/control of over \$30 billion in duty/tax/fee collections, and streamline the import/export process resulting in real cost savings for the international trade community. CBP will continue to aggressively work with all stakeholders to ensure that ACE is fully deployed as efficiently as possible within available budgetary resources.

The fiscal year 2010 Budget Request has no impact on TECS, only ACE. The fiscal year 2010 Request for TECS Modernization maintains TECS funding at \$50 million as planned. It is important to note that CBP is developing new approaches to improve the efficiency of the overall ACE program. CBP is currently working to implement management reforms to improve program efficiency. In addition, there are numerous efforts underway to drive down the cost of operations and maintenance.

An important new capability within the ACE was just fielded in April 2009. This new capability allows CBP trade partners to file in ACE, entry summary information for the most common entry types. Going forward, CBP will add other entry summary types to this foundational release, achieving an important step in the modernization of the import process.

In the late summer/early fall of 2009, CBP will deploy the capability to receive and process vessel and rail manifests in ACE. This release has been delayed due to defects discovered during internal and trade testing. The defects are being addressed, and CBP continues to ensure that the software is tested before deployment. CBP is committed to ensuring that this software is thoroughly tested before deployment.

These new capabilities along with the already deployed truck manifest, periodic monthly statement, and portal capabilities used by both the trade community and over 30 other Federal agencies, demonstrates the success that CBP has achieved with ACE and portends well for the future of this critical program.

CBP acknowledges the strong support that the ACE modernization effort has received from Congress. This support is greatly appreciated and viewed as essential in CBP's effort to successfully finish ACE.

CONSTRUCTION

*Question.* Please confirm that no new funds are requested for port of entry, Border Patrol station, or checkpoint construction.

*Answer.* CBP requested funding to continue many construction projects in the fiscal year 2010 Budget Request.

AGRICULTURAL SPECIALISTS

*Question.* How many agricultural specialists have been brought on-board since fiscal year 2004—by fiscal year?

*Answer.* The numbers in the following table represent CBP Agriculture Specialists brought onboard from fiscal year 2004 through April 25, 2009. These numbers include accessions and gains of employees in full-time, part-time, and term appointments.

Fiscal year	
2004 <sup>1</sup> .....	1,523
2005 .....	618
2006 .....	314
2007 .....	371
2008 .....	318
2009 .....	202

<sup>1</sup> Fiscal year 2004 includes agricultural specialists moving from USDA to CBP.

*Question.* How many CBP officers have received basic agriculture training?

*Answer.* A total of 9,637 CBP officers trained from fiscal year 2004 to date (May 15, 2009) in CBP Integrated Training (CBPI), the basic academy course for officers.

*Question.* What does this training consist of, how many hours are devoted to it, is there additional training conducted in the field?

*Answer.* The basic agriculture training consists of the below three classes:

- “Threats to Agriculture in Passenger Processing” is an 8 hour module given in 2 hour intervals during the 6 week of CBP Integrated Training (CBPI).
- “Threats to Agriculture in Trade Processing” is an 8 hour module given in 2 hour intervals during the 11 week of CBPI.
- “Agriculture Fundamentals” is a 3 hour on-line course given to CBP officers as well as Agriculture Specialists once assigned to the field.

The terminal objectives for the first two classes are to provide a series of scenarios and the use of an agriculture reference card for participants to recognize potential threats to United States agriculture and ecosystems, and determine if a secondary examination by the Agriculture Quarantine Inspector (AQI) is warranted. Both modules are instructed by an Agriculture Health Inspection Service (APIS) inspector stationed at the Customs and Border Protection Field Operations Academy in Glynco, Georgia.

*Question.* Prior to the creation of the Department, did any Customs Service or Immigration and Naturalization Service personnel receive any agriculture training?

*Answer.* Yes, prior to the creation of the Department, U.S. Immigration and Naturalization Service (INS) Inspector new hires received 2 hours of training during their basic academy. INS Inspectors at the southern border received an additional 4 hours of informal training on local U.S. Department of Agriculture (USDA) Animal Plant Health Inspection Service (APHIS), Plant Protection and Quarantine (PPQ) procedures. U.S. Customs Inspector new hires received 4 hours during their basic academy. Any U.S. Customs Inspectors at southern border ports also received 4 hours of informal training on local USDA APHIS PPQ procedures

LICENSE PLATE READERS

*Question.* What is the total number of inbound and outbound lanes on the south-west border?

*Answer.* There are 234 inbound non-commercial and 91 commercial lanes for a total of 335 inbound lanes and 110 outbound lanes on the southern border.

*Question.* With the fiscal year 2010 funding requested in the budget for license plate readers (LPRs) on southbound lanes, how many additional existing southbound lanes need to be outfitted with LPRs, if any?

*Answer.* Fiscal year 2010 funds will begin the requirements process for the deployment of the remaining 58 lanes without LPRs, to include environmental studies, site surveys and design.

## VEHICLES

*Question.* With the number of CBP employees increasing, why has the requested level for new and replacement vehicles gone down?

*Answer.* Fewer new vehicles are needed in fiscal year 2010 because fewer new hires are proposed.

—*New Vehicles.*—In fiscal year 2010, CBP requests authority to buy 500 new vehicles; in fiscal year 2009 3,000 new vehicles were authorized, a net decrease of 2,500.

—*Replacement Vehicles.*—In fiscal year 2010, CBP requests authority to buy 4,000 replacement vehicles; in fiscal year 2009 3,300 replacement vehicles were authorized, a net increase of 700.

—The combined decrease for new vehicles and increase for replacement vehicles, nets to requested authority for 1,800 fewer vehicles in fiscal year 2010 than in the previous fiscal year.

*Question.* How short is the fiscal year 2010 budget request from meeting the requirement in the fiscal year 2009 Act of funding to replace a minimum of 20 percent of the CBP fleet?

*Answer.* Assuming a 20 percent replacement rate, funding for an additional 1,210 vehicles would be required. Over the past 3 years during which the 20 percent replacement rate has been a matter of discussion, CBP has made significant progress replacing vehicles in the fleet, reducing the average age to a manageable level. CBP believes that relying solely on a fixed replacement rate may inhibit programs from meeting mission requirements. CBP uses analysis of fleet data to forecast an appropriate vehicle replacement rate within the constraints of funding and vehicle purchase limits (vehicle caps in the appropriations bill).

## ADVANCED TRAINING CENTER

*Question.* What is the fiscal year 2010 estimated base request for total operations of the Center—within Salaries and Expenses?

*Answer.* CBP is budgeting \$30.3 million in fiscal year 2010 for training, staffing, travel, transportation, utilities, supplies, equipment, and contract support. There is no enhancement request for the Advanced Training Center in the fiscal year 2010 Budget Request.

*Question.* Within the new Facilities Management account?

*Answer.* CBP requested \$5.955 million in the fiscal year 2010 Budget for Maintenance, Repairs, and Operations activities for the Advanced Training Center in Harpers Ferry. There is no enhancement request for the Advanced Training Center in the fiscal year 2010 Budget Request.

## NEED FOR MISSION SUPPORT

*Question.* One of the benefits of Operation Jump Start was the sending of National Guard troops to the four States on the Southwest border. Actually, you were the first governor to call for these troops. These men and women performed non-law enforcement functions—such as watching cameras and fixing vehicles—so that actual Border Patrol agents could be on the border stopping illegal aliens and drugs from entering our country. Unfortunately, while the National Guard troops were performing mission support activities, the last administration was not hiring the mission support personnel Congress was funding. So once the Guard left, the Border Patrol agents went back to performing mission support functions. This was a wasted opportunity to address a critical need.

This budget request includes funding for mission support personnel. Can you commit to this Committee that if the Congress gives you the funds to hire mission support personnel, you will actually do so? This would be a huge morale boost for your troops in the field.

*Answer.* OBP is currently funded for 2,260 operational support staff employees. By the end of fiscal year 2009 the Office of Border Patrol anticipates approximately 2,056 operational support personnel hired (by the end of the calendar year CBP anticipates 2,242 operational support personnel hired). While the operational support workforce is currently comprised of a mixture of government employees and contractors, the contractors will be phased out over time.

In addition to the mission support positions in the field, CBP has aligned 140 mission support positions to other CBP offices to provide direct support to OBP. The decision to realign these positions to the other CBP support offices was made in late March.

STATUS OF REALIGNED MISSION SUPPORT POSITIONS (FISCAL YEAR 2009)

Office	Positions Allocated	Hires to Date	In Process	Anticipated Additional Selections by 9/30/09	Remaining to Fill
HRM .....	28	3	.....	25	.....
OF .....	35	.....	11	24	.....
IA .....	41	7	28	6	.....
OIT .....	16	.....	.....	16	.....
COM .....	14	3	.....	4	7
OTD .....	6	.....	5	1	.....
<b>Total</b> .....	<b>140</b>	<b>13</b>	<b>44</b>	<b>76</b>	<b>7</b>

A number of recruitment strategies are in place to actively recruit for the 140 mission support positions, including open continuous announcements, a professional hiring day event, and a virtual Federal Career Intern Program job fair.

End-of-year onboard for the mission support positions is dependent upon background investigation clearances. The background investigation process averages 3 months from selection date.

SECURE BORDER INITIATIVE (SBI)

*Question.* The GAO reported in April 2009 that the Border Security Fencing, Infrastructure, and Technology (BSFIT) fiscal year 2009 Expenditure Plan did not fully satisfy all of the conditions set out in response to a mandate in the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009. GAO found that three of the conditions were satisfied and nine were partially satisfied. If the Committee decides to require an expenditure plan for these fiscal year 2010 funds, how will you improve the plan to meet the mandated conditions?

*Answer.* A strong, good-faith effort was made to meet all of the conditions set forth by the Committees for the BSFIT fiscal year 2009 Expenditure Plan. Extensive discussion and collaboration was conducted with the GAO prior to submittal of the plan to the Committees—the intent being to submit a compliant plan. Nonetheless, GAO assessed that the Expenditure Plan did not fully satisfy all of the conditions, and DHS disagreed with some of those findings. We believe that one of the root causes of GAO’s determination was GAO audit methodology, which drew the focus away from a broader assessment of the overall quality of the plan and discounted volumes of supporting information that augmented the data provided directly in the Expenditure Plan.

Going forward, we are prepared to provide the Committees with embedded supporting source material in the Expenditure Plan. However, doing so will increase the difficulty in preparing, coordinating and maintaining an already voluminous document. A more streamlined approach, which is proposed in the response to the question which follows, would be to craft compliance conditions that focus more on the substantive quality of the plan. We believe that supporting source material which is referenced in the Plan should be considered as part of the assessment of the overall quality of the Plan.

*Question.* What suggestions do you have for us in considering whether to require an expenditure plan and in determining what conditions it needs to meet?

*Answer.* DHS would be pleased to continue providing additional information to assist the Committee in its determination of what conditions need to be met, whether that is through an expenditure plan for fiscal year 2010 or otherwise. However, given that the preparation and coordination of such a large document (192 pages) is labor-intensive and time-consuming, and in order to streamline its production, review and approval, we recommend that the Committees avoid overly technical compliant requirements for the Expenditure Plan. Requirements should be limited to the minimum essential information and conditions needed to determine the overall quality of the plan. The Committees should also permit source material to be referenced and otherwise used to assess accuracy and completeness of the Expenditure Plan, rather than requiring that it be embedded within the Expenditure Plan itself in order to be compliant. In addition, the Committees should consider other more

flexible and responsive methods for obtaining the information needed, such as meetings and presentations to the Committees or the Committees' staffs. Finally, to avoid unintended programmatic impacts due to funding withholds, we urge consultation on the amount of funding being withheld before it becomes legislation. We are especially concerned with BSFIT funding for fiscal year 2010, since the production decision for follow-on SBInet Block 1 deployments will be made in the 1st quarter of 2010.

#### BORDER PATROL AGENTS

*Question.* The SBI Director was recently quoted as saying that CBP is estimating a need of a total of 25,000 Border Patrol agents assuming full deployment of SBI. That is nearly 5,000 more agents than requested and funded in this budget. Over what timeframe does CBP plan to grow to this level of agents? Is there a plan for funding and hiring a portion of them on an annual basis?

*Answer.* CBP is in a short term re-assessment mode until full activation of the BSFIT and technology demonstrates its maximum impact. Effective control is based upon the proper mix of personnel, technology and infrastructure. These resources have been appropriated to CBP at differing rates over the past several years. Congressional appropriations have significantly contributed to doubling the number of border miles under effective control (345 miles versus 697) along the southwest border since the end of fiscal year 2006. These gains, however, which CBP identifies as "pre-SBInet," have been very manpower-intensive and relied upon Agents for the detection and monitoring capabilities SBInet technology will provide, as well as response and resolution. Conversely, as SBInet is deployed in Tucson and Yuma sectors, Agents in the field will adapt to SBInet's technological capabilities. This adaptation should lessen the need for current manpower and facilitate using appreciable numbers of agents elsewhere. We will continue to evaluate law enforcement needs in conjunction with SBInet technological systems solutions, current manpower, and tactical infrastructure.

#### RADAR COVERAGE

*Question.* What level of radar coverage does Montana receive?

*Answer.* CBP Air and Marine notes this information as sensitive/classified. CBP Air and Marine personnel are willing to brief cleared personnel in an appropriate environment to discuss the details of a more succinct response.

*Question.* In which parts of the United States can CBP see or track aircraft flying lower than 5,000 feet?

*Answer.* CBP Air and Marine notes this information as sensitive/classified. CBP Air and Marine personnel are willing to brief cleared personnel in an appropriate environment to discuss the details of a more succinct response.

*Question.* Which agency (or agencies) is/are responsible for providing radar coverage nationally?

*Answer.* The three main reasons for radar coverage are Air Traffic Control, Homeland Defense and Homeland Security. The Federal Aviation Administration operates and maintains both Long Range and Terminal radars used for Air Traffic Control. Some of these same radars are part of the Joint Surveillance System (JSS) also used by the Department of Defense providing both communications and radar data. Terminal radars are typically located on or near an airport. The Tethered Aerostat Radar System (TARS), which is maintained and operated by the Department of Defense, is located along the southwest border and in Florida. Radars within this system are attached to moored balloons. CBP's Air and Marine Operations Center (AMOC) utilizes TARS to provide radar surveillance for DHS to execute a Homeland Security Mission (Law Enforcement). The aggregate of the data from these radar systems is managed by the FAA's National Airspace System Defense Program (NDP). The NDP office utilizes existing FAA infrastructure and human resources to expand voice and surveillance services to meet external user requirements.

*Question.* Do Air Force facilities in Montana have and provide radar coverage to CBP or the Air Marine Operations Center (AMOC)?

*Answer.* Malstrom Air Force Base located in Great Falls, MT does not provide radar feed to the AMOC however a Long Range Radar (LRR) located on Bootlegger Ridge outside of the base is received by the AMOC.

#### U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT

##### WORKSITE ENFORCEMENT

*Question.* There has been no stronger supporter in Congress of the worksite enforcement program than this Senator. When we met in my office, I asked you if you

supported the worksite enforcement program and you said, yes. On April 30, 2009, you announced new guidelines for how worksite enforcement operations are to be conducted. Specifically, the guidelines are targeted at the unscrupulous employers who hire illegal aliens.

Please describe to the Subcommittee your plans for the worksite enforcement program. What is the requested level of funding for worksite enforcement? What was the level provided for worksite in fiscal year 2009?

Answer. Illegal employment draws people to enter the United States illegally. Immigration and Customs Enforcement (ICE) is committed to reducing those opportunities.

On April 30, 2009, ICE announced a new worksite enforcement strategy targeting employers who knowingly hire illegal labor while continuing to arrest and process for removal any illegal workers. Pursuant to this strategy, ICE will do the following: (1) penalize employers who knowingly hire illegal workers; (2) deter employers who are tempted to hire illegal workers; and (3) encourage all employers to take advantage of well-crafted compliance tools and best practices. Arresting and removing unlawful workers alone is not sufficient to deter employers.

In addition to prosecuting employers, seizing illegal profits through asset forfeiture, and arresting illegal workers, ICE also will use other tools to penalize and deter employers who violate the law. In particular, ICE will conduct more Form I-9 inspections and pursue civil fines as appropriate. ICE also will seek debarment of businesses that have violated the employment provisions of the Immigration and Nationality Act. Finally, ICE will continue to provide training, tools, and information to assist employers who want to comply with the law and avoid hiring unauthorized workers.

As set forth in the projected Office of Investigations (OI) expenditure plan for fiscal year 2010, OI requests \$128,778,000 for worksite enforcement.

In fiscal year 2009, \$126,515,000 has been provided for worksite enforcement, consistent with the fiscal year 2009 DHS Appropriations Act (Public Law 110-329).

#### PROGRAM INTEGRITY

*Question.* What was the total fiscal year 2009 level of funding provided, and what is the total requested fiscal year 2010 level for ICE Program Integrity?

Answer. For fiscal year 2009, the Office of Professional Responsibility's (OPR) budget was \$81.9 million and the total requested level for fiscal year 2010 is \$90.6 million. The overall OPR budget funds investigations of allegations of criminal and administrative misconduct by ICE and CBP employees, inspections of detention facilities, 287(g) programs, and ICE field office and physical security management. These investigations and inspections support the integrity of ICE and CBP staff and programs.

*Question.* How many positions related to the integrity program were on-board in fiscal year 2008, will be on-board by the end of fiscal year 2009, and are requested for fiscal year 2010?

Answer. At the end of fiscal year 2008, OPR had 415 employees onboard. By the end of fiscal year 2009, OPR anticipates having 493 positions on-board. OPR has requested 49 additional positions for fiscal year 2010. The requested fiscal year 2010 positions will support inspections of ICE programs, ICE field offices, and detention facility inspections.

*Question.* From 2007 to 2009 (to date):

How many investigations?

How many arrests?

How many convictions have there been?

Answer. As of May 19, 2009, these statistics reflect criminal investigations, arrests and convictions of ICE and CBP employees. Note that these statistics do not include arrests of civilians for crimes such as impersonation of a Federal officer and bribery. Also, the investigations category statistics do not reflect administrative inquiries or management referrals.

Investigations:

—Fiscal year 2007—829

—Fiscal year 2008—983

—Fiscal year 2009—824

Arrests:

—Fiscal year 2007—11

—Fiscal year 2008—32

—Fiscal year 2009—19

Convictions:

—Fiscal year 2007—14

—Fiscal year 2008—22  
 —Fiscal year 2009—16

## DETENTION BEDS

*Question.* There is only a 50 bed increase in the number of detention beds (for a total of 33,450). Does the request fully fund this bed level for the entire fiscal year? In what State or region of the country is there a shortage of accessible detention beds? What is the ICE plan to address this regional shortage?

*Answer.* ICE current detention funding request, including the \$36.2 million adjustment to the base request, will assist the Office of Detention and Removal Operations (DRO) in maintaining detention capacity in support of ICE's enforcement efforts for the entire fiscal year. This request will also cover the costs associated with:

- Unforecasted increases in Inter-Governmental Service Agreement (IGSA) contract costs
- Increases in detainee health care costs
- Increased detention standards monitoring contracts.

DRO continues to explore short-term and long-term ways to streamline and reduce costs associated with detention management while maintaining high standards. ICE will also use Secure Communities funding to meet additional bedspace needs due to increasing criminal alien enforcement efforts.

ICE is presently experiencing regional bed space shortages in the Northeastern United States, California, and its Miami Field Office. Although ICE strives to complete the removal process while an alien is in the custody of another law enforcement organization, there is inevitably a period of time the alien enters ICE custody before his or her physical removal from the United States can be affected.

ICE addresses regional fluctuations in detention space, such as those in its California and Miami Field Offices, by transferring ICE detainees from locations experiencing an increase in detainees to locations where bed space is more readily available. ICE monitors bed space on a daily basis. In addition, ICE is in the process of initiating a request for proposals for increasing ICE's bed space capacity in the southern California region.

Additionally, ICE competes for bed space with other State and local law enforcement agencies, as 70 percent of ICE detention beds are currently located within IGSA facilities owned by these State and local entities.

DRO is in the process of establishing the Detention Management Strategy Working Group (DMSWG), which will further evaluate ICE's long-term detention management strategy. The group will create a 3–4 year detention plan for DRO that will meet the needs of both ICE and our immigration enforcement partners. The DMSWG will be comprised of representatives from all ICE programs, as well as representatives of Custom and Border Protection's (CBP) Office of Border Patrol and Office of Field Operations and the Department of Justice's Executive Office.

## SECURE COMMUNITIES

*Question.* With the Secure Communities fiscal year 2010 request of \$195.589 million, to how many counties will this program expand? What is the increase in counties covered over fiscal year 2009? How many additional counties will remain to receive the Secure Communities program after fiscal year 2010? By what date does the Secure Communities plan to be operational nationwide?

*Answer.* Secure Communities plans to expand coverage by at least 50 counties during fiscal year 2010 to establish biometric identification of arrested criminal aliens in over 140 counties.

Secure Communities' threat-based deployment schedule prioritizes those counties with the highest threat criminal alien populations first, consisting primarily of counties in major metropolitan areas throughout the country as well as all counties along the Southwest Border. Secure Communities estimates that after deploying to these counties, ICE will cover over 50 percent of the Nation's criminal alien population.

Secure Communities anticipates that, with continued funding, including redeployment of existing resources, it will establish biometric identification of arrested criminal aliens in all counties that are willing and technically able to participate by the end of fiscal year 2012.

*Question.* From 2007 to 2009 (to date), how many criminal illegal aliens were:

- Incarcerated?
- Entered into deportation proceedings?
- Deported following incarceration?

*Answer.* As ICE is not present at every State and local jail, ICE is unable to provide the exact number of criminal aliens incarcerated from 2007–2009. However, as

ICE deploys Interoperability nationwide, ICE will be able to obtain more reliable estimates. Secure Communities developed a 2006 estimate of the total incarcerated criminal alien population based on statistical information from the Bureau of Justice Statistics. Please see the information and table that follows.

Entered into removal/deportation proceedings:

—At the close of fiscal year 2007, there were 164,296 charging documents issued to criminal aliens placing them into removal/deportation proceedings.

—At the close of fiscal year 2008, there were 221,085 charging documents issued to criminal aliens placing them into removal/deportation proceedings.

—Currently in fiscal year 2009 (YTD), there have been 133,118 charging documents issued to criminal aliens placing them into removal (deportation) proceedings.

—Figures for fiscal year 2007 and fiscal year 2008 are reflective of historical statistics related to charging documents issued under the Criminal Alien Program (CAP). Figure for fiscal year 2009 is reflective of year to date CAP statistics.

Deported following incarceration:

—fiscal year 2007 Criminals removed (deported): 102,024

—fiscal year 2008 Criminals removed (deported): 114,415

—fiscal year 2009 (YTD) Criminals removed (deported): 71,236

—Figures for fiscal year 2007 and fiscal year 2008 are historical. The figure for fiscal year 2009 is reflective of year to date statistics. All figures include aliens who, after being apprehended, may have been allowed to voluntarily depart the United States before being placed into removal proceedings.

Please see the following table.

#### CRIMINAL ALIEN PROGRAM (CAP) ANALYSIS

[Incarcerated Alien Universe]

	Federal	State	Local Min <sup>1</sup>	Local Max <sup>2</sup>	Totals (including Local Min) <sup>1</sup>	Totals (including Local Max) <sup>1</sup>
Daily Population <sup>3</sup> .....	170,000	1,365,438	1,510,000	3,020,000	3,045,438	4,555,438
Number Foreign Born <sup>4</sup> .....	34,000	273,088	302,000	604,000	609,088	911,088
Number of Removable Aliens <sup>5</sup> .....	17,000	136,544	151,000	302,000	304,544	455,544
Criminality Levels and Types: <sup>6</sup>						
Level 1—Violent and Major Drug Offenses <sup>7</sup> .....	1,598	71,139	21,442	42,884	94,179	115,621
Level 2—Property and Minor Drug Offenses <sup>8</sup> .....	10,013	55,164	44,847	89,694	110,024	154,871
Level 3—Other Offenses <sup>9</sup> .....	5,389	10,241	84,711	169,422	100,341	185,052
Totals .....	17,000	136,544	151,000	302,000	304,544	455,544

<sup>1</sup> The local daily population figure is based on 755,000 with an average sentence of 6 months. The 6 month figure is based on the average sentence for a felon sentenced to local jail.

<sup>2</sup> The local daily population figure is based on 755,000 with an average sentence of 3 months. The 3 month sentence is an attempt to incorporate the majority of pre-sentenced inmates who are in local jail.

<sup>3</sup> Source: The Bureau of Justice Statistics Bulletin, Prisoners in 2006, Year end Report dated December 2007 is the source document for the Federal, State and Local daily population and Federal and State criminality percentages within this table. The Uniform Crime Reporting Program, Crime in the United States 2005, U.S. Department of Justice, Federal Bureau of Investigations is the source document for the local foreign born criminality percentages within this table. The Bureau of Justice Statistics (BJS) Year end 2006 Report on Jails and Prisons is a snapshot of the population at yearend, December 2006. All data from the BJS Federal Justice Statistics Program is based on all sentenced inmates, regardless of sentence length.

<sup>4</sup> Bureau of Prisons (BOP) foreign born population was derived from the BOP SENTRY system. The percentage (20 percent) of foreign born nationals in the BOP was applied to the State and local daily population to determine the foreign born population based on ICE historic data and average annual State Criminal Alien Assistance program funding requests.

<sup>5</sup> The removable alien population is based on the percentage of CAP screened cases that require a detainee. This information is derived from the CAP manual report. On average 50 percent of screened cases will require a detainee.

<sup>6</sup> The Criminality Levels 1, 2, and 3 and associated crimes from the BJS source document has been applied to the Federal and State population while the FBI source document has been applied to the Local population. The statistics for each Criminality Level for the Federal, State and Local populations are a percentage of the number of removable aliens.

<sup>7</sup> Level 1 includes crimes such as murder, manslaughter, rape, robbery, assault, and major drug offenses.

<sup>8</sup> Level 2 includes crimes such as burglary, larceny, motor vehicle theft, fraud, and minor drug offenses.

<sup>9</sup> Level 3 includes crimes such as public order, immigration, weapons or other unspecified offenses.

#### ICE LEASES

*Question.* What will be the additional cost to ICE of renewing leases, etc. between fiscal year 2011–2013, if the requested increase of \$92 million for co-location of ICE facilities is not approved?

*Answer.* Over the next 5 years, 72 percent of ICE leases will expire. If ICE remained in existing space and renewed these leases on an ad hoc basis, it would cost

ICE an additional \$69 million through fiscal year 2013. In fiscal year 2014, the costs will increase by another \$21 million.

Currently, most ICE employees are housed in 351 separate leases in 55 metropolitan areas. ICE averages 6 leases in each metropolitan area. Co-location reduces ICE's footprint to 56 leases in these 55 areas, providing sufficient, modern space for both employees and detainees who come into the agency's custody. The co-location plan also addresses inadequate electrical grid capacity in our many older facilities that cannot support new technology requirements. It incorporates space for holding cells, evidence rooms, and safety features to protect officers, detainees and the public. The plan will also allow efficiencies, such as shared support and guard services, as well as greater coordination on operations.

*Question.* Are there tranches of funding less than \$92 million that will address a portion of the need? Please describe.

*Answer.* Given the short remaining life of most of the existing leases in these cities, ICE has not developed alternatives for how it would manage collocation with less than \$92 million. If necessary, ICE would likely seek to extend existing leases in some cities, albeit at significantly higher cost. ICE would also likely be forced to cover these higher costs with base resources, reducing funding available for operations.

ICE identified its top 12 collocation projects based on operational needs and looming lease expirations. The President's request of \$92 million would fully fund these projects in the cities listed below. The 12 projects include cities close to the southwest border such as El Centro, CA and Albuquerque, NM, and other key high-priority cities.

No.	City	State	Project Type	Consolidation Size (RSF)	TOTAL Build-Out Costs (dollars)
1	El Centro	CA	Non-Prospectus	61,538	\$9,613
2	Portland	OR	Non-Prospectus	46,484	9,207
3	Spokane	WA	Non-Prospectus	30,120	4,140
4	Columbus	OH	Non-Prospectus	36,914	4,665
5	Reno	NV	Non-Prospectus	20,712	2,273
6	Jacksonville	FL	Non-Prospectus	45,964	7,864
7	Albuquerque	NM	Non-Prospectus	71,142	19,428
8	Salt Lake City	UT	Non-Prospectus	40,527	8,011
9	Orlando	FL	Non-Prospectus	51,048	8,695
10	Raleigh	NC	Non-Prospectus	29,251	5,791
11	Greenville	SC	Non-Prospectus	29,960	3,670
12	Charleston	SC	Non-Prospectus	53,517	8,897

TRANSPORTATION SECURITY ADMINISTRATION

TSA AIR CARGO INSPECTOR STAFFING

*Question.* I am concerned with the lack of additional funding for TSA air cargo and surface inspectors. The DHS Inspector General suggested in a February 2009 report that, "additional surface inspectors are needed to perform future tasks and enhance understaffed field offices." For air cargo, the Government Accountability Office reported in March 2009 that, "TSA's limited inspection resources may also hamper its ability to oversee the thousands of additional entities that it expects to participate in the Certified Cargo Shipper Program." This Subcommittee has added significant resources in the past to get these programs up and running. We do not believe the programs are staffed at a level yet to insure compliance with the statutory deadlines for securing air cargo on passenger aircraft, or for surface transportation requirements. What actions do you intend to take to rectify this shortfall?

*Answer.* TSA is working diligently to fill the remaining cargo and surface inspector positions by posting job listings both internally and externally as well as actively recruiting applicants from both the public and private sectors.

TSA is adding 50 additional surface transportation security inspectors using funds provided by Congress in the fiscal year 2009 appropriations act for 9/11 Act implementation. In recruiting new surface inspectors, TSA is targeting individuals that have relevant transportation security experience as required by the Implementing Recommendations of the 9/11 Commission Act of 2007 and notifying key surface transportation industry officials of posted job announcements.

AIR PASSENGER FEE INCREASE

*Question.* The President’s fiscal year 2010 budget proposes that security fees which airline passengers pay to fly will increase starting in fiscal year 2012, generating an additional \$2.6 billion in aviation security funding by 2014. This plan requires legislative authority. Has a legislative proposal been submitted to the appropriate authorizing Committee(s)? If Congress rejects this plan, will the administration ask to increase funding in the outyears to accommodate for this shortfall?

*Answer.* A legislative proposal was transmitted to both the House and the Senate on May 20, 2009. This adjustment will fulfill the original intent of the Aviation and Transportation Security Act (ATSA) by more closely allocating the cost of aviation security services to the users of the aviation system, who directly benefit from this unique government service, and reducing the burden on the general taxpayer. We are hopeful that the Congress will support the President’s plan after careful consideration. In the event Congress rejects the proposal, the administration will consider out-year alternatives.

BEHAVIOR DETECTION

*Question.* There are 2,860 behavior detection officers budgeted for fiscal year 2009. What is the current on board level for BDO’s?

*Answer.* As of April 25, 2009, there were 2,929 Behavior Detection Officers on board.

*Question.* There are 3,204 budgeted in fiscal year 2010. Can you send us the 5 year cost projection for the program (2007 to 2011)?

*Answer.* Please see the chart that follows. The fiscal year 2011 figure represents a 3.7 percent cost of living adjustment on the fiscal year 2010 Request.

Fiscal year	Cost
2007 .....	\$20,170,205
2008 .....	87,652,230
2009 .....	198,336,627
2010 .....	225,861,214
2011 .....	234,290,953

*Question.* What performance standards are being used to justify such a large increase in the program over this 5 year period?

*Answer.* TSA maintains a Screening Passengers by Observation Techniques (SPOT) database, which lists all referrals by a Behavior Detection Officer (BDO). From that we can track the number of referrals resulting in arrest, referred to another agency, questioned and released by a Law Enforcement Officer (LEO), LEO not responded, LEO responded but not questioned, and resolved by SELECTEE screening. TSA uses this data, along with information from other sources, such as Performance Measurement Information System, to help determine the effectiveness of the program at the various locations as well as a whole. BDOs are a proactive layer of security in front of the security checkpoint and enhance the overall security posture of TSA.

COLLECTIVE BARGAINING RIGHTS

*Question.* What is the status of the Secretary’s review of collective bargaining rights for Transportation Security Officers (TSO’s)? When will a decision be made by the Secretary?

*Answer.* The review is ongoing.

*Question.* What are the cost implications if the decision is made to provide TSO’s with collective bargaining rights? Are sufficient funds included in the fiscal year 2010 request to support such a decision?

*Answer.* Any budgetary concerns would be contingent upon the outcome of the ongoing review. At this time, it is premature to speculate on budgetary impacts.

U.S. COAST GUARD

NATIONAL SECURITY CUTTER (NSC)

*Question.* The Coast Guard is in the middle of a large procurement to replace 12 aging high endurance cutters with eight modern ships known as National Security Cutters. The costs of this acquisition have significantly increased due to the weakening of the dollar, rising commodity prices, and rising labor costs. Your budget

funds the remaining costs for the 4th NSC. Yet, it does not provide any funding for NSC number five. This will cause a delay in producing that cutter.

The NSCs will play a primary role in the Coast Guard's drug interdiction strategy, which is focused on transit routes from source countries in the Caribbean and eastern Pacific Ocean. The legacy fleet of 12 cutters loses an average of 250 operational days per year due to unplanned maintenance, which is directly impacting the Coast Guard's ability to disrupt drug movements headed towards the United States. Is it not critical to get the new cutters on line to replace these underperforming assets?

Is the administration considering a budget amendment for NSC #5 (or any segment of NSC #5)? If not, why?

Answer. Completion of the NSC Acquisition Program Baseline (APB) of eight hulls to replace the in-service High Endurance Cutter fleet continues to be the Coast Guard's highest recapitalization priority.

At this time there is no plan to amend this portion of the fiscal year 2010 Budget Request. The request in 2010 is sufficient to backfill the current funding gap and enables Coast Guard to award a contract for NSC-4. The Coast Guard anticipates NSC-1 acceptance in early 2010, which would allow procurement of the next cutter (NSC-5) to begin in 2011.

#### COAST GUARD

*Question.* The Commandant consistently says "demand for Coast Guard services outstrips our supply" and that the Coast Guard workforce is "capable of growing by 2,000 employees a year." Under the fiscal year 2010 request, the Coast Guard workforce would grow by only .05 percent. In fact, under your request, the size of the military workforce actually decreases. Is that really adequate to deal with the many demands on the Coast Guard? What mission requirements have been reduced to warrant the reduction in military personnel? How does this status quo budget for staffing address the significant gaps in meeting mission requirements identified in the Coast Guard's Quarterly Abstract of Operations Report?

Answer. The Coast Guard's fiscal year 2010 Budget Request balances many important priorities, including marine safety and security enhancements, modernization, and asset recapitalization requirements. The fiscal year 2010 Budget Request reflects the balance of these needs and supports the Coast Guard's highest priorities, including substantial personnel growth in several key areas. Specifically, the fiscal year 2010 President's Request includes 74 new positions to support the Marine Safety improvement plan, 86 new positions to improve financial management oversight, and 100 positions for critical acquisition program management. These enhancements, build upon the significant workforce growth provided in fiscal year 2008 and fiscal year 2009 further optimize the military and civilian workforce mix, particularly in critical Marine Safety, financial management and acquisition programs, where we have identified a need for the stability and experience provided by the civilian workforce. The new positions in the fiscal year 2010 budget request are partially offset by the reduction of 294 FTE as a result of the proposed termination of the antiquated Ioran-C system.

These enhancements build upon the significant workforce growth provided in fiscal year 2008 and fiscal year 2009 and further optimize the military and civilian workforce mix; particularly in critical Marine Safety, financial management, and acquisition programs where we have identified a need for the stability and experience provided by the civilian workforce.

#### COAST GUARD ASSETS IN IRAQ

*Question.* The Coast Guard has well documented readiness challenges associated with its aging platforms, such as 110 foot patrol boats. These patrol boats are used to stop illegal drugs and illegal aliens from coming to our shores. While the Coast Guard has a history of "doing more with less," they are stretched thinner than ever because their fleet was built for the last century. New patrol boats are being built, but the first won't be in service until 2012 at the earliest. Six Coast Guard patrol boats are operating in Iraq to protect our troops and critical infrastructure. I support the Coast Guard's mission to provide force protection for military and civilian personnel. However, the President's plan is to have all troops removed from Iraq by the end of 2011. As we bring our troops home from Iraq, will DOD ask the Coast Guard to increase the Coast Guard presence to protect U.S. Naval Assets?

Answer. It is unknown whether DOD will request increased Coast Guard presence to protect U.S. Naval Assets during a large-scale demobilization from Iraq. Coast Guard forces operating in Iraq and in the Northern Arabian Gulf are under the

Operational Control (OPCON) of USCENTCOM, which has not addressed Coast Guard force requirements in the region beyond 2011.

*Question.* Is there currently a plan to bring the Coast Guard boats home to help with non-defense Coast Guard missions when our troops are out of Iraq?

*Answer.* These vessels are currently under the operational control of USCENTCOM, which has not yet addressed Coast Guard force requirements in the region beyond 2011, so the Coast Guard has not finalized a plan for the disposition of the six 110 foot WPBs.

#### ARCTIC POLICY

*Question.* According to the U.S. Geological Survey, over 22 percent of the world's undiscovered energy supply is under the Arctic ice cap. In pursuit of these energy resources, Russia has literally planted its flag underneath the Arctic cap. Russia has a fleet of 20 heavy icebreakers and has plans to significantly increase its fleet by 2020.

By contrast, the United States has only one operational heavy ice breaker and it has only seven years of useful life left. It takes seven to ten years to build an icebreaker, so we are facing a situation where at a time when the Russians will have 20 or more icebreakers to facilitate exploration in the Arctic, the United States will have none. The Bush administration did nothing during its 8 years to address this problem.

Last year, the leaders of the U.S. Pacific Command, U.S. Transportation Command, and the U.S. Northern Command sent a memorandum to the Chairman of the Joint Chiefs of Staff stating that, "the effects of climate change and increasing economic activity require a more active presence in this maritime domain." They specifically called for the construction of a new polar icebreaker and funding to keep existing icebreakers viable until the new ships enter service.

This Subcommittee provided \$30 million in fiscal year 2009 to begin repairing a second icebreaker, the Polar Star, which has been in dry dock for 30 months. An additional \$32.5 million is necessary to complete the repairs in fiscal year 2010. The Department's budget provides no funding to complete the repair of the Polar Star and no funding for the design of a new icebreaker.

How can we compete with Russia and other Nations in the region without viable icebreaking support?

*Answer.* The USCGC HEALY, which is specifically designed for Arctic conditions, fulfills the Federal requirements for Arctic exploration and has a projected service life of at least 15 more years. The administration is assessing the overarching issues facing the Arctic, including those associated with impacts of climate change, increased human activity, new or additional information needs, and conservation of Arctic resources. This approach will necessarily include identifying any implementation issues associated with the Arctic policy signed by the previous administration. Additionally, the Coast Guard will report out the findings of their 2009 High Latitude Study. From these activities, the administration will be able to address specific operational issues in 2011.

#### GREAT LAKES ICEBREAKER

*Question.* What is USCG view on the House-passed authorization bill for a new Great Lakes Icebreaker? Does it include enough funding to build an Icebreaker and is this the right strategy?

*Answer.* The Coast Guard is initiating a Great Lakes icebreaking Mission Analysis Report (MAR), a prerequisite to the Major Systems Acquisition process. Until the MAR is complete, the Coast Guard cannot fully assess the need or capability requirements for an additional icebreaker on the Great Lakes as authorized in H.R. 1714. Assuming a CGC MACKINAW-like icebreaker is the intended platform authorized by H.R. 1714, the funding level in the authorization passed by the House of Representatives would be insufficient. Initial Coast Guard estimates indicate construction costs alone for a MACKINAW-like icebreaker would be approximately \$200 million. This estimate does not include potential homeport facility costs or additional capability requirements identified by the aforementioned MAR.

#### INTERAGENCY OPERATION CENTERS

*Question.* Why didn't the Coast Guard request funding for fiscal year 2010? Has the need for IOC's gone away? Does the request of \$0 in the fiscal year 2010 budget for IOC's signal a strategy change by the Coast Guard? Is the Coast Guard still on track to roll out Watchkeeper at the Seahawk in Charleston in September? If not when will it be rolled out? Without additional fiscal year 2010, how many Sectors will receive Watchkeeper in fiscal year 2009? fiscal year 2010? Are additional

watchstanders needed as Sector Commands transition to Watchkeeper? What is the status of segment 2 (enhancing information exchange)? Will it be deployed in fiscal year 2010? Is there a funding need for segment 2 in fiscal year 2010? What Sector facilities require maintenance/renovation/upgrade/replacement to meet IOC requirements? Be specific on costs for each and when funding could be obligated if funding were available.

Answer. Prior appropriations will support continued Interagency Operation Centers (IOC) facility upgrades, rollout of the prototype for WatchKeeper and testing of the prototype in fiscal year 2010. The Coast Guard will continue the IOC project through fiscal year 2010 in accordance with the SAFE Port Act.

DHS remains committed to implementation of IOCs consistent with the SAFE Port Act. The Coast Guard will continue its IOC activities through fiscal year 2010, including the continuation of IOC activities at Seahawk Charleston.

The U.S. Coast Guard will continue as the DHS executive agent for Maritime Domain Awareness (MDA); the strategy remains unchanged. The fiscal year 2010 Budget Request supports further MDA investment through Long Range Identification and Tracking, Rescue 21, and SeaHawk Charleston. IOCs are part of an overall strategy to bolster MDA and operational collaboration through virtual or actual collocation of interagency, State, and local partners in one facility, improve situational awareness, and increase operational efficiency through enhanced technology and information sharing.

The Coast Guard is on schedule to roll out the WatchKeeper prototype for testing at SeaHawk in Charleston, South Carolina during September 2009.

Upon successful completion of operational testing and evaluation, the Coast Guard will work with the Department of Homeland Security to deploy WatchKeeper to the remaining 35 Sectors in fiscal year 2010.

The deployment of a full-scale system will depend on the results of prototype testing.

The Coast Guard's current work on Interagency Operations Center facility modifications includes:

- Complete or upgrades not required—for nine IOCs: Seattle, San Diego, Los Angeles/Long Beach, Long Island Sound, Hampton Roads, San Juan, Charleston, Miami, and Key West
- Underway—for two IOCs: New Orleans and San Francisco

#### LORAN-C

*Question.* The administration made a lot of noise with its list of \$17 billion in cuts to wasteful programs. One of those programs is the termination of loran-C, developed as a radio navigation service for U.S. coastal waters and later expanded to include complete coverage of the continental United States as well as most of Alaska. According to the budget request, the emergence of the Global Positioning System (GPS), loran-C is no longer required by the armed forces, the transportation sector, or the nation's security interests, and is used only by a small segment of the population. In January 2009, an independent report commissioned by the Department of Transportation concluded that a back-up system is prudent and eloran is the only cost-effective backup for national needs. Why then is it prudent to shut down loran stations and sell them as your budget proposes?

Answer. The President's fiscal year 2010 Budget Request identifies potential savings across the Federal Government to reduce the Nation's deficit and to discontinue outdated programs.

As a result of technological advancements, loran-C has become an antiquated system that is no longer required by the Armed Forces, the transportation sector, or the Nation's security interests. The 2009 report was based on information dating back to 2006. It was one analysis among many that was considered in formulating the 2010 termination decision.

The loran-C system was not established as, nor was it intended to be, a viable systemic backup for GPS. As stated in the 2008 Federal Radionavigation Plan, backups to GPS for safety-of-life navigation applications, or other critical applications, can be other radionavigation systems, operational procedures, or a combination of these systems and procedures. Backups to GPS for timing applications can be a highly accurate crystal oscillator or atomic clock and a communications link to a timing source that is traceable to Coordinated Universal Time.

With respect to transportation to include aviation, commercial maritime, rail, and highway, the Department of Transportation has determined that sufficient alternative navigation aids currently exist in the event of a loss of GPS-based services, and therefore loran-C currently is not needed as a back-up navigation aid for transportation safety-of-life users.

DHS will continue to work with other Federal agencies to look across the critical infrastructure and key resource sectors identified in the National Infrastructure Protection Plan assessment to determine if a single, domestic system is needed as a GPS backup for critical infrastructure applications requiring precise time and frequency. If a single, domestic national system to back up GPS is identified as being necessary, DHS will complete an analysis of potential backups to GPS, including appropriately hardened facilities to protect these systems (currently, most loran-C sites are not hardened for such purposes). The continued active operation of loran-C is not necessary to advance this evaluation.

*Question.* When the Coast Guard proposed to terminate all loran stations in the fiscal year 2007 budget, it proposed a phased approach using recurring savings to fund exit costs. The fiscal year 2007 budget estimated first year savings of \$11.8 million. Would the assumed level of \$36 million of savings require all 24 stations to be shut down on October 1, 2009? A phased approach to closing loran stations appears to be more realistic. Provide the Coast Guard loran station decommissioning schedule. Based on the schedule, provide the true savings in fiscal year 2010.

*Answer.* The Coast Guard is currently refining its plan for terminating the loran-C system. The approach to termination includes both domestic and international notification of signal termination followed by signal termination, securing individual sites, and destaffing. The process will be phased with the first stations being closed in the first quarter of fiscal year 2010 with all sites destaffed by the end of fiscal year 2010. In determining the schedule for station closures, the Coast Guard is considering factors such as climate, international obligations, ease of access, property management and personnel matters.

The actions taken by the Coast Guard will result in annualized savings of \$36 million in fiscal year 2010 and \$190 million over 5 years. The Coast Guard is currently refining its precise estimates regarding the actual direct and indirect fiscal year 2010 savings associated with terminating the loran-C system. DHS would be pleased to provide the Committee with a brief on its final termination plan when those details are available.

#### FEDERAL INFORMATION SECURITY MANAGEMENT ACT

*Question.* Please identify the resources you requested for the implementation of the Federal Information Security Management Act. How does that compare to fiscal year 2009?

*Answer.* The Coast Guard is requesting \$759,000 in recurring funding for Federal Information Security Management Act (FISMA) implementation in fiscal year 2010. The Coast Guard requested the same amount in fiscal year 2009.

#### UNITED STATES SECRET SERVICE

##### OVERSEAS ACTIVITIES

*Question.* Are any funds requested in the fiscal year 2010 budget to open any new overseas offices or start new overseas activities? If so, please describe funding, anticipated level of activity, and personnel involved.

*Answer.* The fiscal year 2010 Budget Request provides an additional \$700,000 to annualize the cost for one additional international office in Tallinn, Estonia, and provides level funding to support operations in the Secret Service's existing 22 international offices.

The fiscal year 2009 DHS Appropriations Act (Public Law 110-329) provided the Secret Service with an additional \$1,658,000 to expand foreign field office operations. Pending approval by the Committees on Appropriations, the Secret Service will move forward with the National Security Decision Directive-38 (NSDD-38) application to establish an international office in Tallinn, Estonia. Once approved, this office will be staffed by two Special Agents, one administrative support position, and one Foreign Service National Investigator position.

The Secret Service has seen an increase in financial institution fraud, credit card fraud, and counterfeiting of United States currency emanating from the Baltic region. To combat this problem, the Secret Service will assign highly trained Special Agents to work with our international law enforcement partners on criminal investigations, while deepening the partnerships that provide critical support to the protection mission.

Overall, in fiscal year 2008, Secret Service international offices closed 188 counterfeit cases, 180 financial crimes cases, 444 protective intelligence cases, 466 protective surveys, and 217 non-criminal cases. During this period, Secret Service international offices also assisted our law enforcement partners abroad with the arrest

of 657 suspects, and seized over \$31.3 million in counterfeit United States currency before it could be introduced into circulation.

NATIONAL SPECIAL SECURITY EVENTS

*Question.* How have the National Special Security Events funds been used in fiscal year 2009?

*Answer.* Please see the following table.

	Amount
Campaign (Inauguration) .....	\$5,599,000
G-20 .....	1,012,000
Total .....	6,611,000

MAIL FACILITY

*Question.* When will the new mail facility become operational?

*Answer.* At the present time, construction of the White House mail screening facility is ahead of schedule, with GSA estimating that all construction will be finished by December 31, 2009. The Secret Service is expecting to take possession of the building on January 1, 2010. Tenant fit-out is expected to begin in the 2nd quarter of fiscal year 2010 with the anticipation that the new White House mail screening facility will become fully operational between the 3rd and 4th quarter of fiscal year 2010.

*Question.* What is its anticipated annual operating budget?

*Answer.* The anticipated annual operating budget for the new mail facility is approximately \$25.3 million.

FUNDING CROSSWALK

*Question.* Provide a crosswalk of the funds requested for the Information Integration and Transformation Program with the funds provided for these activities in the fiscal year 2009 DHS Act and the \$100 million in Omnibus Supplemental funds. It should be a chart that shows activity, previously provided funding, fiscal year 2010 requested funding, and future/unmet needs.

*Answer.* The following table provides the requested crosswalk.

INFORMATION INTEGRATION AND TRANSFORMATION PROGRAM INITIATIVES

[In millions of dollars]

	Fiscal Year 2009 DHS Act	Fiscal Year 2009 Omnibus	Fiscal Year 2010 Budget Request
WHCA Interoperability .....		23.800	.....
Access Control Program .....		7.000	.....
Information Assurance .....			2.400
Cyber Security .....			6.400
IT Modernization .....			14.860
Database Architecture & Maintenance .....			4.000
Cross Domain Application/Data Environment—Multi-Level Security .....			6.300
COLD (Enterprise Logistics Management & Operations) .....		0.900	.....
Funding Crosswalk Totals .....		31.700	33.960

UNIFORMED DIVISION MODERNIZATION

*Question.* Which authorizing Committees have the jurisdiction over the Uniformed Division Modernization proposal?

*Answer.* The Committees with jurisdiction over the Uniformed Division Modernization proposal are the House Oversight and Government Reform Committee and the Senate Homeland Security and Governmental Affairs Committee.

*Question.* If the authorizing legislation is not enacted, does the budget submission to this Committee need to be modified in any way?

*Answer.* The fiscal year 2010 budget impact of the authorizing legislation consists of \$3.64 million in increased pay and benefits costs for Uniformed Division personnel, and \$400,000 in associated implementation costs related to payroll processing programming changes. Should the authorizing language not be enacted, none of these costs will be incurred.

## NATIONAL PROTECTION AND PROGRAMS DIRECTORATE

## CYBER SECURITY

*Question.* We are all anxiously awaiting the findings of the cyber security review that President Obama ordered on February 17, 2009. The budget request follows the same initiatives that were previously developed across the Federal Government. Those current initiatives are predominately focused on the Federal Government cyber security. However many Federal systems connect directly to States to conduct official business through Medicaid, TANF, and other programs. The National Association of State Chief Information Officers state that, “the digital infrastructure that enables State government to conduct business and protect Federal programs . . . is under attack each day”.

When the President releases the findings of his review, do you anticipate that there will be budget amendments to address issues such as having a cohesive plan to coordinate with States on cyber security? If not, how will this matter be addressed within the resources requested?

*Answer.* DHS worked closely with the Homeland Security Council and the National Security Council leadership and staff in the development, tracking, and coordination of the Comprehensive National Cybersecurity Initiative. However, at this time, the administration is still reviewing the results of the 60-day review. DHS would be happy to discuss the results of the 60-day review after it has been released.

As for working with States on cyber security, States are recognized as among the owners and operators of the Nation’s Information Technology (IT) critical infrastructure under the National Infrastructure Protection Plan framework. As such, the National Cyber Security Division’s (NCS-D’s) Critical Infrastructure Cyber Protection and Awareness (CICP&A) branch has been actively engaged with the National Association of State Chief Information Officers (NAS-CIO), as well as other government and industry partners, to develop an IT sector-wide baseline risk assessment. This assessment, nearing completion, will be used to develop and drive mitigation strategies including protective programs and research and development activities. CICP&A has worked closely with NAS-CIO to identify priority State IT facilities and to provide briefings about DHS cyber programs to the State Chief Information Officers. In addition, NCS-D has been working to clarify and prioritize cybersecurity within the DHS State grants process.

NCS-D also funds the Multistate Information Sharing and Analysis Center (MS-ISAC) to provide both operational support and outreach to State Chief Information Security Officers and their staffs. The MS-ISAC is funded under the CICP&A branch to conduct outreach and awareness activities, including the Annual MS-ISAC conference, as well as targeted efforts such as control systems training and recommended practices for acquiring secure control systems. NCS-D also funds the MS-ISAC as an extension of the United States Computer Emergency Readiness Team to facilitate information sharing and analysis with and among States and to support incident response.

A part of the Comprehensive National Cybersecurity Initiative (CN-CI), “Project 12,” tasked DHS to explore ways to enhance the security of the Nation’s Critical Infrastructure and Key Resources networks. Partnering with the U.S. Chamber of Commerce and the National Cybersecurity Alliance, DHS has been conducting a series of regional events to increase awareness of the cyber threat and the importance of investment in cybersecurity “outside the Beltway.” Each of these events has included a panel of State government officials.

## CHEMICAL SECURITY

*Question.* With the past administration, it was like pulling teeth to get adequate attention to securing our chemical facilities. First—only because of Congressional initiative—chemical facility security regulations were required in the fiscal year 2007 DHS Appropriations Act. Second—and again, only because of Congressional initiative—adequate funding was provided for inspectors to carry out the regulations. Now, we learn that as of today—7 months into the fiscal year—only 150 of the inspectors are on board out of the 223 funded. We are missing 30 percent of the very people we need to get the job done. While, I am pleased to see that the request proposes an additional 23 FTE dedicated to this important issue, I am very frustrated with the pace at which inspectors have been hired.

Madam Secretary, can I have your commitment that you will get to the bottom of the slow pace of the hiring of chemical security inspectors so that we can confirm that chemical facilities are in fact being secured? What specific timeframe can be expected?

Answer. The Department continues to increase the current size of its chemical security inspector cadre. Of the total staff currently onboard for chemical security, there are 51 chemical inspectors, with 35 additional new selections in process. The projected total of personnel onboard for the Infrastructure Security Compliance Project by the end of fiscal year 2009 is 178 positions. This increase reflects the Department's recognition of the need for a properly sized inspector cadre. In an effort to support this accelerated growth of the inspector cadre, DHS proposed funds in the fiscal year 2010 Budget Request to increase staffing levels to 246 FTEs. The fiscal year 2010 FTE level will provide for 139 chemical facility inspectors and 20 additional cross-trained chemical/ammonium nitrate inspectors. The Department is working to accelerate and improve its hiring and security clearance processes to bring qualified and vetted personnel onboard in an expeditious manner.

#### WEST VIRGINIA CHEMICAL EXPLOSION

*Question.* On August 28, 2008, there was a chemical explosion at the Bayer Crop Science chemical plant in Institute, West Virginia, just outside of Charleston. The explosion took the lives of two workers and sickened several first responders to the incident. The explosion occurred in a unit where the chemical company makes MIC. MIC is an extremely toxic chemical, and most notably associated with the catastrophic leak that occurred in 1984 at a similar pesticide plant in Bhopal, India, killing over 4,000 people. The West Virginia chemical facility includes a tank that can hold up to 40,000 pounds of MIC. That storage tank is located 50 to 75 feet from the location of the August explosion.

Needless to say, the explosion caused a resurgence of anxiety about the chemical industry in the Kanawha Valley. After the explosion, the company failed to provide critical information to first responders about the nature of the explosion.

In the months since the explosion, we learned that no one Federal agency is responsible for the safety of chemical plants. Among the agencies with responsibility are your National Programs and Protection Directorate, the Coast Guard, the EPA, the Occupational Safety and Health Administration, and the Chemical Safety Board. This leaves us with the classic Washington question, who is in charge here? Is there a better way for our government to secure our chemical facilities and investigate accidents? How specifically do components within DHS coordinate their roles in chemical security within DHS? Will you work with the White House Domestic Policy Office to develop a coordinated policy for securing chemical facilities?

Answer. Section 550 of the fiscal year 2007 DHS Appropriations Act (Public Law 109-295) grants the Department the authority to regulate chemical facilities that "present high levels of security risk." Under this authority, the Department promulgated the Chemical Facilities Anti-Terrorism Standards (CFATS) regulation in April, 2007. By statute, facilities that are regulated by the Coast Guard under the Maritime Transportation Security Act (MTSA), such as the Bayer facility in West Virginia, are expressly exempt from regulation under CFATS.

Within the Department, the Office of Infrastructure Protection (IP) and the U.S. Coast Guard are working in close collaboration to identify those facilities that are completely regulated under MTSA and are entirely exempt from CFATS, and those that contain some areas regulated under MTSA and other areas that might be subject to CFATS regulation. IP is also working with the Transportation Security Administration (TSA) concerning potential areas of interface, such as security of chemicals in those areas of a facility that may be covered under both CFATS and under the TSA railroad security regulations.

IP supports working with the White House Domestic Policy Office, and other White House offices, to develop a coordinated and integrated approach for securing chemical facilities.

#### US-VISIT

##### TIMELINESS OF SPEND PLAN SUBMISSION

*Question.* The administration has requested \$356 million for US-VISIT, the Department's program to provide biometric identity verification services to authorized DHS, Federal, State and local government and law enforcement agencies, an increase of \$56 million over the \$300 million appropriated in 2009. The Committee has been concerned with the repeated delays in submitting the statutorily required expenditure plans for US-VISIT resulting in larger carryover balances from 1 year to the next. For example, the 2008 expenditure plan was not submitted until June 12, 2008 which meant that nearly a quarter of the program's budget carried over into fiscal year 2009. The fiscal year 2009 report was submitted on April 9, 2009. Why does it take over half the fiscal year to produce an expenditure plan?

Answer. National Protection and Programs Directorate and US-VISIT leadership is committed to the timely delivery of the expenditure plan in fiscal year 2010 and understands the concerns of the House and Senate committees about the length of time regarding the submission of its expenditure plan in fiscal year 2008 and 2009. US-VISIT has begun working with DHS Chief Executive Officers to obtain more expeditiously the required program certifications required within appropriations language by providing program documentation on a more recurring basis throughout the year.

US-VISIT prepares an expenditure plan each year as required in its appropriation. After the fiscal year end, the program office compiles and analyzes prior-year performance and milestone data, and includes these results and their accomplishments. US-VISIT's goal is to complete the expenditure plan within 5 weeks of the end of the fiscal year. Once the body of the plan is completed, US-VISIT works with the Chief Executive Officers to provide the program documentation needed for these certifications. After the certifications are received, the review and comment period begins.

#### AIR EXIT

*Question.* In response to questions raised during briefings on the fiscal year 2010 budget request, the US-VISIT office responded to a question about anticipated fiscal year 2009 carryover funding with this statement: "US-VISIT is currently planning on a carryover balance of \$34 million. These funds are to support the Air/Sea Exit deployment." However, there are no funds requested in fiscal year 2010 for an air/sea exit deployment. The Secretary testified during budget hearings that the results of the two air exit pilots being conducted this fiscal year will be studied during fiscal year 2010 and that a deployment of some sort would occur in fiscal year 2011.

How much of the fiscal year 2010 request of \$356.2 million is targeted to deployment of an air/sea exit capability?

Answer. None of the fiscal year 2010 Budget Request is targeted to deployment of an air/sea exit capability. The prior administration's proposed solution for air/sea biometric exit, as stated in its notice of proposed rulemaking published on April 24, 2008, was for commercial air carriers and vessel carriers to collect and transmit biometrics to DHS. This solution required no further funding for DHS to implement air/sea biometric exit because the commercial air carriers and vessel carriers would pay all costs associated with collecting biometric exit data at exit. Therefore, DHS did not need to request funding for fiscal year 2010.

Congress directed DHS to conduct at least two biometric exit pilots in fiscal year 2009 before proceeding with a final rule implementing the proposed solution. The results of those pilots will inform the decision as to whether the Government or the carriers will collect biometrics at exit. Funding for these pilots is currently in US-VISIT base resources.

#### UNIQUE IDENTITY

*Question.* How much of the total fiscal year 2010 request is for Unique Identity and IDENT/IAFIS interoperability? If need be, please break out these funds into their appropriate compartments.

Answer. Unique Identity accounts for \$28.7 million of the total fiscal year 2010 request. The breakdown of funds is as follows:

- \$4.5 million for planning and analysis
- \$13 million for increased support to U.S. Immigration and Customs Enforcement Secure Communities and development of wrap-back capabilities, which will notify authorized agencies of subsequent criminal and/or civil data of existing biometric records
- \$11.2 million for the acquisition of hardware (matchers)

#### OBLIGATIONS

*Question.* As of May 15, 2009, how much of the \$300 million appropriated in fiscal year 2009 has been obligated?

Answer. As of May 15, 2009, US-VISIT has obligated \$112.9 million of the fiscal year 2009 enacted budget of \$300 million.

#### CONTRACTORS

*Question.* How much of the \$20.8 million increase for program management services goes to contractors?

Answer. None of the \$20.8 million increase will be used for contractor support. The \$20.8 million program management increase is due to a \$13.8 million increase

for Federal staffing and \$8 million for the DHS working capital fund. The Federal staffing increase of \$13.8 million will support 199 full-time equivalents/212 full-time positions. This increase includes the annualization of the 35 full-time positions that were received in the fiscal year 2009 enacted budget. In addition, the working capital fund is increasing in fiscal year 2010 by \$8 million because of increases in costs associated with the Department of Justice data centers.

FEDERAL PROTECTIVE SERVICE  
CAPITAL IMPROVEMENT PLAN

*Question.* To clarify a response to a get-back from the fiscal year 2010 budget briefings, will the anticipated FPS carryover range anywhere between \$189 million and \$237 million depending on procurement according to the Capital Improvement Plan (CIP)?

Given the potential for cost and efficiency savings to be achieved under the CIP discussed during the budget briefing, what is the estimated staffing level range for FPS personnel by the end of fiscal year 2010?

*Answer.* In the response to the original get-back regarding normal Federal Protective Service (FPS) carry-forward, the answer provided was \$45 million. The figure represents only cash carry-forward available for investment in the subsequent fiscal year. For budgetary purposes, FPS attempts to maintain a contingent liability fund balance of \$20 million for contract claims, requests for equitable adjustment, Merit Systems Protection Board, Equal Employment Opportunity Commission, and Labor Union judgments and settlements. Also, \$25 million provides funding for the security equipment and systems replacements and enhancements. The total “carryover” in budgetary resources brought forward from prior years includes the Unfilled Customer Order (UCO) balances on individual Security Work Authorizations (SWAs). Of the \$237 million in budgetary resources brought forward from prior years at the beginning of fiscal year 2009, \$139 million represented UCO balances. These balances are available to FPS only to complete the contract support or projects requested by the customer agencies. Once the final invoices have been paid and the contract supported by the SWA is closed, any UCO balance is automatically returned to the customer agency.

In fiscal year 2009, the \$98 million in cash carry-forward will be dedicated to a Capital Investment Plan to address the deferred infrastructure and equipment investments from prior years and to routinely upgrade and replace these items at the end of their useful life cycle. FPS expects to obligate or expense \$69.9 million of the Capital Investment Plan projects with the remainder anticipated for award in early fiscal year 2010.

The Risk Assessment and Management Program (RAMP), Computer-Aided Dispatch and Information System (CADIS), and Post Tracking System (PTS) systems will provide FPS with the ability to record, analyze and report on the full complement of information necessary to better plan its resource needs in the future. Through timestamp capabilities, RAMP, CADIS and PTS will provide an accurate means to determine, on average, how long specific activities take to complete. This validation of activity-based costs will inform management decisions to tailor the number and allocation of personnel resources to meet mission demands. However, the impact of this information on the FPS staffing and work planning will not be known until the systems have been fully implemented, deployed and tested, sometime in fiscal year 2010.

FPS is currently operating at a full staffing level of approximately 1,225 and, based on current and anticipated revenue projections through fiscal year 2010, expects to maintain this level of staffing. Given that FPS will be making adjustments in staffing levels based on geographic workforce realignments and the hiring for off-sets to personnel detailed to other DHS components, total staffing may change slightly during the year.

	Law Enforcement	Support Staff	Total
Current Staffing Level .....	1 952	273	1,225

<sup>1</sup>Law Enforcement includes: Law Enforcement Security Officers, Federal Police Officers, Criminal Investigators, Supervisory Policy Officers, and Supervisory Criminal Investigators.

## OFFICE OF HEALTH AFFAIRS

## BIOSHIELD

*Question.* The President's budget proposes to move all responsibility for Project Bioshield to the Department of Health and Human Services. However, traditionally the Department of Homeland Security's role has been to determine what material threats face the Nation and therefore which countermeasures we should procure. If all of the responsibility for the funding lies in another Department, how will you be able to ensure the risks we face are truly being considered in future procurements?

*Answer.* While the fiscal year 2010 Budget Request will transfer unspent balances of the BioShield Special Reserve Fund (SRF) to HHS to support advanced development and future procurements of medical countermeasures, it will not affect DHS's statutory authority under the Project BioShield Act of 2004. Specifically, the DHS responsibility to determine and assess the material threats facing the Nation would continue, an activity that is funded out of a separate DHS account rather than the SRF and therefore not subject to the transfer. HHS would continue to use this information as part of the equation in determining which countermeasures to procure.

DHS intends to continue assessing and determining material threats as the threat landscape evolves to inform medical countermeasure activities at HHS, as well as carrying out its biennial Biological Terrorism Risk Assessment, Chemical Terrorism Risk Assessment, and integrated CBRN Risk Assessment to guide prioritization of on-going investments in biodefense-related research, development, planning, and preparedness, including medical countermeasure efforts. While the funding for medical countermeasure activities will be consolidated in one Department, DHS hopes that HHS will continue to rely upon the robust capability DHS has built in the threat and risk assessment and characterization fields. DHS will continue to participate in the HHS' led Public Health Medical Countermeasure Enterprise (PHEMCE), the central coordinating body for medical countermeasure activities at HHS, bringing our resources to bear as an ex-officio member. DHS will also require either legislative authority or a formal Memorandum of Understanding to ensure that HHS procurements are responsive to DHS-determined threats.

*Question.* In your review of the Strategic National Stockpile and Project Bioshield efforts, do you think the Bioshield spend plan provides the countermeasures needed for the greatest risks we face and what are the specific threats we still need to prepare for?

*Answer.* HHS, via coordination with DHS, has been maximizing the use of the tools and resources it has been provided to address the greatest risks from CBRN agents facing our Nation. Successful BioShield acquisitions to date, include medical countermeasures for anthrax, smallpox, botulinum toxins and radiological/nuclear agents which are among those agents posing the greatest risks and the first for which DHS issued Material Threat Determinations in 2004. These countermeasures were relatively mature and appropriate for BioShield acquisitions.

In evaluating the BioShield spend plan, it is important to consider that it often takes more than one type of countermeasure to counter a single agent. For example, a comprehensive medical countermeasure strategy to address the anthrax threat involves vaccines, antibiotics and anti-toxins. As existing countermeasures in the stockpile start to expire, HHS must factor in costs of replenishment to ensure we are not left vulnerable to our greatest risks.

In formulating the acquisition strategy for the SNS and BioShield, HHS accounts for these factors weighing the threat and risk (as informed by DHS) vs. availability of funding and countermeasures. HHS faces a difficult task of balancing the urgency to stockpile medical countermeasures across the CBRN threat spectrum against relatively long timeframes for drug development, high product failure rates, a finite amount of available funding and the lack of incentives to industry considering the government is the sole customer. While DHS helps to identify and define threats across the CBRN threat spectrum, this is only one contributing factor to the HHS' spend plan.

## BIOWATCH

*Question.* Included within the total \$94.5 million requested for BioWatch, how much is for the maintenance of Generation 1 and Generation 2 and how much is for the procurement of Generation 3?

*Answer.* The fiscal year 2010 operations and maintenance of Generation 1 and Generation 2 is \$79.4 million. The remaining \$15.1 million will be obligated as follows:

—\$8 million on field-testing

- \$4 million on advanced deployment items, engineering changes prior to production unit procurement
  - \$3.1 million on IT infrastructure procurement
- The Generation 3 procurement process will begin in fiscal year 2010 with the contract expected to be awarded in early fiscal year 2011.

#### FEDERAL EMERGENCY MANAGEMENT AGENCY

##### DISASTER COSTS

*Question.* For years I have been critical of the fact that the true costs of disasters are not included in the budget request. Since Hurricane Katrina, Congress has had to take the initiative on many occasions to provide funding for disaster recovery because the Bush administration would not ask for funding when the Disaster Relief Fund was in jeopardy of running out of money.

President Obama's budget takes credit for being more honest by accounting for the cost of disasters. However, as I look through the budget, I do not see a request for the continuing costs of recovery from Hurricanes Katrina, Rita, Wilma, Gustav and Ike, nor from the Midwest floods and the California wildfires. At the rate funds are being spent now, even with the \$2 billion requested, we estimate that the Disaster Relief Fund will be exhausted early in 2010.

In order to insure that the victims of past and future disasters receive assistance, we will need to include emergency funding in the Homeland Security bill that we will mark up in June. I will need to know your best estimate of the shortfall by the end of May. What is your estimate?

*Answer.* The fiscal year 2010 Budget Request includes \$2 billion for the Disaster Relief Fund (DRF), a net increase of \$600 million over fiscal year 2009 enacted. This request is based on a funding methodology that uses the 5-year average obligation level for non-catastrophic disaster activity. The funding methodology assumes that catastrophic events—those with obligations above \$500 million—will be funded through supplemental appropriations.

The Budget Request accounts for the estimated cost of future emergencies as part of its deficit calculation. The Budget Request does that by including more than \$20 billion annually (the statistical probability of the costs of dealing with these emergencies) in its budget and deficit projections. The \$20 billion figure should not be viewed as a "reserve fund," nor is it a request for discretionary budget authority or congressional legislation of any kind. Although the administration believes that congressional budget resolutions should incorporate this same entry for disaster costs, the budget resolution should not allocate these amounts to any committee because the amounts are not a request for congressional action.

The administration's DRF request and funding methodology of seeking direct appropriations for the average of non-catastrophic disasters and relying on supplemental funding for catastrophic storm complies with this policy. Seeking full funding of all estimated DRF obligations would result in a large corpus of unused funds pending obligation (DRF spendouts are slow—with large obligations still outstanding for Katrina 4 years later).

Based on current funding availability and an expectation of Congress fully funding the 2010 request for the Disaster Relief Fund, an additional \$3 to \$4 billion may be necessary in 2010 to fund the continuing liabilities associated with prior disasters. However, it is premature to assume that this is the true 2010 funding requirement at this time.

##### FIREFIGHTER ASSISTANCE

*Question.* Madam Secretary, I am disturbed by the proposed cut in funding for our firefighters. The budget request also proposes a major shift in the distribution of grants to firefighters. It significantly reduces the funding for equipping and training our firefighters and significantly increases the amount for hiring firefighters. Were these decisions made based on risk (risk = threat × vulnerability × consequence), need, or effectiveness of the programs? If so, which specific system in DHS was used to calculate risk, need, and/or effectiveness? Which needs assessment was used? What factors were used to gauge effectiveness?

*Answer.* When developing the fiscal year 2010 Budget Request, the administration developed a set of priorities to guide the next year's grant programs. The administration doubled the amount of funding going to SAFER grants to support firefighters, a top priority for fire service stakeholders.

## PREPAREDNESS GRANTS

*Question.* As you know, the 9/11 Act authorized most of the preparedness grant programs under the purview of your Department. Since then, Congress has had to include several legislative provisions to force the prior administration into following the intent of the law after hearing complaints from grant recipients. Today, the grant process is cumbersome and delayed, and it is completed without understanding all of the needs of the end user. Out of complete frustration from Congress and in an effort to improve the system, the fiscal year 2009 DHS Appropriations Act includes a provision withholding \$10 million from your office and \$10 million from the FEMA Administrator's office until you certify that stakeholders are properly included in the development of guidance and the distribution of grant funding. While there has been a transition, I still cannot understand why 7 months into the fiscal year we have not received such a certification.

You have issued action directives on the very topic of engaging State and local governments but there still seems to be a disconnect when it comes to grants. As a former Governor and in your short time here inside the beltway—I am curious if you think the grant process and the guidance that is issued each year is conducive to meeting security needs in the best way possible, do you?

*Answer.* The Department has been working to improve its stakeholder engagement processes over the last 2 years, and this process is discussed in the Stakeholder Plan that is currently under review. This engagement strategy includes formal, after-action type conferences, conference calls and webinars, as well as daily contact between FEMA's grants staff and State, local, tribal and private sector grantees across this Nation. As we move towards wrapping up the majority of fiscal year 2009 grant announcements in the next few weeks, we will start to move into that guidance development cycle with our partners as we prepare for the fiscal year 2010 grants.

While I believe that FEMA has made significant strides in this area, I believe there is always room for improvement. I have instructed both FEMA and my Intergovernmental Programs staff to continue to work with our State and local partners as we move into the fiscal year 2010 cycle.

*Question.* When do you anticipate we will receive the certification that there is a more inclusive process?

*Answer.* The Stakeholder Outreach Plan required by the fiscal year 2009 DHS Appropriations Act (Public Law 110-329) is currently in clearance with DHS and should be moved to the Hill shortly.

## MASS EVACUATION

*Question.* I am concerned that we are not doing enough to prepare for a mass evacuation in response to a terrorist attack or a major natural disaster. The Department's own Nationwide Plan Review found significant weaknesses in evacuation planning. I am profoundly concerned, not only about getting people out of harm's way after a disaster, but also about how we will take care of those who have to evacuate. We must prepare now to care for victims and mass evacuees by pre-planning and pre-deploying assets. In fiscal year 2007, at my initiative, Congress established the Regional Catastrophic Preparedness Grant Program to get at this problem. I was pleased to see that for the first time the administration recognized my wisdom and requested funding for this program. If this request is approved, it will be the 4 year of funding for this program but we still have a long way to go. Will you work with me to ensure potential host communities are ready to assist victims of a mass evacuation? What specific measures are in place to gauge our capabilities in mass evacuation? What gaps still exist and how will those gaps be filled?

*Answer.* We will continue to work with Congress to address the concerns related to mass evacuations. In order to support preparedness for these events, a number of actions are underway.

The National Preparedness Guidelines (NPG)—approved by the President in September 2007—sets forth eight national priorities including “strengthen Planning and Citizen Preparedness Capabilities” which is comprised of Citizen Evacuation and Shelter-in-Place capabilities. The NPG is supported by the Target Capabilities List which provides the definitions, activities, tasks and performance measures for 37 Target Capabilities, including the capability to “Citizen Evacuation and Shelter-in-Place.” The “Citizen Evacuation and Shelter-in-Place” Target Capability serves to synchronize at the strategic level how the variety of Federal preparedness activities (e.g., planning, grants, training, exercises, assessments) perform to achieve a consistent goal. Types of measures include the ability to Direct Evacuation and/or In-Place Protection Tactical Operations, Activate Evacuation and/or In-Place Protection, Implement Evacuation Orders, Collect and Evacuate Population Requiring As-

sistance, Operate Evacuation Staging/Reception Area, Manage Incoming Evacuees, and Assist Re-Entry.

A complimentary effort is the FEMA GAP Analysis Program, which is designed to provide an understanding of State and local evacuation capabilities, among others, at the operational and tactical level in order to anticipate potential needs for Federal support. A sample of the information sought includes the availability of transportation sources, the identification of collection and staging areas, refueling, signage and special needs and companion animal planning.

Planning guidance is also in development by FEMA to address not only the operational elements of conducting a mass evacuation but to also support the deliberate planning needed prior to an event.

The Regional Catastrophic Preparedness Grant Program has provided an enormous amount of focus on issues related to planning. We have already begun to see increased cooperation between cities and across State lines to address planning shortfalls, including mass evacuation. Should the next round of funding be approved, we will begin expanding the effort to focus on the larger multi-State and multi-regional aspects of mass evacuation and other planning requirements.

Finally, this year the State Preparedness Report Survey will collect quantitative information on the States' capabilities for all 37 Target Capabilities including Mass Evacuation. The Survey will be sent out at the end of August 2009 and the data will be returned to us and analyzed in January 2010.

#### PRINCIPAL FEDERAL OFFICIAL

*Question.* The budget request proposes to lift the restriction on the use of a Principal Federal Official (PFO) during a Stafford Act disaster declaration. The restriction was included because the role between a PFO and a Federal Coordinating Officer was confusing during a declared disaster and led to a serious breakdown of communication in previous disasters. State and local governments were left wondering who was in charge at the Federal level. A coordinated response cannot be well executed without a clear communication and decision-making process. Your predecessors had different approaches to using this position. Secretary Ridge used PFOs as informal close advisors. Secretary Chertoff formalized the position and made it a part of the response protocol. How does this administration intend to use this position and how can you be sure it will not create a duplicative and confusing process, hindering Federal assistance during a response?

*Answer.* Role clarity and clear, well-trained and well-exercised protocols for communication and decision-making are vital to achieving a coordinated response to any domestic incident.

During catastrophic or unusually complex incidents that require extraordinary coordination, with close communication with the President, I may elect to deploy an official to assist me in my designated role as the Principal Federal Official and focal point for domestic incident management. Such an official would supplement the Federal Coordinating Officer (FCO) (if assigned) by serving as my primary source in the field for situational awareness and decision-support for overall Federal incident management. The law makes clear the FCO coordinates the administration of Stafford Act relief and takes other actions within his or her authority to assist local citizens and public officials in promptly obtaining assistance to which they are entitled. The law makes it equally clear that directive authority over the FCO is reserved to the President, the Secretary and the FEMA Administrator—not to other deployed officers. Our recent operational experiences, training and exercises demonstrate the value and necessity, however, in unusually complex incidents of assigning and supporting one senior official to provide Washington with strategic situational awareness across the entire Federal family, while ensuring the FCO remains unencumbered to focus on and lead the vital administration and coordination of relief at the operational and tactical levels.

We will rely on strong leadership and ongoing intensive training and exercises to achieve an effective Federal response consistently and consistent with the law. We will reinforce clarity of roles through habitual relationships between our elite cadre of Type 1 FCOs and a small group of prospective senior field officials. We will further reinforce and refine clear doctrine consistent with the letter and the spirit of the law, to ensure that when confronted by unusually complex incidents that require extraordinary coordination, everyone involved at all levels is clear in advance regarding their respective roles and missions in support of the overall effort.

I do not expect to deploy additional senior officials to the field often; indeed, I intend to reserve this measure for catastrophic or unusually complex incidents that require extraordinary coordination. In times of catastrophic emergency—involving situations and contingencies that we cannot predict—I will need the flexibility to co-

ordinate the Federal response in a manner that meets the needs of the nation. Thus, the administration requests rescission of the current appropriations constraint.

#### ALL-HAZARDS

*Question.* In the description of the DHS budget, you listed five main action areas: guarding against terrorism, securing our borders, enforcement of immigration laws, preparing for, responding to and recovering from natural disasters, and unifying and maturing DHS. It appears the budget draws a distinction between preparation and response for a natural disaster and preparation and response for a manmade disaster. I have long advocated an all-hazards approach to disaster response. Why did you distinguish between the two types of disasters?

*Answer.* While the fiscal year 2010 Budget in Brief described specific proposals in five main areas, it was not the intent to make a distinction between preparation and response for different types of incidents. The Budget Request clearly articulated the continuing all hazards nature of the Department's mission, an approach I strongly support. For example, in the second paragraph of the Budget in Brief overview, we state:

“Within this broad portfolio, the Department aims to secure the American people from all hazards—including terrorist threats and natural or accidental disasters—and to work effectively with its many partners to lead the collaborative effort to secure the Nation. DHS undertakes the mission of securing the United States against all threats through five main action areas, each of which is strengthened by this Budget.”

The Department of Homeland Security remains committed to an all-hazards preparedness effort.

*Question.* What does the term “all-hazards” mean to you?

*Answer.* “All-Hazards” describes any incident that warrants action to protect life, property, environment and public health or safety, and to minimize disruptions of government, social or economic activities.

*Question.* How do you intend to distribute funding to State and local partners as it relates to preparedness and response for all of the hazards this Nation faces?

*Answer.* The Department will continue to distribute funds to our State and local partners in a number of ways. For example, the Department has a portfolio of risk based programs, including the State Homeland Security Program, the Urban Areas Security Initiative, the Interoperable Emergency Communications Grant Program, the Transit Security Grant Program and the Port Security Grant Program. We will continue to allocate those funds based on risk and effectiveness, while also adhering to the State and territorial minimums as appropriate.

The Department also has formulaic grants that use a population-based formula, such as the Emergency Management Performance Grants (EMPG). These grants will be awarded according to the formula codified in statute.

Finally, the Department has purely competitive grant programs such as the Assistance to Firefighters Grant Program, or UASI Nonprofit Security Grant Program. These provide opportunities for our broad-based constituencies to compete for funding and present the best application possible.

#### FIRE GRANT FUNDING DISTRIBUTION

*Question.* The authorizing law for firefighter assistance grants, 15 USC 2229, requires that a portion of the grant funding be reserved for volunteer fire departments in an amount not less than the proportion of the of the United States population that those firefighting departments protect. How is this amount calculated each year (based on what factors)?

*Answer.* The National Fire Protection Association (NFPA) annually issues a report on the Nation's fire service that includes this calculation. FEMA uses this calculation.

*Question.* How much of the fiscal year 2006, 2007, and 2008 funding was awarded to volunteer departments?

*Answer.* The amounts awarded to all volunteer fire departments for these years are as follows:

- fiscal year 2006—\$272,875,963
- fiscal year 2007—\$243,812,518
- fiscal year 2008—\$216,969,884 (awards are still ongoing until September 30, 2009)

*Question.* How much was awarded to “small community organizations” (50,000 or fewer)?

Answer. The amounts awarded to small community organizations (those that have cost shares of 10 percent and 5 percent) are as follows:

- fiscal year 2006: 4,457 awards for \$397,746,273
- fiscal year 2007: 4,558 awards for \$389,594,699
- fiscal year 2008: 4,285 awards for \$349,804,024 (awards are still ongoing until 9/30/09)

*Question.* For what major activities such as training and vehicles (including amounts), were funds applied for and awarded for?

Answer. Data for vehicle requests are segregated from requests for other activities since a maximum amount for vehicle awards is specifically addressed in the governing statute:

- In fiscal year 2006, we received 4,989 requests for vehicles reflecting \$1,076,229,305 in Federal funds, and awarded 734 vehicles for \$133,625,780.
- In fiscal year 2007, we received 7,801 requests for vehicles reflecting \$1,825,920,396 in Federal funds, and awarded 714 vehicles for \$143,787,952.
- In fiscal year 2008, we received 7,910 requests for vehicles reflecting \$1,933,921,318 in Federal funds, and have thus far awarded 635 vehicles for \$131,776,635.

Data for other activities (training, equipment, etc.) are not maintained separately. A special report has been requested from the system administrators to provide these data.

#### GUIDANCE

*Question.* Provide a list of guidance documents (by topic and last date issued), which are still in effect, that FEMA has issued for prevention, preparedness, response, recovery, and mitigation for State, local, and private sector partners.

Answer. The following represents input from FEMA's NPD, GPD, and DAD directorates:

#### *National Preparedness Directorate*

- National Incident Management System (December 2008)
- National Response Framework (January 2008)
- Homeland Security Exercise and Evaluation Program (February 2007)
- National Preparedness Guidelines (September 2007)
- Target Capabilities List (September 2007)
- Comprehensive Preparedness Guide 101 (April 2009)
- Radiological Emergency Preparedness Program Manual (August 2002)
- Chemical Stockpile Emergency Preparedness Program Exercise Policy and Guidance (September 2004)
- State Preparedness Report guidance (November 2008)

#### *NIMS Resource Typing Definitions*

- Animal Health Emergency (May 2005)
- Emergency Medical Services (EMS)
- Fire and Hazardous Materials (July 2005)
- Incident Management (IM) (July 2005)
- Law Enforcement (July 2007)
- Medical and Public Health (March 2008)
- Pathfinder Task Forces (May 2007)
- Public Works (PW) (May 2005)
- Search and Rescue (SAR) (November 2005)

#### *NIMS Credentialing Job Titles*

- Animal Health Emergency (October 2007)
- Emergency Medical Services (EMS) (March 2008)
- Fire and Hazardous Materials (April 2007)
- Incident Management (IM) (October 2006)
- Medical and Public Health (March 2008)
- Public Works (PW) (May 2007)
- Search and Rescue (SAR) (November 2006)

#### *Grant Programs Directorate*

GPD issues a number of Information Bulletins (IBs) to grantees and the public throughout the year. IBs from 2006 through 2008 can be found at the following Web site: <http://www.fema.gov/government/grant/bulletins/index.shtm>

#### *Disaster Assistance Directorate*

Disaster Specific Guidance includes the following:

2006

- Abbreviated Decision Process for the Placement of Mobile Homes, Travel Trailers, and Readily
- Fabricated Dwellings (Direct Disability Lodging Assistance) (DSG)—October 24, 2006

2007

- Sale of Temporary Housing Units to Occupants (Sales DSG)—April 19, 2007
- Approving Site Requests for Temporary Housing Units Following the Initial 18 month Period of Assistance—March 20, 2007
- Hurricane Katrina/Rita Student Recoupment Criteria—April 20, 2007
- Emergency Lodging Assistance for Occupants in Direct Housing (ELA) (DSG) August 22, 2007
- Hurricane Katrina/Rita Relocation Assistance (DSG)—October 9, 2007
- Revised Direct Rental Assistance Payment Agreements (CLC Prime)—November 6, 2007

2008

- Emergency Food and Supplemental Assistance (DSG)—March 14, 2008
- Direct Lease Agreements (DSG)—March 25, 2008
- Emergency Pet Management and Sheltering (DSG)—March 20, 2008
- Emergency Packing, Transportation and Storage of Personal Property Assistance (DSG) March 27, 2008
- Emergency Furniture Assistance (DSG)—March 27, 2008
- For DAD Declarations, Individual Assistance Public Assistance Policies, please visit the following Web sites:
  - Declarations Policies <http://www.fema.gov/hazard/guidance.shtm> internet
  - IA Policies <http://ia.fema.net/contents/policy/policies.asp> intranet
  - PA Policies <http://www.fema.gov/government/grant/pa/9500toc.shtm> internet

FEDERAL REQUIREMENTS

*Question.* Provide a list of the total inventory of information, reports, and data FEMA requires State and local entities to submit, and when the entity must submit it.

*Answer.* In February 2009, FEMA’s Office of Policy and Program Analysis convened a working group, comprised of internal FEMA staff, adding external stakeholders from State, local and tribal governments in April 2009, to discuss ways to consolidate and/or reduce reporting requirements and requests from FEMA. This working group has begun to compile a comprehensive list of FEMA reporting requirements. While we have identified many of the significant reporting requirements, we continue to work on completing the inventory. We hope to have the final list compiled later this year. The most current inventory follows.

SUMMARY OF FEMA REPORTING REQUIREMENTS TO STATE AND LOCALS

Name of Report or Data Request	When Requested/Frequency of Request
Planning:	
Emergency Management Accreditation Program-State and local voluntary assessment and accreditation reports.	State and local EMAP assessments and/or accreditation reports are made available based on the participants schedule and completion of process. (average bi-monthly)
"Gap Analysis Program—GAP (Disaster Ops)" .....	Gulf/Atlantic Coast States begin data collection/updates March 16 (when GAP Data Collection Tools are released). This is an annual process. All other States can start March 16, but will have 19 months for the initial GAP lifecycle, afterwards lifecycles will be 1 year, on an opposite schedule from Gulf/Atlantic coast States.
Demonstration Program: Logistics Capability Calculator (Logistics).	
Target Capabilities List (NPD) .....	Demonstrating compliance with NIMS is an annual requirement to be fulfilled by the end of each fiscal year by States and local jurisdictions through an on-line NIMSCAST tool.

SUMMARY OF FEMA REPORTING REQUIREMENTS TO STATE AND LOCALS—Continued

Name of Report or Data Request	When Requested/Frequency of Request
<b>Readiness Measurements/Requirements:</b>	
National Fire Department Census .....	To be included in the census database, fire departments must register with the census only once, however, departments are periodically (about once every 5 years) contacted to submit updates or changes to their data. Again, this process is voluntary.
National Fire Department Census .....	To be included in the census database, fire departments must register with the census only once, however, departments are periodically (about once every 5 years) contacted to submit updates or changes to their data. Again, this process is voluntary.
State Preparedness Reports (NPD) .....	The SPR is an annual requirement. The fiscal year 2009 SPR data call was issued in February and consisted of merely an update to prior data submissions instead of requiring a wholesale resubmission of SPR data. The SPR requirement is planned to be consolidated within the PrepCast tool.
NIMSCAST (NPD) .....	Demonstrating compliance with NIMS is an annual requirement to be fulfilled by the end of each fiscal year by States and local jurisdictions through an on-line NIMSCAST tool.
<b>Lessons Learned:</b>	
National Fire Incident Reporting System (NFIRS) .....	The data is requested monthly although some fire departments choose to report on a less regular basis.
FCO State Evaluation .....	On closure of a declared disaster
HSEEP Reports .....	As needed
After Action Report/Improvement Plans .....	Through an on-line Preparedness Portal
<b>Grant Related Requirements:</b>	
"Cost-to-Capability—Pilot program (GPD)" .....	June–August/One-time request to pilot Cost-to-Capability prototype
NIMS Implementation Reports .....	Annual
"Quarterly Progress Reports—By Disaster (DAD via Regions)".	Once—as part of grant application.
Investment Justification (IJ) .....	Once—as part of grant application.
Detailed Budget Worksheet .....	Once, 45–60 days after grant award date (date depends on program)
Initial Strategy Implementation Plan (ISIP) .....	Quarterly, 30 days after end of calendar quarter
Financial Status Reporting (FSR) .....	Biannually, January 31 and July 31
Biannual Strategic Implementation Strategy (BSIR) .....	Biannually, January 31 and July 31
Categorical Assistance Progress Report (CAPR) .....	Annually/semi-annually
Programmatic Monitoring .....	AHPP Quarterly Reports are due Jan 30, April 30th, July 30 and Oct 30 of each year from each grantee for the 4 year life of the program.
"Quarterly Report and Project Management Plan (DAD)" .....	Annually (amended by Disaster)
"State Administrative Plan (DAD via Regions)" .....	Quarterly
Community Preparedness Reports .....	Quarterly
CSEPP Grant Reports .....	Quarterly
EMPG Reports .....	Quarterly
Audit Report .....	Annually

REGULATIONS

*Question.* Provide a list of FEMA regulations that State, local, and private entities must comply with, including the date of the last update to the regulation.

*Answer.* FEMA's regulations are located in Title 44 of the Code of Federal Regulations. FEMA most recently updated its regulations in a comprehensive technical amendment on April 3, 2009 (74 FR 15328).

COMMERCIAL MOBILE ALERT SYSTEM

*Question.* The Congressionally-mandated improvements to Digital Emergency Alert System were still incomplete at the beginning of 2009. The FCC has fulfilled its obligations to establish the framework for the Commercial Mobile Alert System (CMAS) that would be able to relay alerts through cell phones. In addition to presidential alerts, which clearly are a Federal responsibility, the service would transmit

emergency alerts generated by State, local, and other non-Federal authorities. The Federal agency responsible for completing work on this project is FEMA's National Continuity Program Directorate, which has the role of acting as a gateway and aggregator of alerts for dissemination through CMAS.

What work remains before the CMAS system is functional, and what is the timeline for FEMA to complete its work its role in these efforts?

Answer. FEMA and the Science and Technology Directorate's Command, Control and Interoperability Division (CID) are jointly developing the C-Interface specification with ATIS/TIA representing the cellular industry as defined by the CMSAAC proceedings and formalized by the FCC in the CMAS Reports and Orders. At present, the finalization of the Government interface specifications is on schedule to be completed in October 2009. The following schedule is defined in the FCC Reports and Orders and begins when FEMA publishes the Government interface specifications: Industry has a 10 month preparation time before the beginning of an 18 month "CMAS Development & Testing" period. The total time from FEMA Government interface publishing to an operational CMAS, as defined by FCC report and orders is 28 months.

*Question.* In West Virginia, cellular telephone reception is often compromised by our beautiful yet rugged terrain, and West Virginians, like many Americans, increasingly rely on wireless telecommunications devices to receive critical, time-sensitive information.

How is the Department addressing the limitations of cellular communications in rural and mountainous areas in terms of advancing more reliable technologies and improvements to the CMAS system?

Answer. Under the WARN Act (Section 604 and 605 of the 2006 SAFE Port Act) the Department's Science and Technology Directorate in consultation with NIST are named to address research, development, testing and evaluation (RDT&E) with the FCC to increase the number of commercial mobile service devices that can receive emergency alerts. The RDT&E program will give specific attention to coverage issues and addressing underserved populations. To date the program has completed a full analysis of current coverage gaps and determined that approximately 1.5 million people reside in areas of the United States where there is a coverage gap (i.e. no cellular coverage). For perspective, approximately 36 million people in the United States are not current wireless subscribers. Additional research will be needed to discover areas in which there are dead spots and other coverage issues.

#### UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES

##### E-VERIFY

*Question.* The President's budget requests \$112 million for the legal employment verification system known as E-verify, a \$12 million increase over the amount funded in fiscal year 2009. Additionally, the budget includes language extending the E-verify program through fiscal year 2012. Is this an indication of the administration's continued support for this important program?

This committee supports the E-verify program. But many critics of this program claim that it has a very high error rate which may jeopardize the jobs of otherwise eligible employees. Are these concerns valid?

Answer. The Department strongly supports E-Verify and is working to improve its ability to automatically verify those who are work authorized, detect identity fraud, and detect system misuse and discrimination. E-Verify is both an essential tool for employers committed to maintaining a legal workforce, and a key deterrent to illegal immigration. The requested program increase will primarily promote monitoring and compliance activities and IT-related business initiatives geared toward improved system use.

USCIS has significantly enhanced E-Verify over the last few years, decreasing tentative non-confirmation rates and implementing continuous improvements. According to an independent evaluation of E-Verify (by the research firm Westat), 96.1 percent of all cases queried through E-Verify were automatically verified, in the first instance, as work authorized. The 96.1 percent figure (based on data from the third quarter of fiscal year 2008) represents a significant improvement over earlier evaluation results; the automatic verification rate improved from 83 percent in 2002 to 94.7 percent in 2007. Of the remaining 3.9 percent of queries with an initial mismatch, only .37 percent of those were later confirmed to be work authorized. The initial mismatch could have been due to data error or someone not notifying SSA of name change, etc. The majority of remaining queries that were not automatically verified indicate that the program is doing what it is intended to do—detect unauthorized workers trying to work unlawfully.

There is a common misconception that an initial mismatch indicates a program or database error. An initial mismatch instead indicates either: (1) a discrepancy between the information an employee has provided and information in government records; (2) that an employee has failed to update their information with SSA or DHS (such as a name change after marriage); or (3) an individual without work authorization has submitted fraudulent information. These individuals are afforded the opportunity to contest the finding by contacting SSA or DHS to resolve the discrepancy; however, as indicated, less than half of one percent of all individuals run through the program successfully contest an initial mismatch. Remaining queries receive a "Final Non-Confirmation" in the system to inform an employer that they are not work authorized. This data indicates the program's success in quickly verifying the status of those who are work authorized and detecting those ineligible for employment.

Even with the high level of current performance, USCIS will continue to work to enhance the system to further improve performance wherever possible.

*Question.* USCIS is requesting \$112 million for the E-Verify program, yet as of February 28, 2009, the program had approximately \$121 million in funds available. Please detail the agency's plans for these unobligated balances, as well as the funds it is requesting for fiscal year 2010.

*Answer.* The fiscal year 2009 Budget included \$100 million in appropriated funds and \$43.2 million in carryover (no year) funds for a total of \$143.2 million.

Planned spending can be summarized in the following categories:

- \$27 million for salaries and expenses
- \$15 million for rent, travel, facilities, and supplies
- \$21 million for SSA operations and enhancements
- \$59 million in information technology operations, maintenance and enhancements
- \$4 million for outreach to employers
- \$12 million for administrative, customer service, project management, training, and other miscellaneous contract support
- \$5 million for specialized studies and analysis

The fiscal year 2010 Budget Request includes \$112 million. Planned spending for current services includes:

- \$31 million for salaries and expenses
- \$13 million for rent, travel, facilities, and supplies
- \$8 million for SSA operations and enhancements
- \$22 million in information technology operations, maintenance and enhancements
- \$10 million for outreach to employers
- \$13 million for administrative, customer service, project management, training, and other miscellaneous contract support
- \$5 million for specialized studies and analysis

The additional \$10 million in enhancements will support:

- Verification Information System (VIS) Enhancements.*—The program will continue to enhance the technology of the program; including a focus on identity management and identity assurance (for both the employer and the employee), enhancing the photo screening tool and document assurance, expanding the data sources the program uses, and ensuring aging hardware is replaced.
- Enhanced Data Matching.*—E-Verify will continue exploring several potential developments aimed at reducing false negatives, including the inclusion of the updated Immigration and Customs Enforcement (ICE) database that houses student visa data—SEVIS II—which will decrease false negatives for foreign students.
- Staffing Increase.*—E-Verify is requesting 80 additional positions, (40 FTE in fiscal year 2010) to be located in a new regional site to support the following efforts: (a) detecting and deterring system misuse and/or discrimination, (b) secondary verification, quality assurance and case resolution operations, (c) outreach and education efforts, and (d) mission support activities.

#### FEEES

*Question.* The administration has requested about \$206 million in appropriated funds to cover the cost of asylum and refugee operations, as well as the cost of military naturalizations. Currently, fees are not charged on beneficiaries of these services and instead the cost burden is spread to applicants for other immigration benefits unrelated to those programs. Of the total, what is the anticipated cost in fiscal year 2010 for military naturalizations?

*Answer.* For the purposes of the budget estimate, USCIS is using the current \$595 per application naturalization fee as an approximate cost for military naturalization. The total budget of \$5 million reflects a \$595 fee multiplied by 8,500 military naturalization applications, approximately the level of applications filed in fiscal year 2008. USCIS is currently conducting a comprehensive fee review assessing the costs and fees for all application types.

*Question.* To what extent did DHS consider charging a fee to applicants for asylum and military naturalization and what was DHS's rationale for not doing so?

*Answer.* Applicants for military naturalization are exempt by law from fees. Individuals are not charged fees by USCIS for applications associated with entry into the United States under asylum claims, consistent with USCIS statutory fee authority permitting the recovery of asylum program costs through fees without charge to asylum applicants. The Department supports current law and practice for both categories.

*Question.* Will approval of the \$206 million fee change result in other CIS benefit fees being reduced?

*Answer.* USCIS is working to complete a biannual fee review to assess if current fees are set at an appropriate level to recover the costs of providing immigration and services. This and other fiscal year 2010 budget decisions will be incorporated into the fee review.

#### REAL ID

*Question.* Will the \$25 million request for the REAL ID Hub complete the planned project?

*Answer.* Yes, the fiscal year 2010 funding will be needed to complete and deploy the hub verification capabilities. The follow on request of \$25 million will complete the build out of the verification system capabilities, including structured testing and system connectivity for participating States. Some fiscal year 2010 funds will also be used to support establishment of a concept of operations for REAL ID audits of the States after implementation. The concept of operations will be developed in collaboration with the Department of Transportation (DOT) and will consider relevant DHS and DOT assets and interactions with State departments of motor vehicles (DMV).

#### SCIENCE AND TECHNOLOGY

##### PROJECT NEWTON

*Question.* What is the purpose of Project Newton?

*Answer.* Project Newton is an aircraft vulnerability project that is developing complex computer models that simulate on-board blast effects of different types of explosives threats on commercial aircraft, given multiple threat scenarios and other technical variables. The models will be used to provide information to the Transportation Security Administration (TSA) to verify or revise current explosives detection standards. The standards will comply with the Explosives Detection System (EDS) Standard section of Public Law 101-604 (Aviation Security Improvement Act of 1990). Project Newton is a joint effort between the Science and Technology (S&T) Directorate and the Transportation Security Administration (TSA).

*Question.* What is the status of the program?

*Answer.* Project Newton is a three phase program. Phase I, took place between May 2007-December 2007 and comprised a modeling and simulation effort focused on the Boeing 737-200 commercial aircraft, as well as new analyses of explosives equivalencies. The project is currently in Phase II, which began in 2008 and is still in progress. As part of this current phase, models of the Boeing 737-800 are being created in addition to explosive equivalence models. Phase III will begin later this year and include the creation of structural models of the current air fleet that will be tested to provide information to TSA to verify or revise current explosive standards.

*Question.* What is the timeline for decisions related to the research?

*Answer.* Results of the work with the Boeing 737-800 aircraft will be provided to TSA in late 2009 to inform their decisions regarding explosives standards and their acquisition programs. The S&T Directorate's Explosives Division is developing a multi-year program strategy for Project Newton. This strategy will include the appropriate number of commercial aircraft, scenarios, phenomenology and model validation as well as outline the additional explosive testing required to improve the understanding of the risk associated with using modeling and simulation. This approach has the potential to inform many programs beyond the current acquisition of explosives screening equipment. It will provide data to help TSA and other DHS

components with numerous activities, including future requirements development, vehicle hardening programs, and the identification of air/land/sea vehicle explosive vulnerabilities.

*Question.* How will decisions related to Project Newton impact the installation of explosives detection equipment at airports?

*Answer.* Project Newton will improve the detection standards of TSA explosives detection systems (EDS) at airports. It will not impact actual installation or schedules. The airframe survivability modeling effort is expected to provide better information for setting detection standards. TSA is in the midst of planning competitive EDS procurements incorporating a tiered detection standard that will evolve to accommodate the results for Project Newton and other threat information.

#### CONTRACTOR CONVERSIONS

*Question.* How many contractor to Federal FTE conversions are proposed for fiscal year 2010 out of the total contractor workforce?

*Answer.* In fiscal year 2010, the S&T Directorate's target is to convert at least 17 FTE from contractor to Federal positions. These conversions are part of an ongoing effort to identify positions that are more appropriately filled by Federal employees.

#### DOMESTIC NUCLEAR DETECTION OFFICE

##### DOMESTIC NUCLEAR DETECTION OFFICE (DNDO)

*Question.* No funds are provided for systems acquisition, leaving DNDO with only a Research, Development, and Operations mission in fiscal year 2010. What is the future DNDO? Are you considering moving this function to other DHS components or offices?

*Answer.* DNDO's mission has not changed and the Office will continue to carry out its research, development, operations, and systems acquisition functions. Due to the delay in certifying the Advanced Spectroscopic Portal System, DNDO has unobligated balances from past year appropriations. As such, DNDO will continue to acquire radiological/nuclear detection equipment in fiscal year 2010 using the available unobligated balances remaining for this activity.

#### SYSTEMS ACQUISITION

*Question.* No funds are provided in fiscal year 2010 for systems acquisition. How does this decision impact the Joint CBP/DNDO Deployment Strategy for Radiation Portal Monitors (RPMs)? Isn't there still a need to deploy Radiation Portal Monitors regardless of any decision related to Advanced Spectroscopic Portal monitor deployment (ASP)?

*Answer.* Yes, regardless of the ASP decision, the Joint CBP/DNDO Deployment Strategy calls for additional RPMs to be deployed. DNDO will continue to carryout this strategy using the remaining \$39 million in funds appropriated for current generation RPMs. DNDO will still have unobligated balances of \$77 million pending ASP certification, of which \$17 million remains from fiscal year 2008 and \$60 million remains from fiscal year 2009. Assuming a successful outcome of Secretarial certification, these funds will be used to procure a mix of current generation and ASP systems. If certification does not occur, these funds will be used to procure only current generation systems.

*Question.* What is the unobligated balance for RPM acquisitions and will this provide enough funding for deployments through fiscal year 2010?

*Answer.* The fiscal year 2009 unobligated balance for current generation RPMs, which will soon be obligated for current year requirements, is \$39 million. The unobligated balance for ASP systems is \$77 million, of which \$17 million remains from fiscal year 2008 and \$60 million remains from fiscal year 2009. Assuming a successful outcome of Secretarial certification, these funds will be used to procure a mix of current generation and ASP systems. If certification does not occur, these funds will be used to procure only current generation systems.

*Question.* For Human Portable Radiation Detection Equipment, how will the lack of funding impact this program? Isn't there still a need to outfit DHS employees, i.e., Coast Guard and CBP?

*Answer.* DNDO will use prior year funds to procure additional human portable radiation detection equipment for the Coast Guard and TSA's Visible Intermodal Prevention and Response (VIPR) team.

*Question.* What is the unobligated balance for Human Portable Radiation Detection Systems acquisitions and will this provide enough funding for deployments through fiscal year 2010?

Answer. DNDO recently conducted a review of unobligated HPRDS funding, which produced sufficient prior year funds and captured savings to pay for most TSA requirements and all Coast Guard requirements for fiscal year 2010. A residual unobligated amount of \$1.4 million remains available to fund documented CBP and TSA requirements.

SECURING THE CITIES (STC)

*Question.* No funding is requested for “Securing the Cities” in fiscal year 2010. Has DNDO fulfilled its requirements stipulated in the Memorandum of Understanding (MOU) between DHS and the New York Police Department (NYPD) signed in April 2007?

Answer. DHS continues to meet all of its responsibilities as stipulated in the MOU. The MOU stipulated that DHS will provide current and next-generation rad/nuc detection technologies for use by NYPD in evaluating current and next generation technologies and developing and refining CONOPS. Assets provided to NYPD included one RadTruck and three ASP-L Mobile Detection Platforms and associated equipment. The RadTruck was a loaned asset and was returned to DHS. In addition, DHS has provided scientific and technical training in the use of DHS-provided equipment and coordinated activities involving the use of this equipment.

*Question.* Was the agreement between DHS and NYPD for 3 years—fiscal year 2007–2009?

Answer. The STC Strategic Plan, which was provided to NYPD, indicated that STC will be a 3 year engagement in NYC.

*Question.* When will fiscal year 2009 funding be awarded to New York City? Will this complete the 3-year agreement?

Answer. Applications for the 2009 STC Funding Opportunity Announcement are due May 28, 2009. Depending on the quality of applications received, and the results of the review, an award could be made as early as July 15, or as late as September 30.

Beginning in fiscal year 2010, no additional funds are being requested for the STC initiative. The 3 year NYC pilot, which will end with funds appropriated in fiscal year 2009. NYC regional STC stakeholders can continue to fund additional capabilities through other DHS grant programs such as the Homeland Security Grant Program. DNDO will continue to operate in the NYC region. For example, DNDO is planning to actively support a regional full scale exercise in 2010. DNDO has a vested interest to reduce the risk of radiological and nuclear terrorism to New York City and extract lessons-learned for application to other major urban centers.

*Question.* Does New York City have additional needs in fiscal year 2010?

Answer. The STC initiative is intended to provide the relevant regional jurisdictions with the skills, capabilities, and experience to expand and continue to support the regional capability over time. Homeland Security Grant Program funding could be leveraged to expand the capability as deemed useful by the region.

*Question.* Since the fiscal year 2009 funding will not be awarded until late fiscal year 2009, could additional equipment be deployed to New York City if funding was available?

Answer. While additional funds could provide more equipment, it would not necessarily result in a more timely delivery. After fiscal year 2009, New York City should look to other funding sources if additional equipment is needed.

*Question.* The Securing the Cities strategic plan states that “The STC initiative will be a 3-year engagement in NYC, and will likely be so for subsequent cities.” What are DNDO’s plans to expand this project to subsequent cities?

Answer. DNDO Red Teaming and Net Assessments (RTNA) will remain engaged to assess the effectiveness of the STC initiative. Upon the completion of the assessment, DHS will determine whether to terminate, expand to subsequent cities, or substantially modify the initiative.

*Question.* Did the MOU with New York City require a State or local contribution? Did they provide that contribution?

Answer. No cost sharing contribution is required in STC Cooperative Agreements. NYPD continues to meet its responsibilities in the DHS/NYPD MOU on STC.

QUESTIONS SUBMITTED BY SENATOR FRANK LAUTENBERG

REDUCTION IN GRANTS

*Question.* The administration has requested \$250 million each for port security grants and for rail security grants which represents a 38 percent cut from last year’s funding. The port security grants that were provided in the “American Recov-

ery and Reinvestment Act of 2009" (Public Law 111-5) were intended to supplement funds provided through the regular budget process. Why does this budget propose reducing the funding to secure our ports and railways?

Answer. The monies provided by the American Recovery and Reinvestment Act of 2009 (ARRA) will be well-utilized by our transportation and port partners as they continue to secure our Nation's transit systems and ports. As the fiscal year 2010 budget was developed, we considered where ARRA funds were available. We also considered the grant applications process and award pipeline for the Port Security Grants Program. Due to time it takes for grant recipients to drawdown their funds based upon their own financial management processes, we were able to reallocate funding for other programs that may more urgently need and utilize the funding.

#### PROTECTION OF U.S.-FLAGGED VESSELS

*Question.* In recent months, there have been a number of pirate attacks on U.S.-flag ships off the coast of Somalia. The Transportation Security Administration requires Federal Air Marshals to fly on high-risk international and domestic flights. However, the Coast Guard recently announced a directive that essentially states that U.S.-flagged vessels should consider the use of armed private security guards, placing the onus of security on the industry. Doesn't the U.S. government have a responsibility to protect U.S.-flag vessels?

Answer. Similar to other private industries, the security of U.S.-flagged commercial vessels is a shared responsibility by the U.S. Government and by vessel operators who must take appropriate steps to minimize their vulnerability to piracy. The maritime security directive requires all vessels in designated high-risk waters to consider supplementing ship's crew with armed or unarmed security. Certain vessels transiting the Horn of Africa shall supplement the ship's crew with armed or unarmed security based on a piracy-specific vessel threat assessment conducted by the operator and approved by the Coast Guard.

#### TECHNOLOGY TRANSFER TO IRAN

*Question.* The Department of Homeland Security's Immigration and Customs Enforcement Agency is responsible for helping to prevent the transfer of sensitive technology from the United States to hostile nations. Given Iran's nuclear ambitions, what is this Agency doing to stop Iran from attaining U.S. weapons and technology?

Answer. U.S. Immigration and Customs Enforcement (ICE) is responsible for overseeing a broad range of investigative activities related to exports to sanctioned or embargoed countries such as Iran. ICE's strategy focuses on the trafficking of WMD components and materials, sensitive dual-use commodities, technologies, illegal exports of military equipment, significant financial and business transactions and export enforcement training for private industry as well as State, local and foreign agencies.

To combat the proliferation of U.S. origin arms and other sensitive commodities by Iran, ICE leverages multiple resources, including 30 years of experience in criminal export investigations.

ICE's authorities and historical enforcement are rooted in many of our Nation's export laws. The Arms Export Control Act (AECA) gives ICE the authority to investigate, detain or seize any export or attempted export of defense articles. The Export Administration Act (EAA) gives ICE the authority to investigate, detain or seize any export or attempted export of dual-use commodities. The International Emergency Economic Powers Act relates to trade sanctions violations. Pursuant to these statutes, ICE may prevent, prohibit and investigate the transfer or exportation of any property subject to the jurisdiction of the United States. Through the use of Title 18 USC § 554, Outbound Smuggling, ICE investigates the smuggling of goods from the United States to include sensitive technology and weapons destined for Iran.

Two of the main strategies that ICE focuses on in stemming the flow of sensitive technology to proliferate countries such as Iran revolve around the long standing success of its counter-proliferation undercover operations, and its unique border search authority. These various authorities provide effective tools for ICE agents to form an overlapping unilateral export regime to contain the threat posed by Iran.

An additional tool in ICE's arsenal of export enforcement is ICE's Project Shield America program. ICE provides training to the high tech industry and solicits cooperation with American companies. These outreach efforts have led to the identification and dismantling of numerous procurement networks operating in the United States and throughout the world.

Cases involving the exportation of sensitive materials by their nature involve sensitive information. ICE would be happy to provide a law enforcement sensitive briefing about these types of investigations as may be requested.

## CEDAP GRANTS

*Question.* The Department of Homeland Security's Commercial Equipment Direct Assistance Program (CEDAP) provides critical equipment and training to law enforcement and emergency responder agencies in small jurisdictions and certain metropolitan areas. Without CEDAP grants, these agencies may not have the resources to prevent or properly respond to an act of terrorism in the United States. Why does the President's budget request not include any funding for the CEDAP program?

*Answer.* The President's fiscal year 2010 Budget Proposal for the Department includes over \$3 billion for the purpose of assisting small, medium and large jurisdictions with funds for planning, equipment acquisition, training and exercises to improve their ability to prevent, mitigate and respond to incidents of terrorism and other hazards. The Budget Request seeks to streamline preparedness assistance programs by reducing disparate programs while fully funding the Department's mission in support of local, State and tribal government. The funding for CEDAP-type investments was actually incorporated into the Urban Area Security Initiative (UASI) and the Firefighter Assistance Grant Program. In this way, the funding formerly directed for CEDAP can be weighed by State and local entities against other homeland security investment priorities.

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 QUESTIONS SUBMITTED BY SENATOR GEORGE V. VOINOVICH

## EFFECTIVENESS OF GRANTS

*Question.* The fiscal year 2010 budget request includes \$3.8 billion for grants to improve the preparedness and response capabilities of State and local governments. This is 8.8 percent of the total discretionary request of \$42.7 billion. More importantly, this \$3.8 billion will be in addition to the \$24 billion that has been appropriated since fiscal year 2004, including emergency supplemental appropriations. This is a significant investment, but we have no reliable data or measures to show that the equipment, training, and planning purchased to date have made the Nation sufficiently capable of responding to disasters. Have you ascertained the effectiveness of these grants in accomplishing the Department's mission? What is the Department doing to track and measure the effectiveness of these grants?

*Answer.* The Grant Programs Directorate (GPD) has developed the Cost to Capability (C2C) Initiative to develop the tools needed by GPD and its grantees, to manage performance across a diverse portfolio of preparedness grant programs, and to better demonstrate the historical and future effectiveness of GPD's preparedness grant programs in building State and local all hazards capabilities outlined in FEMA National Preparedness Directorate's Target Capabilities List (TCL). Before building a system that could evaluate the use of grants at the State and local level, GPD has developed the C2C initiative to support the strategic goal of building a robust and standardized data analysis capability to quantify benefits and demonstrate the importance of grants management to Homeland Security priorities. The C2C Initiative is building the tools needed to manage the performance of its grant programs in a consistent and transparent manner that can be traced to Homeland Security doctrine and policy. C2C will be based upon credible capability targets found in TCL, which links all preparedness cycle activities to strengthen preparedness capabilities.

GPD first did a retrospective analysis of grant funding, by reviewing existing grantee-reported data to establish the feasibility of quantifying its preparedness grant programs' combined accomplishments from past fiscal years. These findings in turn created the FEMA GPD Grant Programs Accomplishments Report: Summary of Initial Findings (fiscal year 2003–2007). This report is the first-ever study of how grantee spending builds target capabilities. GPD analyzed grantee data spanning the last 5 fiscal years from its core grant programs, which accounted for 64.8 percent of GPD's preparedness grant portfolio from fiscal years 2003–2007. This Accomplishments Report is currently under final review.

GPD has several additional activities underway regarding C2C. The C2C Alpha Prototype, which is still in development, is a conceptual capability return-on-investment tool. The Prototype provides the analysis needed to inform the stakeholder where, how much and for what purpose grant program funding should be allocated. The process involves the following steps:

- Stakeholder prioritization of the target capabilities
- Creation of an exhaustive list of strategic projects
- Calculation of project importance based on the target capabilities
- Creation of multiple portfolios of investment based on the list of projects and their importance

—Giving the stakeholder the choice of selecting the best overall portfolio  
 In coordination with the National Preparedness Directorate, plans have been made to Pilot the alpha prototype July 15–17, 2009. Eighteen pilot sites (States, tribes and UASIs) have been selected to participate in this effort:

- Boston UASI
- Vermont
- New York State
- New York City UASI
- New Jersey
- US Virgin Islands
- Delaware
- Poarch Band of Creek Indians (AL)
- South Carolina
- Columbus UASI
- Arkansas
- Oklahoma
- Houston UASI
- Kansas
- Utah
- California
- Los Angeles UASI
- Washington State

#### NUMBER OF GRANT PROGRAMS

*Question.* When we passed the Department of Homeland Security Appropriations Act, 2004, there were six grant programs directed at preparing State and local government to respond to disasters. In fiscal year 2009, there are 16 separate grant programs. How does this tie your hand in terms of putting the money where it will make the most difference?

*Answer.* The Department does not create grant programs, but rather, implements the programs as appropriated by Congress. Although there are a larger number of programs than in 2004, FEMA staff works closely with Departmental entities, State, local and tribal responders, and other Federal agencies (such as Health and Human Services) to ensure that each program is aligned against other programs within the preparedness portfolio. In addition, FEMA welcomes the opportunity to work with the Department, Congress and all of our partners and stakeholders to move toward grant program consolidation and allocate precious Federal resources using a sound risk-based methodology.

#### REALIGNMENT OF GRANT PROGRAMS

*Question.* The President's fiscal year 2010 budget proposes realigning the Firefighter Assistance Grants Program and the Emergency Management Performance Grants Program into the State and Local Programs appropriation. What is the reason for this proposal and what practical effect would the proposal have on the administration and management of the Firefighter Assistance Grants Program and the Emergency Management Performance Grants Program?

*Answer.* FEMA/GPD currently manages grants within all three of these appropriations. All of them include programs that help to build and sustain capacity across our Nation to prevent, protect against, recover from, mitigate against and respond to acts of terrorism and other hazards. As such, since EMPG and AFG are developed along side the other State and local programs to enhance collaboration, it would be practical for them to be included as part of the State and local appropriations.

#### REAL ID ACT IMPLEMENTATION

*Question.* The fiscal year 2010 budget proposes an additional \$50 million in grants to States for REAL ID implementation, and \$25 million for U.S. Citizenship and Immigration Services for further development of system capabilities to verify data against Federal databases. You have been working with the National Governor's Association on a legislative proposal to amend the REAL ID Act. What changes are being recommended?

*Answer.* The proposed \$50 million to States for REAL ID implementation is required to assist States in improving the security, privacy protections and integrity of driver's license issuance processes consistent with current law and the 9/11 Commission recommendation to set national standards for the issuance of driver's licenses. The proposal to amend the REAL ID Act maintains the provision to set na-

tional standards and acknowledges the efforts to date towards meeting the standards.

The current proposal also provides for a demonstration project to develop an electronic verification system (hub) capable of verifying a State's department of motor vehicle driver's license applicant's document information against Federal databases. That provision is specifically intended to continue the efforts already begun by the States toward that end. The \$25 million fiscal year 2010 request within USCIS is the administration's promise to complete funding for that effort.

Key changes included in the current legislative proposal include:

- Adding specific privacy provisions to protect personal data.
- Adding flexibility for the States in how to achieve security improvements.
- Allowing for continued innovation by setting minimum standards for secure driver's licenses and ID cards while providing States the flexibility to determine how best to meet or exceed such standards.
- Setting an implementation timeline for states that begins 1 year after issuance of final regulations and will be phased in over the following 5 years.

*Question.* If you endorse the National Governor's Association proposal, which I understand eliminates the "hub", would the \$25 million proposed within the U.S. Citizenship and Immigration Services fiscal year 2010 budget for this purpose be needed?

*Answer.* Yes, the funding will still be needed because the National Governors Association proposal still provides for a demonstration project to develop an electronic verification demonstration system (hub) capable of verifying State department of motor vehicle driver's license applicant document information against Federal databases. That provision is specifically intended to continue the efforts already begun by the States toward that end. The project received \$50 million in fiscal year 2009; the follow on request of \$25 million will complete the build out of the verification system capabilities, including structured testing and system connectivity for participating States.

#### NATIONAL GUARD ON THE BORDER

*Question.* The National Guard does provide some routine support of U.S. Customs and Border Protection today. How many National Guard are on the border today and what activities are they performing? Are they supporting both the Northern and Southwest borders?

*Answer.* On the Southwest border, National Guard support is in the following categories: Aviation—Forward Looking Infrared (FLIR) Support; Engineer/Infrastructure; Communication; Intelligence; SBInet Support; Camera/Field Support; Checkpoint Support. Due to the Guard's short-term 2-week deployments the number of National Guard personnel on-the-ground fluctuates. The number has reached a high point of up to 75 persons. There are no National Guardsmen performing duties with the Border Patrol on the northern or coastal borders.

#### UNACCOMPANIED ALIEN CHILDREN

*Question.* What increased costs does the Department of Homeland Security estimate it might need for fiscal year 2009 due to the new changes in law related to the care of unaccompanied alien children? How does the fiscal year 2010 address these new requirements?

*Answer.* To date, there has been no increase in the average number of UAC. In fact, the number of UAC projected to enter the custody of the Federal Government has decreased significantly in fiscal year 2009 compared to fiscal year 2008, and there has been no up-tick since the passing of the TVPRA. However, there is not enough data to suggest whether this downward trend will continue.

ICE has historically funded the cost of UAC transfer from base resources, and will continue to do so in fiscal year 2010. No additional funding was requested for this in fiscal year 2010 above normal DRO current operations. New policy officials at HHS and DHS have agreed to work cooperatively to review TVPRA implementation and will determine whether policy and operational changes are necessary to allow HHS to fully assume its statutory responsibilities to ensure proper care and custody for UAC.

#### H1N1 SUPPLEMENTAL FUNDING

*Question.* The Department of Homeland Security has indicated it needs an additional estimated \$200 million in fiscal year 2009 supplemental funding for H1N1 pandemic influenza activities. Specifically what will these additional funds be for?

*Answer.* DHS estimates that costs associated with the H1N1 flu could reach approximately \$200 million. There are both short and long term costs for DHS. We

project a need for \$61 million in the short term to purchase anti-virals and Personal Protection Equipment (PPE) for DHS employees and to preposition, distribute and train on proper use of PPE's. DHS currently has stockpiles of these items that will cover DHS employees into the fall of 2009. However the current stockpiles are not sufficient to equip and protect our workforce for a prolonged period. In the long term an additional \$153 million is needed to restock anti-virals and PPE stockpiles of N95 Respirators, surgical masks, disposable gloves, disposable garments, splash goggles, and hand sanitizer.

#### MEDICAL STOCKPILE

*Question.* I understand the Department maintains medical stockpiles for its employees identified to be mission critical or at high risk—the Office of Health Affairs manages the Department's stockpile and the Coast Guard has its own. Is that correct? Are additional funds requested in the fiscal year 2010 for these stockpiles (procurements, storage, training, etc.)? If not why?

*Answer.* The Department maintains medical countermeasure stockpiles, or antivirals, for the DHS workforce. DHS maintains one course for each DHS employee and additional courses for outbreak prophylaxis for high-priority mission critical or essential employees. The Coast Guard antiviral stockpile includes high risk military and civilian employees. In fiscal year 2006, the President requested and Congress appropriated \$7.1 billion in supplemental funding for avian and pandemic influenza preparedness activities. Though a majority of the funding was appropriated to the Department of Health and Human Services (HHS), DHS received \$47.3 million which was used for stockpiling and distribution of stockpiles to DHS components by DHS's Chief Medical Officer.

The Department has stockpiled two types of antivirals with the 2006 appropriation, oseltamivir (Tamiflu®) and zanamivir (Relenza®), dedicated for DHS workforce protection. The U.S. Coast Guard purchased courses of antivirals through Department of Defense stockpile channels. Overall DHS has on hand approximately 540,000 courses of antivirals for its workforce (240,000 DHS; 300,000 USCG).

The non-USCG stockpile (procurements, storage, training, etc.) is currently funded with carryover balances from the fiscal year 2006 supplemental appropriation. Therefore, the Office of Health Affairs budget does not include additional funding for pandemic influenza activities in fiscal year 2010. The Coast Guard released antivirals from its medical stockpile in response to recent events associated with the H1N1 outbreak and will work with DHS to replenish them. However, its budget also does not include additional funding in fiscal year 2010 because it considers its stockpile to be sufficient to meet HHS, DHS and Coast Guard response guidelines.

*Question.* I understand the Office of Health Affairs stockpile maintenance and related activities are currently being funded from fiscal year 2006 supplemental appropriations carryover balances. Is that correct? How are the Coast Guard stockpile activities being funded?

*Answer.* The Department's stockpile maintenance will continue to be funded from the fiscal year 2006 supplemental appropriation carryover balance for fiscal year 2010. The remaining funds from fiscal year 2006 will be obligated in fiscal year 2010.

The Coast Guard's stockpile activities for a potential pandemic influenza event were funded from fiscal year 2008 Operating Expense funds. The funding was used to replenish/purchase medication based on the projected need and to ensure that mission critical, high risk personnel will be protected in a pandemic environment.

#### BIOMETRIC AIR EXIT

*Question.* The Department of Homeland Security Appropriations Act, 2009, requires that biometric air exit pilot projects be conducted. I understand that those pilots will be conducted from May 28–July 2, 2009, and after the pilots are reviewed the US-VISIT office anticipates issuing a final rule regarding biometric air exit procedures sometime between January and March of 2010. However, there is no money in the fiscal year 2010 budget request for biometric air exit implementation. What is the Department's plan for moving forward with biometric air exit implementation during the second half of fiscal year 2010, when we anticipate that there will be a biometric air exit final rule, but no money to implement the rule or move biometric air exit forward?

*Answer.* Approximately \$28 million remains available from prior-year dollars (for testing technological solutions in the air/sea environments with pilot scenarios) to fund the current Air/Sea Biometric Exit project.

On April 24, 2008, DHS published a notice of proposed rulemaking (NPRM) in the Federal Register proposing to establish biometric exit procedures at airports and

seaports of departure from the United States. The NPRM incorporated the findings from US-VISIT's initial test during 2004–2007 of biometric exit technology and procedures at 14 airports and seaports, and recommended that commercial air carriers and vessel carriers be required to collect and transmit biometric exit information to DHS, in conjunction with the passenger manifest information they already collect and submit to DHS.

In the fiscal year 2009 DHS Appropriations Act (Public Law 110–329), Congress required US-VISIT to test and report on the collection of biometrics from non-U.S. citizens exiting the United States in two different settings at airports: (1) air carrier collection of biometrics from passengers already subject to US-VISIT entry requirements; and (2) collection by U.S. Customs and Border Protection (CBP) of those passenger biometrics at the boarding gate. The pilots must occur before funding will be released to support the deployment of biometric exit procedures to airports and seaports. Currently, no airline has agreed to participate in a pilot. Consequently, US-VISIT will conduct two pilots: one by CBP at the boarding gate and one by the Transportation Security Administration (TSA) at a security checkpoint beginning May 28, 2009.

Based on the results of the pilots and comments to the NPRM, US-VISIT plans to publish a final rule, tentatively scheduled for March 2010, which will direct the implementation of new biometric exit procedures for non-U.S. citizens departing the United States via airports and seaports.

If DHS goes forward with a final rule implementing its recommended solution as stated in the NPRM—that commercial air carriers and vessel carriers will collect and transmit biometrics—no further funding would be required to implement Air/Sea Biometric Exit.

#### VISA WAIVER COUNTRY INFORMATION SHARING

*Question.* What is the timetable to bring the original 27 visa waiver countries up to the same information sharing standards as the agreements signed with the countries recently admitted to the program?

*Answer.* Under the terms of the 9/11 Act, there is no statutory deadline for current VWP member states to come into compliance with the security enhancements, including the information sharing agreements. However, the VWP law requires a review at least every 2 years to ensure that member countries continue to meet the relevant criteria. Consistent with previous reforms of the VWP, DHS will address compliance with the requirements of the 9/11 Act, as well as all other VWP requirements, as part of the ongoing biennial review process. Pre-2008 VWP countries are being given a reasonable amount time (not to exceed the completion of their next biennial review) to reach full compliance with the additional security requirements of the 9/11 Act.

#### EFFECT OF ECONOMIC DOWNTURN ON FEE-FUNDED PROGRAMS

*Question.* As the economic downturn negatively affects fee-funded programs, many Department components (U.S. Citizenship and Immigration Services, U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement, e.g.) could encounter problems sustaining their activities. How are you monitoring this and what actions have you taken?

*Answer.* As you note, a number of DHS components rely significantly on user fee collections. USCIS, for example, receives almost all of its funding from user fees. We are monitoring user fee collections on a monthly basis and adjusting our projections with the most up-to-date data. We have re-prioritized planned spending to react to the uncertainty, and are posed to make spending cuts if necessary. Our goal is to avoid disrupting operations, and one strategy we will employ is drawing down from carryover balances in the fee accounts. We would also consider reprogramming funding within discretionary accounts if necessary to meet mission-critical needs.

#### ROLE OF CONTRACTORS

*Question.* What steps has the Department taken to determine the appropriate role of contractors in meeting its mission requirements and to convert contract functions to government personnel functions where appropriate?

*Answer.* DHS has taken a number of important steps to ensure the appropriateness of its use of contractors in meeting DHS's mission requirements. Over 2 years ago, DHS began a special review of contractor performance at the National Protection and Programs Directorate (NPPD). No contractors have been found to be performing inherently governmental work, but, as the NPPD matured from start-up status and as its mission expanded, the need to expand its minimum core com-

petencies became clear. Over 350 contractors are now in the pipeline for conversion to Federal employees.

Since March of this year, and as a part of the DHS 2009 Federal Activities Inventory Reform (FAIR) Act data call, DHS Components have been engaged in several related actions. An inventory of contractors in Federal space within the DHS National Capital Region has been developed as a proxy for identifying contractors that are closely related to DHS Headquarters activities. As a part of the DHS Efficiency Review Process, DHS Components have developed a schedule of functional or business line specific studies that will assess the most efficient approach to accomplishing mission requirements, including the appropriate balance of contractor and Federal resources. These are detailed assessments of workload requirements and alternative approaches to mission accomplishment, which include a review of the balance between in-house and contractor resources. We have begun to review these proposals with the Components, and Components have been asked to develop lists of individual functions being performed by contractors that may warrant the immediate conversion of work to performance by Federal employees. The initial data will be submitted to the Office of the Chief Procurement Officer in July.

As part of the DHS Efficiency Review Process, all proposed contracts for professional support services with an annual value greater than \$1,000,000 will be reviewed prior to awarding the contract. The Components will review the proposed contracts to ensure that only appropriate work is included. If the contract amount is greater than \$50,000,000 it will also be reviewed by the Chief Procurement Officer.

DHS is also a member of the OMB Multi-Sector Workforce Working Group, which is reviewing the definitions of inherently governmental work, insourcing policy, and the development of contract workload inventories. The Working Group is responding to the President's Memorandum dated March 4, 2009 on Government Contracting and a number of statutory mandates that suggest the need to better balance Federal and contract employees. As this information and Government-wide policy develops, DHS will be issuing related policies on the accomplishment of mission requirements by Federal and contract employees (expected issuance is October 2009).

CONVERSION OF CONTRACTORS TO GOVERNMENT POSITIONS

*Question.* Is there a plan in place to convert contractors to government positions? How many contractor conversions are planned in fiscal year 2009 and proposed for fiscal year 2010?

*Answer.* As part of the annual 2009 Federal Activities Inventory Reform (FAIR) Act data call, DHS has directed each Component to review its contract workforce to determine whether work is inherently governmental or commercial "core/exempt" and to evaluate whether existing contract prices are excessive or performance is inadequate. Components have been directed to provide information on contract positions that they believe are justified for conversion to government performance. Components have also been instructed to work with the Chief Procurement Officer to determine if conversion is authorized or a competition is required. DHS components will be submitting their "insourcing" data (including FTE, functions and justifications) to DHS HQ in July 2009.

DHS currently plans to convert approximately 500 contractor FTE to performance by Federal employees over the course of fiscal years 2009–2010. This number may change in fiscal year 2010 and the out-years as a result of one or more of the analyses discussed in response to other questions for the record on this subject.

Approximately 350 FTE are planned for conversion from contractor to Federal in-house performance associated with the NPPD. This workload has been reviewed in accordance with the FAIR Act and the OMB Circular A-76, which, subject to certain statutory exceptions, provides government-wide policy on the conversion of commercial work to or from in-house and contract performance. Each of the 350 FTE has been justified as required to meet emerging minimum residual core capability requirements. An additional 188 FTE have been identified and approved for conversion from contractor to Federal in-house performance at the USCG associated with food preparation requirements. The USCG has determined that this work needs to be performed by military billets in order to protect their sea/shore rotational requirements.

Within the NPPD, 110 FTE of the 350 FTE have been successfully converted from contract to in-house performance (on-board).

NPPD Org.	On Board/In Process
Infrastructure protection (IP) .....	47/29

NPPD Org.	On Board/In Process
Cybersecurity and Communications (CS&C) .....	17/29
US-VISIT .....	35/20
Office of Risk Management and Analysis (RMA) .....	5/6
Office of the Under Secretary (OUS) .....	6/8
<b>Total</b> .....	<b>110/92</b>

The total equals 202 (110 + 92) of the 350 with 148 expected in fiscal year 2010.

NATIONAL CYBER SECURITY CENTER

*Question.* The National Cyber Security Center was established by the Secretary of Homeland Security pursuant to Presidential directive and stood up last year. I see no funding in the Department of Homeland Security’s fiscal year 2010 budget request for the Center. Why?

*Answer.* The Department did not request funding for the Center in fiscal year 2010 because an overall cyber security plan, which will include goals, objectives, milestones, and activities, has not yet been finalized. To request funding for the NCSC prior to the outcome of the cybersecurity review being carried out by the National Security Council, would be premature. The results of the Council review will be used in establishing a permanent roadmap for cybersecurity. Resources for many of the proposed functions of the NCSC are included in the budget request for the National Cyber Security Division in the National Protection and Programs Directorate.

DHS ROLE IN CYBER SECURITY EFFORTS

*Question.* What is the Department’s role in cyber security efforts, as contemplated in the fiscal year 2010 budget request?

*Answer.* DHS has responsibility for securing the Federal “gov”—the networks that support our Executive Branch civilian agencies. In addition, DHS is responsible for partnering with private-sector owners of the Nation’s critical infrastructure and State and local government to improve the security of their networks. As the Department builds these capabilities and executes strategies to build the “gov” defense in fiscal year 2010, DHS must also continue its collaboration and engagement with the private sector.

Within the National Cyber Security Division (NCSD), the United States Computer Emergency Readiness Team (US-CERT) and others define the cybersecurity requirements for the National Cybersecurity Protection System (NCPS). Network Security Deployment (NSD) develops, acquires, deploys, and operates and maintains the NCPS that is used by US-CERT to conduct the DHS cybersecurity mission for the .gov domain.

NSD efforts are divided into various blocks of capabilities. Block 1.0, flow collection, will be in an operations and maintenance stage. Block 2.0 will consist of procuring and deploying NCPS Block 2.0 Intrusion Detection System sensors to Phase 4 departments and agencies, as well as to any additional Managed Trusted Internet Protocol Service vendors awarded. During this block, NSD will also finish the data migration to the DHS-approved data center, Electronic Data Systems, and provide needed infrastructure upgrades to the US-CERT Mission Operating Environment. During NCPS Block 2.1, NSD will expand the capabilities and back-end storage of analytical tools that supply automated correlation and aggregation capabilities for US-CERT analysts, decreasing their overall workload. Block 3.0 will consist of deployments, operation, and maintenance of Intrusion Prevention sensors.

Critical Infrastructure Protection and Awareness (CICP&A) will be conducting the Cyber Storm III national cyber exercise in fiscal year 2010. CICP&A activities will also focus on expanding control system security efforts among public- and private-sector partners. This will include assessing and mitigating risks to enabling technologies such as Smart Grid. CICP&A programs work closely with private Critical Infrastructure and Key Resources (CIKR) sector partners under frameworks such as the National Infrastructure Protection Plan and through forums such as the Cross-Sector Cyber Security Working Group and the Industrial Control Systems Joint Working Group. In fiscal year 2010, CICP&A will expand information sharing with its CIKR sector partners.

Federal Network Services’ (FNS’s) Trusted Internet Connection (TIC) program will manage the continued agency reduction and consolidation efforts for internet connections. The continued reduction and consolidation of external connections into the Federal Government will enable the NCPS intrusion-detection system to effi-

ciently monitor and alert on suspicious activity occurring across the Federal enterprise.

FNS's Compliance and Oversight program will also continue to perform Compliance Assessments of TIC Access Providers (TICAPS). The TIC Compliance Validation program conducts compliance checks of TICAPs to ensure that agencies have the appropriate operational capabilities in place to meet the TIC objectives. Correct interpretation and implementation of the critical security capabilities identified by the TIC initiative will provide a robust, holistic approach to network security across the Federal Government.

US-CERT is charged with providing response support and defense against cyber attacks for the Federal Civil Executive Branch (.gov) and information sharing and collaboration with State and local government, industry, and international partners. To fulfill this mission, US-CERT disseminates threat, vulnerability, risk, analysis and mitigation strategies, and works with partner organizations to update information assurance policies and technologies continually to defend the Federal computer network space. Through monitoring, communications and coordination activities, US-CERT provides timely and accurate cyber-threat mitigation guidance and serves as the focal point for collaborative cyber awareness, mitigation and reduction for threats and vulnerabilities.

The Department also has a role in the Federal Government in cybersecurity research and development. The DHS Science and Technology (S&T) Directorate's Cyber Security Research and Development (CSRD) program funds activities addressing core vulnerabilities in the Internet, finding and eliminating malicious software in operational networks and hosts, and detecting and defending against large-scale attacks and emerging threats on our country's critical infrastructures. The CSRD program includes the full research and development lifecycle—research, development, testing, evaluation and transition—to produce unclassified solutions that can be implemented in both the public and private sectors. S&T has established a nationally recognized cybersecurity research and development portfolio addressing many of today's most pressing cybersecurity challenges. The CSRD program has funded research that today is realized in more than 18 open-source and commercial products that provide capabilities such as secure thumb drives, root kit detection, worm and distributed denial of service detection, defenses against phishing, network vulnerability assessment, software analysis and security for process control systems.

The program is focused in three main areas:

- Information Infrastructure Security (IIS) Program—engaging with industry, government and academia to ensure that the core functions of the Internet develop securely and benefit all owners, operators and users. The IIS program ensures that Internet naming and routing services are always reliable, even in the event of a cyber attack.
- Cybersecurity Research Tools and Techniques Program—providing secure facilities, methods and data for testing and evaluating new defensive cybersecurity technologies.
- Next-Generation Technology Program—addressing cybersecurity research and development needs in support of DHS and private-sector stakeholders. These needs are aimed at preventing, protecting against, detecting, responding to and recovering from large-scale, high-impact cyber attacks. Customers of these technologies include emergency responders, critical infrastructure providers, the banking and finance industry, the private industry; and local, tribal, State and Federal Governments.

#### DHS ROLE IN CYBER SECURITY EFFORTS

*Question.* Reports are that the administration's 60-day cyber review is soon to be released. If media reports are accurate, control and coordination of cyber security activities is being placed in the White House. How will this affect the Department's role in cyber security and its ongoing cyber security efforts?

*Answer.* DHS worked closely with the Homeland Security Council and the National Security Council leadership and staff in the development, tracking, and coordination of the Comprehensive National Cybersecurity Initiative. However, at this time, the Administration is still reviewing the results of the 60-day review. DHS would be happy to discuss the results of the 60-day review after it has been released.

#### DHS HEADQUARTERS CONSOLIDATION

*Question.* No additional funding is included in the President's fiscal year 2010 budget for the Department of Homeland Security Headquarters consolidation at St. Elizabeths. Are the fiscal year 2009 funds provided for this project in the regular

Department of Homeland Security Act and the American Recovery and Reinvestment Act of 2009 sufficient to sustain this project through fiscal year 2010?

Answer. Yes. The funds provided in the fiscal year 2009 appropriation and the ARRA will allow DHS to maintain the current 3 Phase schedule for completion of the DHS Consolidated Headquarters at St. Elizabeths by fiscal year 2016 (Phase 1—fiscal year 2013, Phase 2—fiscal year 2014, Phase 3—fiscal year 2016) subject to receiving planned appropriations for the out-years (fiscal year 2011 and beyond).

#### CONSOLIDATION OF LEASES

*Question.* The fiscal year 2010 request includes \$75 million to consolidate the leases of those Department of Homeland Security activities that will not relocate to St. Elizabeths. How many current lease locations are occupied by the Department? How many will be consolidated with the funds requested for fiscal year 2010? Will you seek to consolidate other leases in future years?

Answer. DHS has 40 lease locations currently dispersed throughout the National Capital Region (NCR) and growing. The \$75 million requested for fiscal year 2010 will be used to begin the consolidation effort by reducing from 40 locations down to about 30 lease locations. We will seek to consolidate the remaining leases in future years. To accomplish this, GSA used a national real estate broker to complete a study of DHS Headquarters (HQ) real estate requirements and to develop a migration strategy to consolidate in the NCR. The study determined that keeping the current Federal property housing DHS HQ elements is the best course of action because it results in a lower cost versus leasing. The strategy will allow DHS HQ to go from more than 40 locations down to approximately less than 10 using St. Elizabeths as the center of gravity and keeping the federally owned locations at the Nebraska Avenue Complex (NAC), the U.S. Secret Service HQ and the space at the Ronald Reagan Building. DHS has two long-term leases that will also be retained—the TSA HQ in Arlington, VA and the ICE HQ in SE Washington, DC. The consolidation strategy indicates one to three additional leases for approximately 1.2 million Rentable Square Feet (RSF) of office space is needed to replace the remaining leases as they expire. A prospectus is being submitted to Congress for authority to procure this space.

The 30 year net present value (NPV) difference between continuing the status quo versus following a comprehensive strategy that retains the federally owned space and has the least amount of short-term lease extensions is \$163 million cost avoidance. DHS HQ is growing and is requesting space from GSA on a fragmented basis. Therefore, after the DHS HQ 5 year growth is determined and the leased space needs are better defined, GSA will submit a prospectus, as necessary, to Congress for leased space authority.

#### OVERSIGHT OF MANAGEMENT FUNCTIONS

*Question.* The Department has had management failures that cut across departmental components such as financial management, procurement, acquisition and development of large-scale information technology, and physical asset programs such as SBInet and Deepwater. What role do you see yourself taking as the Secretary in the oversight of departmental management functions, such as the acquisition review process within the Department?

Answer. The DHS Acquisition Review Board (ARB), chaired by the Deputy Secretary, governs major investment programs across the Department. The ARB includes the Departmental functional leaders (including the Under Secretary for Management; Chief Procurement Officer; Chief Financial Officer; Assistant Secretary for Policy; and Director, Operational Test and Evaluation). The ARB examines a program's progress and risk to determine if the program should move forward to the next phase in its life cycle. The Department re-engineered and strengthened its acquisition governance framework in 2008, and has already conducted more than fifteen ARBs of Level 1 and 2 programs. I recognize the importance of sound acquisition management in support of the mission and intend on continuing the practice of conducting ARBs, thereby providing approval and direction for the investment programs.

The DHS Program Review Board, also chaired by the Deputy Secretary, is a key step in the Department's annual budget development process. I intend to use this process to identify cross-component issues and to implement solutions to these issues (or to seize opportunities for collaboration).

#### BIODEFENSE COUNTERMEASURES

*Question.* The fiscal year 2010 budget proposes to transfer \$1.57 billion in Department of Homeland Security balances of advance appropriations for Biodefense Coun-

termeasures (i.e., the BioShield program) to the Department of Health and Human Services Advanced Development Program. Can you please tell us if these two programs are redundant? Are the authorities for the BioShield and Advanced Development Program the same? If not, how do they differ? Why does it make sense for the Department of Homeland Security to no longer have a role in this program?

Answer. The Project BioShield program, with responsibilities managed by DHS and HHS, and the Advanced Development Program, managed by HHS, are not redundant but complementary programs. The Project BioShield program predated the creation of HHS' Biomedical Advanced Research and Development Authority (BARDA) which is charged with the unique mission to support the advanced development of novel medical countermeasures.

The Project BioShield Act of 2004 (Public Law 108-276; 42 USC § 247d et. Seq), created the framework, mechanisms, and a Special Reserve Fund (SRF) for the acquisition of medical countermeasures to chemical, biological, radiological and nuclear (CBRN) threats. Congress appropriated to DHS in the SRF \$5.6 billion over 10 years to be used for the purchase of these countermeasures. There have been successful BioShield acquisitions to-date, including medical countermeasures to address anthrax, smallpox, botulinum toxin and radiological and nuclear threats.

However, in the first few years of executing BioShield, challenges arose largely stemming from the inherent risks in pharmaceutical and vaccine development—relatively long timeframes for drug development, high product failure rates, and the lack of incentives to industry considering the government is the sole customer. Congress recognized that in order for BioShield to fulfill its promise and intent of building a robust stockpile of urgently needed medical countermeasures, new tools and resources would be necessary to balance the risk of medical countermeasure development. To this end, Congress enacted the Pandemic and All-Hazards Preparedness Act (Public Law 109-417) in December 2006, establishing BARDA within HHS as the single point of authority within the Federal Government for developing civilian medical countermeasures, including drugs and vaccines, in response to CBRN threats.

Under BARDA, HHS was specifically provided the authority to invest in advanced development that will carry products across the so-called “Valley of Death” to meet medical countermeasure requirements, reduce risk to both medical countermeasure developers and the Government, and promote innovation. By funding advanced development through such a dedicated mechanism, the development phases that the SRF was not authorized to support could bridge some of the risks assumed by the developers and lead to a more robust pipeline of countermeasure candidates ripe for procurement. BARDA also has the authority to manage procurement programs for vaccines, drugs, therapeutics and diagnostics for CBRN threats, including BioShield, and pandemic influenza and other emerging diseases that fall outside the scope of BioShield.

Given the shortage of candidates ready for procurement under BioShield, and the likelihood that the entire balance may not be obligated prior to expiration, the administration is choosing to increase support for BARDA and support the advanced development necessary to fill the gaps. This transfer will allow HHS BARDA to enhance the pipeline of countermeasure candidates for future procurements. It is important to note that if the SRF monies are used in this manner, future procurement decisions will be made in the context of available appropriations for procurement activities.

Project BioShield provided additional authorities to DHS aside from the SRF and approving acquisitions made with this funding. These responsibilities include assessing and determining material threats to our Nation through Material Threat Determinations (MTDs) and Population Threat Assessments (PTAs)—an activity that is funded out of a separate DHS account than the SRF and therefore not subject to the transfer. Considering the vast spectrum of CBRN threats, DHS helps to identify and characterize those threats that pose the greatest risk. HHS uses this information as part of the equation in determining which countermeasures to pursue.

DHS will continue to assess and determine material threats as the threat landscape evolves to inform medical countermeasure activities at HHS, as well as carrying out its biennial Biological Terrorism Risk Assessment, Chemical Terrorism Risk Assessment, and integrated CBRN Risk Assessment to guide prioritization of our on-going investments in biodefense-related research, development, planning, and preparedness, including medical countermeasure efforts. Although the funding for medical countermeasure activities would be consolidated in one Department with the SRF transfer, HHS will continue to rely upon the robust capability DHS has built in the threat and risk assessment and characterization fields. Likewise, DHS will continue to participate in the HHS-led Public Health Medical Countermeasure

Enterprise (PHEMCE), the central coordinating body for medical countermeasure activities at HHS, bringing our resources to bear as an ex-officio member.

#### INTERMODAL SECURITY COORDINATION OFFICE

*Question.* For fiscal year 2010, the Department is requesting \$10 million for an Intermodal Security Coordination Office within its Office of Policy to support integrated planning with the Department of Transportation. Can please provide us a fuller explanation of this proposed initiative and its purpose? What will the Department of Homeland Security's role be versus that of the Department of Transportation in this initiative? Why is this Office proposed to be established in the Office of Policy rather than in the Transportation Security Administration with transportation expertise?

*Answer.* The Intermodal Security Coordination Office (ISCO) is part of a Presidential initiative to improve the safety and security of the Nation's transportation infrastructure, particularly intermodal hubs such as seaports. Ensuring the security of these intermodal transportation hubs is critical, since a vast amount of overseas cargo flows into the country via these hubs, and we must prevent the hubs from being used to convey threats such as nuclear, radiological, biological, chemical or explosive terror weapons. These hubs can also be the entry points for "accidental" threats, such as invasive species or agricultural pests, which can cause serious economic damage if allowed to enter the country.

In addition to ensuring the security of goods entering the country through these hubs, we must ensure the flow of goods is as efficient and safe as possible. Moving cargo through these hubs quickly and safely helps maintain our economic well being. Many jobs across the country are directly or indirectly dependent on the efficient flow of goods through our intermodal transportation hubs.

The Presidential initiative provides DHS \$10 million to address the security of our Nation's transportation infrastructure, and the Department of Transportation (DOT) \$15 million to address safety issues. This is consistent with each department's mission. The ISCO will work with the DOT to identify ways to coordinate DOT and DHS programs to make the best use of available resources to improve both safety and security of intermodal hubs, while also improving their operational efficiency.

The ISCO is located in the Office of Policy at DHS headquarters to better coordinate the various DHS components and offices with critical knowledge and responsibilities for intermodal transportation infrastructure security, including the Transportation Security Administration, the U.S. Coast Guard, the Office of Infrastructure Protection, U.S. Customs and Border Protection, the Domestic Nuclear Detection Office, and the Science and Technology Directorate. The Office of Policy is also the most appropriate office for interdepartmental and intergovernmental coordination on this initiative, with the Department of Transportation as well as with State, local and private sector agencies.

Leveraging the knowledge and experience of all these stakeholders, the ISCO will chart a course for improvements in the security of the Nation's transportation infrastructure. In fiscal year 2010, the office will deliver the following: (1) a strategic plan and strategic metrics to guide development and modernization of intermodal freight infrastructure linking coastal and inland ports to highways and rail networks; (2) intermodal freight infrastructure security needs and capability gaps; and (3) program and budget recommendations to address critical security needs and gaps. These recommendations will be incorporated into DHS's 5-year programming and budgeting guidance as appropriate, and tracked to ensure they are achieved. Similar recommendations for DOT will be provided to DOT for disposition within their programming and budgeting process.

#### INSPECTION OF HIGH-RISK CHEMICAL FACILITIES

*Question.* The fiscal year 2010 budget requests funds to expand the hiring of chemical site security personnel and initiate inspections of high risk chemical facilities nationwide. What is the fiscal year 2009 on-board level of chemical inspectors and how many additional personnel are proposed for fiscal year 2010? When do you expect to initiate inspections of high-risk chemical facilities and how many facility inspections do you estimate to complete in fiscal year 2010 of the high risk facilities?

*Answer.* The current Full-Time Equivalent (FTE) level of chemical inspectors is 51 onboard, with 35 additional selections in process. The projected total of FTEs onboard by the end of fiscal year 2009 is 178. In the effort to support this accelerated growth of the inspector cadre, the Department realigned base programmatic funding in fiscal year 2009 to support hiring above the previously authorized level of 78 FTEs and in the fiscal year 2010 Budget Request has included funding to increase staffing levels of 246 FTEs in fiscal year 2010. The fiscal year 2010 FTE level will

provide for 139 chemical facility inspectors and 20 additional cross-trained chemical/ammonium nitrate inspectors. The Department is working to accelerate and improve its hiring and security clearance processes to bring qualified and vetted personnel onboard in an expeditious manner.

Initial inspections of final high-risk chemical facilities are expected to begin in the first quarter of fiscal year 2010, commencing with the final Tier 1 facilities. The Department's current goal is to conduct initial inspections of 100 percent of the final Tier 1 high-risk chemical facilities and 25 percent of the final Tier 2 facilities during fiscal year 2010.

#### IN-LINE BAGGAGE SCREENING SYSTEMS

*Question.* The fiscal year 2010 budget requests an increase of \$565.4 million to support the purchase and installation of in-line baggage screening systems at the Nation's airports. This is a significant increase following the additional \$1 billion investment for fiscal year 2009 made in the American Recovery and Reinvestment Act of 2009 for procurement and installation of explosives detection systems and explosives trace detection systems. Why is a significant investment in this program a priority for fiscal year 2010?

*Answer.* In order to consistently meet the demands of optimal systems deployment and stabilize the recapitalization and system resizing requirements, the Electronic Baggage Screening Program will require an increase in fiscal year 2010 to support this effort. The program is responsible for ensuring that 100 percent of all checked baggage is screened with an in-line explosive detection capability system, or a suitable alternative.

This request supports the administration's desire to accelerate the Electronic Baggage Screening Program to reach full operating capability of optimal solutions at all airport terminals nationwide as expeditiously as possible. The fiscal year 2010 budget will allow TSA to meet this objective by providing the necessary funds for facility modifications, recapitalization efforts, and procurement and deployment of electronic baggage screening technology systems.

#### EXPLOSIVE DETECTION SYSTEMS

*Question.* The Department of Homeland Security Appropriations Act, 2009 (Public Law 110-329) makes \$294 million available for purchase and installation of explosives detection systems, of which not less than \$84.5 million is available for the purchase and installation of certified explosives detection systems at medium and small-sized airports. How much is being allocated for medium and small-sized airports of the \$294 million appropriated? What is your estimate of the dollars which would be allocated purchase and installation of certified explosives detection systems at medium and small-sized airports if the fiscal year 2010 request is approved?

*Answer.* The Department of Homeland Security Appropriations Act, 2009 (Public Law 110-329) makes \$294 million available for purchase and installation of explosives detection systems, of which not less than \$84.5 million is available for the purchase and installation of certified explosives detection systems at medium and small-sized airports.

NOTE FROM DHS: Of the \$294 million appropriated, approximately \$90 million is estimated for allocation for the purchase and installation of certified explosives detection systems (EDS) at medium and small sized airports. While the specifics of our annual expenditure plan remain dynamic and will require adjustments as we continue to work with airports in the TSA fiscal year 2010 funding application process, current estimates would allocate approximately \$99 million for purchase and installation of certified EDS at medium and small-sized airports. Additionally, facility modifications at airports in this category are estimated at approximately \$260 million. TSA anticipates finishing its review of the initial completed applications by mid-June, and the remaining applications (those requiring more data) by the end of July. TSA will submit a spend plan for fiscal year 2010 EDS funds to Congress before funding is allocated.

*Question.* Is all funding for explosives detection systems awarded competitively? Please explain what laws and regulations govern these procurements.

*Answer.* All legacy contracts were awarded in accordance with the Acquisition Management System. One of the three legacy Explosives Detection Systems (EDS) contracts was awarded competitively and is currently active. TSA plans to award two bridge contracts for the remaining two legacy EDS and related services on a sole source basis under the Federal Acquisition Regulation (FAR). These two vendors produce the only two medium size EDS that have met the statutorily required certification standards. The sole source contracts will serve as bridge contracts that allow TSA to continue to meet the mandates for screening checked baggage until

competitively awarded FAR contracts with enhanced detection requirements can be awarded. All fiscal year 2010 requirements are planned for award from competitive contracts by the fourth quarter of fiscal year 2010.

#### VIPR TEAMS

*Question.* The budget requests an increase of \$50 million to fund 15 additional Visible Intermodal Prevention and Response (VIPR) teams dedicated to surface transportation. How many additional mass transit and rail VIPR operations do you anticipate this will allow you to conduct over the current fiscal year? At how many additional sites?

*Answer.* In fiscal year 2008, TSA received funding to support ten dedicated Visible Intermodal Prevention and Response (VIPR) teams. These teams are co-located within existing Federal Air Marshal Service (FAMS) field offices in the following locations:

- Boston, MA
- Chicago, IL
- Denver, CO
- Detroit, MI
- Houston, TX
- Los Angeles, CA
- Miami, FL
- New York, NY
- Seattle, WA
- Washington, DC

The ten teams funded in fiscal year 2008 have conducted a total 1,437 VIPR operations with 848 (59 percent) in the surface modes and 589 (41 percent) in the aviation mode.

TSA plans to establish 15 additional VIPR Teams within existing FAMS field offices and Resident Agent in Charge (RAC) offices in the following locations:

- Newark, NJ
- Philadelphia, PA
- Charlotte, NC
- Pittsburgh, PA
- Cleveland, OH
- Atlanta, GA
- Orlando, FL
- Dallas, TX
- Las Vegas, NV
- Minneapolis, MN
- Cincinnati, OH
- San Francisco, CA
- San Diego, CA
- Phoenix, AZ
- Tampa, FL

TSA is committed to both maintaining the number of surface missions that are accomplished with existing teams and augmenting missions in surface through increased surface operations conducted by the new teams. TSA estimates that it will be possible to add approximately 2,155 additional surface operations.

#### PERFORMANCE ACCOUNTABILITY AND STANDARDS SYSTEM

*Question.* TSA operates one of the largest performance based pay systems in the Federal Government. How does the fiscal year 2010 request support TSA's efforts to further refine the Performance Accountability and Standards System (PASS) in order to empower its Transportation Screening Officer (TSO) workforce and improve its effectiveness?

*Answer.* In accordance with the Aviation and Transportation Security Act, all employees in the Transportation Security Officer workforce must participate in an Annual Proficiency Review (APR) to ensure that they meet all of the qualifications and performance standards required to perform their duties. The Performance Accountability and Standards System (PASS) is 70 percent objective testing. In fiscal year 2009, as part of the APR, PASS Technical Proficiency assessments focus on image recognition, proper screening techniques, and the ability to identify, detect and locate prohibited items.

In fiscal year 2010, performance assessments and reviews will focus on the same. The performance review process will use a menu-based approach allowing airports to choose from a series of real-life scenarios designed to accurately reflect checkpoint threats.

In fiscal year 2010, TSA will also continue to align the PASS program with new training initiatives (such as Checkpoint Evolution) to ensure its workforce is being assessed on the most current threats and that the workforce is utilizing all the necessary tools to efficiently and effectively screen passengers and personal property.

#### COLLECTIVE BARGAINING

*Question.* What is the status of the Department's review of the question of extending collective bargaining rights to TSOs? If complete, please provide the findings from the review. Will you take steps administratively extend collective bargaining rights to TSOs?

*Answer.* The review is ongoing.

*Question.* Would extending collective bargaining rights to TSOs require additional funding not included in the fiscal year 2010 budget request?

*Answer.* Any budgetary impacts are contingent upon the outcome of the ongoing review.

#### OTTAWA COUNTY, OHIO, FACILITY

*Question.* Last year U.S. Customs and Border Protection (CBP) announced plans to construct a new CBP facility in Ottawa County, Ohio and locate new CBP employees at that facility. What is the status of CBP's plans for a facility in Ottawa County, including a timeline for when the facility will be completed and how many CBP employees will be based at that facility?

*Answer.* The Sandusky Bay Station is currently operating out of a temporary facility at 160 East Market Street, Sandusky, Ohio. A permanent location has not yet been chosen for the new station. However, it is tentatively scheduled to be located in the Ottawa County area and is tentatively planned to be a joint CBP facility—housing Border Patrol, Office of Field Operations (OFO), and CBP Air and Marine (AMO) offices. The projected occupancy date is December 2011.

The Border Patrol station is planned to be a 50-man station. CBP is working on determining the size of the OFO and AMO offices.

#### RADIATION DETECTION EQUIPMENT

*Question.* The fiscal year 2010 request does not provide funding to support acquisition of radiation detection equipment, including the Advanced Spectroscopic Portal (ASP) technology. How will the Department fund the acquisition of the ASP, pending Secretarial certification, and other radiation detection equipment, such as handheld radiation detectors? How will the Coast Guard and Customs and Border Protection acquire such equipment?

*Answer.* DNDO has approximately \$120 million in prior year funds to procure RPM units. After ASP detectors have been certified for deployment, approximately 50 units will be acquired. In addition, prior year funds will also be used to procure handheld radiation detection equipment for the Coast Guard and TSA's Visible Intermodal Prevention and Response (VIPR) teams.

#### RADIATION PORTAL MONITORS

*Question.* When and if the ASP monitors are certified as providing a significant increase in operational effectiveness, how do you plan to weigh cost effectiveness in any decision to acquire and deploy these portals?

*Answer.* DNDO has prepared, and is in the last stages of reviewing, a comprehensive Cost Benefit Analysis and Life Cycle Cost Estimate to determine the cost effectiveness of ASP detectors. This analysis, along with input from the stakeholders, and concurrence from the DHS Acquisition Review Board, will form the basis of any acquisition or deployment decisions.

#### TRANSFER OF THE FEDERAL PROTECTIVE SERVICE

*Question.* Please expand on the rationale in the fiscal year 2010 request to transfer the Federal Protective Service (FPS) to the National Protection Programs Directorate (NPPD) from Immigration and Customs Enforcement (ICE). How will the Department ensure a smooth the transition? Will NPPD assume responsibility for support functions currently provided to FPS by ICE?

*Answer.* The appropriate placement of the Federal Protective Service (FPS) within DHS has been a topic of periodic review since the creation of DHS in March 2003. The final decision to place the FPS within the U.S. Immigration and Customs Enforcement (ICE) was based on aligning law enforcement organizations to share and leverage specialized equipment, training and support required by all DHS law enforcement organizations. In addition, ICE's financial system was identified as hav-

ing the capacity and capability to support the unique FPS offsetting collections funding structure through which FPS recovers 100 percent of the cost for law enforcement and security at approximately 9,000 Federal facilities across the Nation from the agencies receiving those services. Although the ability of ICE to provide law enforcement and financial support was critical to the initial transition of the FPS from the General Services Administration to DHS, the FPS mission to secure and protect Federal offices and employees is outside the scope of ICE's primary mission.

The proposed transfer of the FPS to the National Protection and Programs Directorate (NPPD) will align the FPS mission for protecting Federal facilities infrastructure with the NPPD mission of critical infrastructure protection and the responsibility for establishing government-wide physical security policy for the protection of government facilities. The missions of NPPD and FPS are complementary and mutually supportive, and their alignment resulting from the transfer will improve and advance mission effectiveness of both FPS and NPPD. Further, the formulation and execution of building security policy will be combined within the same DHS component, as NPPD chairs the operations of the Interagency Security Committee (ISC), a group that includes the physical security leads for all major Federal agencies whose key responsibility is the establishment of government-wide security policy.

To ensure a smooth transition following Congressional approval of the transfer, NPPD, ICE and FPS will form a joint transition team. An inventory of the financial and administrative support services that ICE currently provides for FPS, along with the annual ICE charges for those services, has been completed. The transition team will transfer those services that can be more efficiently provided by NPPD from ICE to NPPD. In those cases in which it is determined that ICE should continue to be the service provider, a Service Level Agreement (SLA) between FPS and ICE will be established. For example, ICE currently provides financial and accounting services to multiple DHS components, including NPPD. The costs for financial and accounting services that FPS receives now are reimbursed to ICE in the annual budget execution plan. In addition, ICE provides procurement support for FPS. If continuation of this contracting support is deemed to be most efficient, this arrangement could be continued as well. Based on a preliminary review of the budget and financial operations, it is not anticipated that the transfer of the FPS to NPPD will affect the continuity of support services or cause an increase in the current cost of the services.

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#### QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

##### COAST GUARD NATIONAL SECURITY CUTTER

*Question.* The fiscal year 2010 budget proposes \$281.48 million for production of the fourth Coast Guard National Security Cutter. The Coast Guard has consistently indicated that it plans to produce at least 8 National Security Cutters. No funding for long-lead materials for additional National Security Cutters is included in the request. Are plans for 8 National Security Cutters still in place? Does the Department not risk a gap in production and additional costs to the program if these additional funds are not provided in fiscal year 2010? What additional amount is needed for long-lead materials for the fifth National Security Cutter? What additional funds are needed for production of the fifth National Security Cutter?

*Answer.* Completion of the NSC Acquisition Program Baseline (APB) of eight hulls to replace the in-service High Endurance Cutter fleet continues to be the Coast Guard's highest recapitalization priority.

The fiscal year 2010 Budget Request is sufficient to backfill the current funding gap and enables Coast Guard to award a contract for NSC-4 so there will be no gap in production in 2010. The Budget Request does not fund procurement of a fifth NSC, recognizing that future procurements will more successfully meet planned costs and schedule milestones if risks and unknowns are reduced by fully completing a lead ship. Coast Guard is focused on completing NSC-1 to obtain a final, stable, per-ship cost estimate before proceeding with additional procurements. Coast Guard anticipates NSC-1 acceptance in early 2010, which would allow procurement of the next cutter (NSC-5) to begin in 2011.

Under the current Acquisition Program Baseline, approved in December 2008, \$587 million has been allocated for procurement of NSC-5.

##### DEPARTMENT OF HOMELAND SECURITY DATA MIGRATION

*Question.* I am very pleased that the fiscal year 2010 budget request contains approximately \$200 million department-wide for data center migration efforts. Your

department's leadership in data consolidation is to be commended. Such efforts are critical to our future as data operations are scattered throughout Federal agencies with little rhyme or reason and are consuming energy at an alarmingly growing rate. Of the \$152 million requested for Security Activities by the Office of the Chief Information Officer, how much would be used for power capabilities upgrades at DHS Data Center 1 (DC1)? How critical do you believe data center consolidation is to the Department's ability to operate effectively and efficiently? Do you intend to choose a Chief Information Officer with a commitment to continuing the Department's consolidation efforts?

Answer. Data Center consolidation is very critical to the Department's ability to operate effectively and efficiently. I will ensure that the Department's CIO shares my commitment to completing this critical project. Of the \$152 million requested for Security Activities, \$38.5 million will be used for power capabilities upgrades at DC1. These costs are as follows:

- Power Upgrade Phase II—Upgrade Electrical Service, Entrance, Additional Switchgear, Expand Zones E and F to 2.8 Megavolt Amperes—\$12,600,995
- Power Upgrade Phase III—Electrical upgrade, 5th UPS/zone, 2 Additional Generators—\$14,439,150
- Power Upgrade Phase IV—Tier III Mechanical, 2 Additional Chillers, 4 Additional Generators—\$11,500,000

Consolidating services into two Enterprise Data Centers will enable DHS to effectively monitor all information technology (IT) systems for IT compliance while reducing the risk of vulnerabilities in our information systems in a cost-effective and sustainable manner. The main benefits of the data center consolidation project are outlined below.

#### *Reduced Equipment Procurement Costs*

Moving to a virtualized utility model will allow DHS to run Windows, Linux, Solaris and NetWare operating systems and software applications on the same piece of hardware at the same time. Running multiple workloads on highly virtualized servers will allow DHS to increase server utilization from 5–15 percent to as much as 80 percent.

Industry studies show that virtualization reduces overall costs by \$2,000–\$3,000 per server annually.

#### *Reduced Energy Costs*

Every server virtualized saves 7,000kWh of electricity annually, or about \$700 in energy costs. DHS has the capacity to virtualize several hundred servers if hosted in a DHS Enterprise Data Center.

Improved server utilization rates from 5–15 percent to 60–80 percent. Running fewer, highly utilized servers frees up space and power.

Four tons of CO<sub>2</sub> are eliminated for every server virtualized, or the equivalent of taking 1.5 cars off the highway.

#### *More Efficient and Denser Use of Data Center Hosting Space Reduces the Need for Physical Expansion*

Reducing the overall computing asset footprint will result in reduced system maintenance, management, and administration costs, while a merging of existing operations and maintenance contracts will increase operational efficiency overall.

#### *Easier and Faster System Management*

DHS will develop a robust, resilient infrastructure by using mirrored sites, resource redundancy, data duplication and virtual infrastructure hosted in a cloud computing environment between the two Enterprise Data Centers. Economies of scale can be achieved by using ghost virtual machines (VMs), which participate in application clusters; these resources are not activated unless the resource management starts up the system (usually within a few seconds with negligible overhead).

Virtualization and Utility computing will allow DHS to unify the management of existing different operating systems, including Windows, Linux, and Netware systems, by placing them on a single virtual hardware platform. This will greatly simplify and streamline the existing multiple systems and groups across DHS performing different versions of network and system management.

DHS will be able to eliminate repetitive installation and configuration tasks with virtual machine templates. These reusable images make it fast and simple to provision new server workloads. When coupled with the hardware independence afforded by virtualization, DHS can reduce the time it takes to deploy new IT services by as much as 50 percent-70 percent.

DHS will also be able to more easily enforce Department standards such as anti-virus and management software in any machine connected to the network.

Reduced Wide Area Network (WAN) costs.

Greater ability to easily share data and information within DHS.

Server-based computing and self organizing resource utilities (server/network/storage farms) are the basis for dependable computing in the future. Individual applications can specify their performance and availability requirement.

Software will be hosted off-premise and delivered via web to a large number of tenants. This will allow DHS to provide a multitude of options and variations using a single code base for each agency to have a unique software configuration.

Access to applications over the Internet using industry-standard browsers or web services clients will provide a cost saving benefit of no longer relying on COTS/GOTS applications to manipulate data.

#### *Cybersecurity Enhancements*

The two Enterprise Data Centers were designed with security as a top priority. Data center enhancements include the stand-up of Trusted Internet Connections (TIC) at both locations, and the department is in the process of realigning DHS systems into the data centers, thus ensuring that both systems and users may only access the Internet from behind one or both TICs. Each TIC includes a comprehensive suite of security capabilities that include firewalls and proxy services, for enforcing the Department's internet usage policies, and monitoring tools that are designed to alert on a wide range of threats. Einstein I and Einstein II sensors are also deployed at each TIC to ensure visibility for sophisticated threats that regularly target the Department.

#### SOUTHEAST REGION RESEARCH INITIATIVE (SERRI)

*Question.* Congress has included significant funding for the Southeast Region Research Initiative (SERRI) in the last several Department of Homeland Security Appropriations Bills. Officials in the previous administration often expressed to me the value of SERRI in addressing the unique Homeland Security challenges faced by the Southeastern part of our country. Previous leadership at the Department committed to including SERRI in future budget requests, but I see that the budget request does not include any funding for SERRI. Do you believe that the Department is well served to invest in researching the unique Homeland Security challenges faced by the Southeastern part of our country?

*Answer.* Yes. The Southeast Regional Research Initiative (SERRI) is conducting needed research on behalf of the Department of Homeland Security. The SERRI research projects have been aligned to the Science and Technology Directorate's Infrastructure and Geophysical Division's Geophysical research efforts. For example, the Community and Regional Resilience Institute (CARRI), within SERRI, works to assist communities and regions to prepare for, respond to and recover from natural and man-made disasters by developing processes and tools to help communities become more resilient across the critical asset protection continuum.

#### FEMA HOUSING CASE MANAGEMENT

*Question.* I want to express my appreciation to FEMA and the Department for the assistance it provided to my State last March through the Disaster Case Management Pilot Program for temporary housing. This program has helped non-profit organizations in South Mississippi to reduce the number of families remaining in temporary FEMA housing due to Hurricane Katrina from nearly 8,000 in August 2008 to just 2,000 today. Could you assess the effectiveness of this program in Mississippi? In the case of disasters of the magnitude of Hurricane Katrina where tens of thousands of families are displaced, will temporary housing case management continue to be required to properly assist families in returning to permanent housing?

*Answer.* FEMA provided a grant to the State of Mississippi to provide case management services to households residing in FEMA-provided temporary housing (temporary housing units and emergency lodging assistance) until June 1, 2009. An independent evaluation is being conducted on the implementation of the Disaster Case Management Pilot Program in Mississippi. The evaluator is currently completing interviews and analyzing data from the Mississippi Case Management Consortium for Hurricane Katrina. The deadline for completion of the evaluation is June 1, 2009, with a final report due to FEMA by June 30, 2009.

Based on authority granted to FEMA by the Post Katrina Emergency Management Reform Act (PKEMRA), FEMA has partnered with the U.S. Department of Health and Human Services' Administration on Children and Families (ACF) to develop a Disaster Case Management Pilot Program. The evaluator working on the evaluation of the Mississippi Disaster Case Management Pilot program is also con-

ducting an evaluation of the ACF program that was implemented for Hurricanes Gustav and Ike in September, 2008.

FEMA will work with ACF to incorporate lessons learned and best practices from each implemented Disaster Case Management program to produce workable solutions for meeting the needs of future disaster applicants and cultivating partnerships with other Federal and Voluntary Agencies.

#### LARGE SPECTATOR EVENT SECURITY

*Question.* I recently visited with the directors of security for Major League Baseball, the National Football League, and Indy Racing League. All three officials expressed to me the urgent need to improve the resources available to ensure safety at large spectator events. The ability for tens of thousands of Americans to assemble freely in one area to collectively enjoy sports or entertainment is an integral part of our culture and heritage. Has the Department put together an assessment of the vulnerabilities of such events? In what new, innovative ways can we go about meeting some of these challenges? What additional authorities or resources could Congress provide to help in this effort? I understand if you feel it is necessary for you to address these questions in a classified setting.

*Answer.* Yes, the Department of Homeland Security's Office of Infrastructure Protection (IP) works very closely with and has direct Sector Specific Agency (SSA) responsibility for the Commercial Facilities Sector, including stadiums and arenas. As a result of hundreds of assessments, IP has broadly distributed key reports and materials to the private sector dealing with common vulnerabilities, potential indicators of terrorist activity, and recommended protective measures for large spectator events. IP has conducted vulnerability assessments via the following methods:

- Conducted buffer zone plans for 219 stadiums, arenas, and racetracks, facilitating the award of approximately \$11.228 million in grant funding to first responders in surrounding jurisdictions. The grant funding is used for protection and prevention equipment for first responders to mitigate the identified vulnerabilities, thereby directly contributing to the hardening of stadiums and arenas.
- Conducted site assistance visits for 61 stadiums, arenas, and racetracks. Site assistance visits are "inside the fence" vulnerability assessments jointly conducted by the Department in coordination and cooperation with Federal, State, local and Critical Infrastructure and Key Resources (CIKR) owners and operators that identify critical components, specific vulnerabilities and security enhancements.
- Conducted computer-based assessments for 23 stadiums, arenas, and racetracks. These assessments make use of a 360-degree, spherical camera system that captures the facility, routes and specific areas, and provides situational awareness during vulnerability assessments.
- Conducted 24 enhanced critical infrastructure protection visits to stadiums, arenas, and racetracks, and discussed options for consideration and potential protective measures to address any identified vulnerabilities.
- Provided support during four Super Bowls, including Super Bowl XLIII in February 2009.

IP continues to look for and provide innovative initiatives to enhance security. IP is working with the Center for Spectator Sports Security Management at the University of Southern Mississippi to address the myriad of potential and actual threats and risks to the ongoing safety and security of fans at sporting events by working to expand online and web-based training.

IP conducts training courses for stadium and arena personnel that include the Soft Target Awareness (STA) Course, Surveillance Detection (SD) Course, and Protective Measures Course. A total of 1,569 participants have attended the STA course tailored for stadiums/arenas; 4,501 State and local law enforcement and CIKR owner/operators and security staff have attended the SD course; and nearly 500 CIKR owner/operators and security staff have completed the Protective Measures Course.

The Commercial Facilities SSA has developed several innovative programs in partnership with the Commercial Facilities Sector Coordinating Council and the Government Coordinating Council to address the vulnerabilities of large spectator events. The programs include a risk self-assessment tool (RSAT) for stadiums and arenas—a web-based module for stadiums and arenas that was made available in March 2009. RSAT enables facility managers to balance resiliency with focused, risk-informed prevention, protection, and preparedness activities so that they can manage and reduce their most serious risks.

The Commercial Facilities SSA developed evacuation planning guides to ensure the safety of the public, increase the level of preparedness, allow personnel to respond to an incident quickly and appropriately, and assist stadium owners/operators with preparing an evacuation plan to determine when and how to evacuate, shelter in place, or relocate stadium spectators and participants. The NASCAR evacuation guide was modified into an evacuation planning guide for stadiums by a working group comprising various Federal agencies, members of the Commercial Facilities Sector Coordinating Council, other interested private-sector security partners, and academia.

IP also has new initiatives that will have a positive impact on addressing the vulnerabilities of large spectator events including developing “best practices” and standard guidance for conducting bag searches and credentialing during a large spectator event. In addition, IP has developed guides and materials for general protective measures and, specifically, for responding to “Active Shooter” situations.

—Protective measures guides provide an overview of best practices and protective measures designed to assist owners/operators in planning and managing security at their facilities or events. The measures identified in the guides reflect the special considerations and challenges posed by specific facility or event types.

—Active Shooter materials are designed to be used as training guidance to address how employees, managers, training staff, and human resources can mitigate the risk of and appropriately react in the event of an active shooter. The final products include a desk reference guide, a reference poster, and a pocket-size reference card that provides guidance to managers, employees, and human resources departments. The following materials were distributed to private-sector partners electronically through various outreach channels: 10,000 desk reference guide books, 10,000 reference posters, 250,000 pocket-sized reference cards, and copies of the publications.

Facilities that host large spectator events include a wide range of asset types; as a result, facilitating effective protection and preparedness at a facility can pose a challenge. The following describes some of the challenges in implementing CIKR protection programs, activities and tools:

With a few exceptions, owners and operators bear most of the costs of protecting their assets (e.g., equipment and personnel). Budget requirements pose a challenge, particularly for smaller facilities that have thinner operating margins than major corporations. The Commercial Facilities SSA encourages a strategy that promotes security upgrades as an investment against a multitude of threats. The Commercial Facilities Sector is a very broad sector and covers disparate venues from Super Bowls to museums. Although some similarities exist between the various events, there is still a wide variance among protection-related activities.

#### ASSISTANCE TO RURAL FIREFIGHTERS

*Question.* The strict training and certification requirements placed on fire departments who wish to apply for Assistance to Firefighters Grants leaves volunteer fire departments with little ability to compete for these funds. These primarily rural departments service far more land area and are often in more need of resources than their urban counterparts. In my State of Mississippi, professional fire departments even advocate for resources for volunteer departments in outlying areas because cooperation these departments is so critical to their mission. Do you believe that the current distribution of Assistance to Firefighters Grants resources is equitable? Should volunteer fire departments be denied access to these grants because they do not have the resources or flexibility to send their firefighters to training sessions that are often located far away from home and take place over the course of several months?

*Answer.* FEMA and DHS understand and appreciate the role that volunteer fire departments play in the Nation’s first response. We also recognize the importance of training since consequences can be catastrophic if an individual or organization is not properly trained.

One of the funding criteria of AFG is that no applicant can request equipment that the applicant is not trained to use unless the applicant is also seeking the necessary training. We believe it would, for example, be dangerous to provide hazardous materials handling equipment to first responders that are not trained in the use of that equipment. This criterion is also true for firefighting vehicles as well as breathing apparatus—firefighters should be trained in the use of equipment before they use it.

Accordingly, AFG provides financial assistance for training, instructors, training materials, and the cost of any transportation to/from training. AFG will also cover

lost wages for a volunteer who has to take time off from his/her regular job in order to attend training.

Since 2002, volunteer fire departments have been awarded 29,312 AFGs totaling \$2.2 billion. This is 66 percent of the 44,342 grants awarded and 53 percent of the \$4.2 billion grant funds awarded. To put this in perspective, according to NFPA's U.S. Fire Department Profile, volunteer fire departments protect approximately 22 percent of the population.

COAST GUARD UNMANNED AIRCRAFT SYSTEMS (UAS)

*Question.* No funding is included in the fiscal year 2010 Coast Guard request for the Unmanned Aircraft Systems (UAS). Why? Will this impact the planned testing schedules?

*Answer.* Cutter based UAS testing: Utilizing fiscal year 2008 and fiscal year 2009 funding, the Coast Guard will continue progress and reduce the risk associated with projected NSC-based UAS field tests. The Coast Guard is pursuing 3-pronged testing that includes: (1) shore-launched UAS field tests over water, (2) participation in the Navy's underway developmental and operational testing of the Fire Scout on board the USS McInerney, and (3) field validation of the NSC's air-search radar to determine the cutter's ability to manage its own air space for UAS operations. These concurrent field tests are the key remaining portions of the congressionally directed research funded in the fiscal year 2008 Research, Development, Test, and Evaluation (RDT&E) Appropriation to identify the most effective UAS to operate from the NSC. These efforts will be completed with available funds with completion and final reporting expected in late March 2010 on schedule.

Consistent with the UAS Acquisition Decision Memo approved by DHS, upon completion of the 3-progged test, the next step is to conduct NSC-based vertical launch dynamic interface UAS trials, anticipated to start in 2011.

Land-based UAS Testing: Customs and Border Protection is the DHS lead for land-based UAS testing and USCG is working closely with CBP to incorporate their experience into planning for any additional field testing of land-based UAS that may be needed for use in the maritime environment.

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QUESTIONS SUBMITTED BY SENATOR SAM BROWNBACK

NATIONAL BIO AND AGRO-DEFENSE FACILITY (NBAF)

*Question.* It's come to my attention that the most recently released CBO Baseline scored the sale of Plum Island in fiscal year 2015. As you know, if this doesn't change, it would cause a very large problem for both you and this committee because we wouldn't have the offsetting collections in fiscal year 2011 to offset the large amount of funding that we'll need for construction. So, to clarify for this committee and for CBO, do you indeed intend to sell Plum Island in calendar year 2010 and use the proceeds from this sale as an offsetting collection for funding the construction of NBAF in fiscal year 2011?

*Answer.* Using the authority granted by Congress in the fiscal year 2009 DHS Appropriations Act (Public Law 110-329), the Department is working with the General Services Administration (GSA) to sell Plum Island. GSA expects to put the island on the market in fiscal year 2010 with a final sale and closing date in fiscal year 2011. The sale proceeds will be an offsetting collection to the appropriation for National Bio and Agro-defense Facility (NBAF) construction and all other associated costs including Plum Island environmental remediation. The Science and Technology (S&T) Directorate plans to request the appropriation from Congress in fiscal year 2011, which is the fiscal year in which S&T plans to sell Plum Island as well as begin construction of the actual building that will house the NBAF.

*Question.* Also, I notice that in the budget tables for future year expenditures for NBAF construction, you lump fiscal year 2011-2014 in the same column. Just to clarify, do you intend to budget the entire \$584 million in fiscal year 2011?

*Answer.* Yes, the Science and Technology Directorate will budget the full cost for constructing National Bio and Agro-defense Facility and all other associated costs including Plum Island environmental remediation to coincide with the offsetting collection in fiscal year 2011.

*Question.* I've been informed that CBO will resubmit their adjusted baseline to Congress on May 29, which is coming up quickly. Will you commit to informing CBO as soon as practical of your intentions to budget these funds in fiscal year 2011 so that they can adjust their baseline when they resubmit it to Congress later this month?

Answer. In the fiscal year 2010 President's Budget Request, the Science and Technology (S&T) Directorate included its intention to work with the General Services Administration to sell Plum Island in fiscal year 2011 following a model GSA successfully used to sell another piece of property, Middle River. The S&T Directorate is working closely with the Office of Management and Budget and the Congressional Budget Office (CBO) to ensure that the sale of Plum Island is scored in the appropriate year.

Question. According to the Congressional Justification the design work for the NBAF is to be completed by the 4th quarter of fiscal year 2010 and the construction work is scheduled to begin, with \$36.3 million is included in the President Budget request. If the receipts from the sale of Plum Island are not available as offsetting collections to fund the costs of construction of the NBAF, how will you keep this project on schedule?

Answer. To keep National Bio and Agro-defense Facility on schedule, \$500 million would need to be appropriated for construction in fiscal year 2011, and an additional \$200 million would need to be appropriated for Plum Island cleanup in fiscal year 2012-2015.

Question. As the H1N1 outbreak has shown, animal disease and zoonotic disease research is an urgent national and international, issue. Simply put, in the interest of protecting our agriculture economy and public health, America needs to accelerate the NBAF's research mission. When can we expect DHS and USDA will initiate NBAF-related research in Kansas?

Answer. The current plan is for National Bio and Agro-defense Facility (NBAF) to begin some operations in 2015 and to be fully staffed and operational by 2017. Operations will continue at Plum Island until all activities are transitioned to NBAF.

Question. As you may know, the Government Owned- Contractor Operated, or GOCO model is currently being used to manage 19 Federal laboratories. In fact, DHS's main research operations, as well as DOE and other Federal labs operate in a GOCO environment. Will your Department work with the USDA to discuss the advantages and potential efficiencies gained by utilizing the GOCO model for the NBAF?

Answer. The Science and Technology (S&T) Directorate will work with U.S. Department of Agriculture to determine the most appropriate and efficient arrangement for the operation of and research at the National Bio and Agro-defense Facility (NBAF). To make a final decision, the S&T Directorate will perform an Analysis of Alternatives (AOA) to determine the optimal operating model for NBAF. The S&T Directorate expects to complete the AoA by the end of fiscal year 2010.

The S&T Directorate has experience in managing both government and contractor operated laboratories as it currently operates the National Biodefense Analysis and Countermeasures Center as a GOCO FFRDC and the Transportation Security Laboratory as a government owned, government operated lab.

Question. Would you mind reviewing DHS' construction timeline for the National Bio and Agro-defense Facility, specifically addressing the current status of the selection of the contract manager, the proposed timeline to initiate pre-construction and actual construction and facility completion?

Answer. Bids for National Bio and Agro-defense Facility (NBAF) construction were due to DHS on May 14, 2009. The construction manager will be selected in September 2009. The construction manager will provide pre-construction services and will provide fixed prices for two phases of construction. The schedule for these activities is displayed in the following table:

Construction Milestone	Date
Award Option 1 for site preparation work .....	July 2010 (fiscal year 2010)
Award Option 2 for facility construction .....	November 2010 (fiscal year 2011)
Complete Construction .....	December 2014

FLOODPLAIN REMAPPING, GARDEN CITY, KANSAS

Question. FEMA has been instructed to complete floodplain remapping nationwide. Of particular concern to me is the lack of common sense applied to the remapping process. The city of Garden City in Kansas has planned their growth responsibly, avoiding development in those areas which have been historically located within the Special Flood Hazard Area. The remapping places two drainage ditches and their surrounding areas within the redefined 100-year floodplain, even though this area was not included in the last 4 Flood Insurance Rate Maps (FIRMS) that date all the way back to 1971. I was informed by FEMA that had the city not been

responsible and built the two drainage ditches, then the area would not have been included in the new floodplain. I am concerned that this is not a common sense approach to the floodmapping process. Included is a letter from Garden City outlining their specific circumstances. Can I count on you to revisit this issue and reconsider the inclusion of these ditches in the new floodplain map?

CITY OF GARDEN CITY,  
Garden City, Kansas, May 13, 2008.

Senator SAM BROWNBACK,  
303 Hart Senate,  
Washington, D.C. 20510.

SENATOR BROWNBACK: The City of Garden City and Finney County have always planned our growth responsibly, avoiding development in those areas which have been historically located within the Special Flood Hazard Area. However our community is confused by the sudden inclusion of two stormwater drainage districts in the most recent FEMA updates especially considering that:

- The original study performed in 1971 did not include the drainage districts;
- The 1978 FIRM did not include these ditches;
- The 1980 FIRM did not include the ditches;
- The 1997 revised FIRM and Flood Insurance Study did not include the ditches.

FEMA, the Kansas Department of Agriculture (the State agency to which FEMA outsourced the map modernization responsibility), and AMEC (the private consultant hired by the Department of Agriculture) have not provided a reasonable explanation as to why these omissions were present on the previous FIRMs submitted since 1978.

Despite the “rule” of including man-made waterways on the books for decades, the Federal Government never applied that to the two ditches. That made perfectly good sense because the ditches were put there to alleviate flash flooding of rain water in an extremely flat area. As a result, and because the improvement of the ditches solved the rain water issue for the community, the community planned its growth toward the north and the east. We have grown and prospered consistent with that plan for over 50 years. The DD1 now runs through the core of our residential community and our next area for growth is in and around DD2. When we first met with FEMA to review the floodplain over a year ago, our expectation was that they were updating the map as it relates to the Arkansas River. This expectation was based on our past experience working with FEMA in 1971, 1978, 1980 and 1997. We participated and were attentive to our responsibilities. It was beyond anyone’s expectation that the preliminary maps we would receive later that year would suddenly create two new, overly expansive flood zones.

Our community has planned, built, maintained and (when necessary) improved these ditches to handle the localized rain events that affect them. This has nothing in common with an event that would flood the Arkansas River, which would only come from extreme events further up river.

The negative economic consequences resulting from the way FEMA and the State Department of Agriculture carried out their map modernization task are tremendous; potentially draining a million dollars per year from the local economy and significantly dropping the market and taxable value of a huge portion of our residential property.

Locally we are perplexed by the notion that the State Division of Water Resources and FEMA recognize that this is not an exact science. It is an approximation based on aerial photography instead of surveys and hydrologic studies. They recognize that those are the more appropriate tool to be used, but have neither the time nor the resources to be that accurate because of the daunting task of remapping the entire country. We provided them aerial photography accurate to the 2 ft. level. 2 ft. change in elevation in Garden City takes in a substantial amount of ground. For most people it is the difference in their property being in or out of the supposed floodplain. It is shameful that the burden of proof (which includes a considerable immediate and long-term financial burden) is placed on them to correct the “approximation” used by the Federal Government for the sake of expedience. You can probably understand why people are angry at FEMA and feel over ran.

FEMA has a process and it appears they are following the minimum requirements of it. We feel there is a reasonable expectation on this community’s part that the Federal Government ought to recognize that something that was permitted for 50 years after numerous Federal reviews and examinations influenced this community to plan and grow in a certain manner. To suddenly change course from a computer screen in Topeka or Washington D.C. and not even attempt to give special consideration to the devastating impact it would have locally has discouraged many folks. I suspect that you have begun to hear from them about their dissatisfaction in their

government and you will undoubtedly get more when they begin paying thousands of dollars in unnecessary premiums.

As for FEMA touting that they took into consideration our local aerial photography and redid the maps . . . they did. They did so because we had sent them to the Division of Water Resources prior that year. When the staff person denied ever receiving them in a public meeting, we provided a copy of e-mail correspondence where we had followed up with him on the subject and asked for his feedback. We never heard from him. I think they redid the maps because they knew they had dropped the ball on their end. Nonetheless, we are still left with two barriers to local growth and future development which shouldn't be there and our counter to five decades of successful planned growth in Garden City.

We are requesting that FEMA re-consider the inclusion of Drainage Districts 1 and 2 ditches on the most recently submitted FIRM on behalf of the Citizens of Garden City and Finney County. Your assistance and support would be greatly appreciated.

Respectfully yours,

MATT ALLEN,  
*City Manager.*

Answer. In the 1950's, Garden City, Kansas did do the responsible thing of trying to control flood conditions by constructing two drainage ditches within their community to alleviate the resulting flood conditions that were occurring during the more frequent flood events. As the City has been doing, it is important for them to continue to utilize all available information to communicate the existing flood risks to their citizens and to exercise good floodplain management practices to minimize those risks.

FEMA is charged with identifying the Nation's flood prone areas. This information is crucial for communities and citizens to protect themselves from the disastrous effects of flooding. In order to best update the flood hazards for the communities like Garden City in Finney County, FEMA established a partnership with the Kansas Department of Agriculture's Division of Water Resources. FEMA recognizes that these partnerships between Federal, State and locals bring the necessary resources and local knowledge together to more accurately identify the existing flood risks. In March 2007, along with the appropriate State representatives, FEMA began meeting with Garden City officials to discuss our concern that a flood risk may exist within their community that had previously not been mapped on our Flood Insurance Rate Maps (FIRMs). While the two ditches built in the 50's may be mitigating some of the effects of those flood hazards, the initial analysis performed by the State indicates that there is still residual risk that should be properly communicated.

As always, FEMA is committed to working with our State and local partners to ensure that the most accurate information is presented on the FIRMs. FEMA welcomes continued dialog with the officials of Garden City to discuss how we as a unified government team can properly identify, communicate and mitigate flood risks with the common desire to protect the citizens of Garden City.

#### ESTIMATING FLOOD ELEVATIONS WITH AERIAL PHOTOGRAPHY

*Question.* FEMA currently uses aerial photography to estimate flood elevations as they modernize county floodplain maps throughout the country. This aerial photography is only accurate within 10 ft. of elevation, dramatically less accurate than the survey quality information previously used to establish these floodplains. Yet in your testimony you stated that FEMA uses the best science available when updating their floodplain maps. How does using aerial photography with this limitation on elevation accuracy allow FEMA to use the best science available?

Answer. For over 30 years, including during Flood Map Modernization, FEMA has used more precise mapping methods in higher risk areas and other methods in lower risk areas. The National Academies of Science has recently completed two assessments of FEMA's mapping methods. The reports confirmed that adjusting the precision of the mapping approach relative to the risk produced the maximum cost benefit for flood hazard mapping and substantially validated FEMA's technical approach to flood hazard mapping.

#### CONCLUSION OF HEARING

Senator BYRD. Very well. I thank all the Senators, and the subcommittee is recessed.

Secretary NAPOLITANO. Thank you, sir.

[Whereupon, at 3:40 p.m., Wednesday, May 13, the hearing was concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]

**DEPARTMENT OF HOMELAND SECURITY  
APPROPRIATIONS FOR FISCAL YEAR 2010**

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

**NONDEPARTMENTAL WITNESSES**

[The following testimonies were received by the Subcommittee on Homeland Security for inclusion in the record. The submitted materials relate to the fiscal year 2010 budget request for programs within the subcommittee's jurisdiction.]

PREPARED STATEMENT OF THE INTERNATIONAL ASSOCIATION OF EMERGENCY  
MANAGERS

Chairman Byrd, Ranking Member Voinovich, and distinguished members of the subcommittee, thank you for allowing me the opportunity to provide a statement on critical budget and policy issues for the Federal Emergency Management Agency/Department of Homeland Security.

I am Russ Decker, the Director of Emergency Management and Homeland Security for Allen County, Ohio. Allen County is a mid-size rural county in northwest Ohio with a population of just over 100,000. I serve as the President of the United States Council of the International Association of Emergency Managers (IAEM-USA). I have 19 years of emergency management experience, with the last ten as a local director. I have also served as President of the Emergency Management Association of Ohio.

IAEM-USA is our Nation's largest association of Emergency Management professionals, with more than 4,000 members including emergency managers at the State and local government levels, tribal Nations, the military, colleges and universities, private business and the nonprofit sector. Most of our members are city and county emergency managers who perform the crucial function of coordinating and integrating the efforts at the local level to prepare for, mitigate the effects of, respond to, and recover from all types of disasters including terrorist attacks. Our membership includes emergency managers from large urban areas as well as rural areas.

We deeply appreciate the support this subcommittee has provided to the emergency management community over the past few years, particularly your support for the Emergency Management Performance Grant Program as well as strengthening FEMA. We have also appreciated your continued direction to DHS and FEMA to consult with their primary local and State stakeholders.

*Emergency Management Performance Grants (EMPG)*

The President's fiscal year 2010 includes \$315 million for EMPG. We urge that EMPG funding be increased to a minimum of \$487 million, that the program be retained as a separate account, and that Congress continue to include language making it clear that the funding is for all hazards and can be used for personnel. We are certainly pleased that thirty-nine Senators signed a letter to the committee recommending that EMPG be funded at \$487 million. We are concerned about the language in the budget justification which indicates "the award allocation method will incorporate risk methodology". Since EMPG represents the Federal investment in a viable national emergency management system, we have serious concerns about any altering of the long standing allocation formula.

EMPG which has been called "the backbone of the Nation's emergency management system" in an Appropriations Conference Report constitutes the only source of direct Federal funding for State and local governments to provide basic emer-

gency coordination and planning capabilities for all hazards including those related to homeland security. The program supports State and local initiatives for planning, training, exercise, mitigation, public education, as well as response and recovery coordination during actual events. All disasters start and end at the local level, which emphasizes the importance of building this capacity at the local level. Funding from EMPG frequently makes a difference as to whether or not a qualified person is present to perform these duties in a local jurisdiction.

We appreciate that the Subcommittee has recognized that EMPG is different from all the other post September 11, 2001 homeland security grants. Specifically, EMPG has existed since the 1950s. It was created to be a 50–50 cost share program to ensure participation by State and local governments to build strong emergency management programs. The program has been under funded for decades and remains so today.

The program is authorized at \$680 million in Public Law 110–53. The legislation creating EMPG is purposefully broad to allow jurisdictions to focus their attention on customizing capabilities for each local jurisdiction. Therefore, FEMA’s guidance should not try to make one size fit all, but should be written so as to allow maximum flexibility in meeting the specific capability requirements within each local jurisdiction.

Funding from EMPG has always been important to local government emergency management offices, but it is becoming even more so during the current economic downturn. Many of our IAEM–USA members have told us that their programs are facing budget reductions which will result in reduced staffing, reduced or eliminated training, and reduced public outreach. Perhaps most importantly, our members have told us that many emergency management programs are at the point where local elected officials are considering reducing their commitment from a full time emergency manager to a part time emergency manager, or moving the emergency management functions as added duties to other departments. This will have the effect of actually reducing emergency management services in many areas of the country—all this at a time when disasters and emergencies threaten more people and property than ever before.

Many local emergency management programs have historically provided significantly more than the 50 percent match that is required for their EMPG allocations. Simply receiving all of the 50 percent Federal match of their contributions would make a big difference in maintaining their programs.

#### *Emergency Management Institute (EMI)*

We urge the subcommittee to provide needed additional funding to update the key emergency management courses of the EMI curriculum and develop new ones, to provide additional personnel required to handle the workload associated with updating and developing new courses, to support technology upgrades, and to support the Emergency Management Higher Education Program. We would also suggest that funding be provided to review and modernize the Integrated Emergency Management Course (IEMC) which trains the leadership of communities to respond. We would respectfully suggest that the Subcommittee request that FEMA provide information on the funding necessary to accomplish these tasks.

We appreciated the additional \$1.253 million in EMI funding provided by Congress in fiscal year 2009 and the direction that detailed budget information on EMI be included in the Congressional budget justification for fiscal year 2009.

The Emergency Management Institute (EMI) provides vitally needed training to State and local government emergency managers through on-site classes and distance learning. This “crown jewel” of emergency management training and doctrine has suffered from lack of funding and loss of focus on the primary objectives of the Integrated Emergency Management System (IEMS).

A renewed focus on continuing education for professional emergency managers is vital. EMI core curriculum, including the Master Trainer Program, E-Courses and G-Courses are essential to the professional development of career emergency managers and to support State level training programs.

We also continue to support the highly successful Emergency Management Higher Education Program at EMI. This program, though underfunded, has produced significant improvements in the preparation of emergency managers at the over 160 colleges and universities now offering emergency management academic programs. In addition they interact with over 400 colleges and universities. The program has also established and maintained the essential collaboration between emergency management practitioners and the academic and research disciplines so essential to a comprehensive approach to emergency management. To continue to achieve these results and accomplishments and further advance the Higher Education Program, it is necessary to augment the existing two person staff.

*PreDisaster Mitigation (PDM)*

We support the request for \$150,000,000 for the PreDisaster Mitigation program and support reauthorization of the program. The Budget request proposes to terminate the nation-wide competitive program and allocate the funds to States on a base plus risk system. These changes were not discussed with the authorizers, the appropriators, or stakeholders in advance of the release of the budget. It is our understanding that the risk methodology has not yet been developed. We will be reviewing the proposal and seeking comments from our members and do not have a position on the proposal at this time.

*Principal Federal Official (PFO)*

We urge the Subcommittee to again include the bill language which was included in Section 526 of the fiscal year 2009 Appropriations prohibiting the funding of any position designated as a Principal Federal Official (PFO) for Stafford Disaster Relief Act declared disasters or emergencies. The fiscal year 2010 budget request deletes the limitation and includes the explanation as follows: "This provision restricts the Secretary's ability to manage disaster response."

IAEM has consistently opposed the appointment of PFOs. It leads to confusion. Instead, our members want the Federal Coordinating Officer (FCO) to have unambiguous authority to direct and manage the Federal response in the field. It is absolutely critical for State and local officials to have one person empowered to make decisions and coordinate the Federal response in support of the State.

*New FEMA Leadership*

IAEM-USA applauds the President's selection of Craig Fugate as the Administrator of FEMA and Tim Manning as Deputy Administrator for National Preparedness. Both of these individuals represent actual emergency management practitioners from the local and State government arena. They bring a wealth of professional credentials, experience, and a seasoned understanding of the importance of the partnerships required between local, State and the Federal Government for effective emergency management. We look forward to working with Craig and Tim and other members of the new leadership team at FEMA and anticipate an expanded level of dialogue between FEMA leadership and the stakeholders at the local and tribal levels.

*Review of Programs*

The arrival of these new, experienced and professional emergency managers to positions of leadership within FEMA offers an ideal opportunity for FEMA to do a comprehensive and critical reexamination of several functions and programs established and partially implemented toward the end of the last Administration. Some of the programs appear to be increasing the burden of "unfunded mandates" on State and local agencies without providing value or meeting the needs of FEMA's customers. Over the last two years, IAEM has been asked to review and comment on a number of such initiatives. While we took a positive attitude and tried to suggest ways to make them more effective and "reality-based", the underlying concepts driving some of these initiatives appeared to us to be fundamentally flawed. Two of the initiatives that require immediate review are the GAP analysis and the Integrated Planning System (IPS). For example, IPS should be reviewed to determine if it fully meets the needs of local, State and Federal disaster planners. The current version, based heavily on the DOD Joint Operations Planning and Execution (JOPES) model may be a great model—if you are the military and funded and equipped with the resources of the military. State and local governments do not have that luxury. We urge Congress to work with the new leadership of FEMA and to support a much needed "reality check," in the form of a comprehensive program review, to ensure that FEMA is making the most of its resources.

*Implementing Legislation to Strengthen FEMA*

IAEM-USA strongly supports the full implementation of Post-Katrina Emergency Management Reform Act (PKEMRA), Public Law 109-205, and we urge the subcommittee to support the efforts of Craig Fugate, Tim Manning, and the other new leaders of FEMA by insisting on its implementation. There must be a return to established emergency management doctrine within FEMA—all hazards, integrated, all phases (preparedness, mitigation, response, and recovery).

The FEMA Administrator should have the maximum amount of access to the White House and the FEMA Administrator should be clearly responsible for the coordination of the Federal response to disasters as the legislation clearly requires. Homeland Security Presidential Directive-5 and Homeland Security Presidential Directive-8 should be revised to conform to the requirements of PKEMRA.

All elements of preparedness must be returned to FEMA to comply with PKEMRA. Functions that are duplicative or possibly competing with those of FEMA should not be established and funded in other DHS offices. For example, the Office of Operations Coordination was created shortly after the enactment of PKEMRA and it was assigned several responsibilities that PKEMRA assigned to FEMA notwithstanding PKEMRA's prohibition on transferring functions, responsibilities, etc. outside of FEMA. These include, but are not limited to coordinating activities related to incident management, the national planning scenarios, the Integrated Planning System, and duplicating the role of the Office of Disaster Operations in FEMA. It is unclear what the roles are of the National Operations Center and the National Response Coordination Center in managing the coordination of the Federal Response in preparation for responding to an event.

An example of the problems caused by duplication of FEMA services within DHS is the discussion regarding the perceived differences between Incident Management and Emergency Management. Emergency Management is the broader, overarching and systematic approach to the issue of dealing with the consequences of all disasters and emergencies, whether natural, technological, or homeland security. Incident management, while important, is a much more narrowly focused sub-element of response, one of the four phases of emergency management (mitigation, preparedness, response and recovery). Functions clearly and unambiguously assigned to FEMA by law should not be moved out or duplicated on the basis that the administrator of FEMA is the lead "only" in Emergency Management, not incident management.

Congress made it clear when the Post Katrina Reform Act was passed that they want a strong FEMA with an administrator with clear authority for managing all aspects of disasters and emergencies. Some specific examples from the Act which we believe are not being followed include:

Section 611(12)(B) is of particular importance. This amended the Homeland Security Act of 2002 by "striking the matter preceding paragraph (1)" which contained the language, "the Secretary acting through . . . and inserted instead the following language. *"IN GENERAL.—The Administrator shall provide Federal Leadership necessary to prepare for, protect against, respond to, recover from or mitigate against a natural disaster, act of terrorism and other man-made disaster including . . . managing such response."* Congress acted intentionally to transfer these responsibilities from the Secretary to the administrator.

Section 503 Federal Emergency Management Agency

(b)(2) *SPECIFIC ACTIVITIES.—In support of the primary mission of the Agency, the Administrator—*

(A) *Lead the Nation's efforts to prepare for, protect against, respond to, recover from, and mitigate against the risk of natural disasters, acts of terrorism, and other man-made disasters, including catastrophic accidents.*

(H) *develop and coordinate the implementation of a risk-based, all hazards strategy for preparedness that builds on those common capabilities necessary to respond to natural disasters, acts of terrorism, and other man-made disasters while also building the unique capabilities necessary to respond to specific types of incidents that pose the greatest risk to our Nation.*

Section 503 (c)(4)(A) *IN GENERAL.—The Administrator is the principal advisor to the President, the Homeland Security Council, and the Secretary for all matters relating to emergency management in the United States.*

Sec. 503(c)(5) Cabinet Status—

(A) *IN GENERAL.—The President may designate the Administrator to serve as a member of the Cabinet in the event of natural disasters, acts of terrorism, or other man-made disasters.*

(B) *Retention of Authority—Nothing in the paragraph shall be construed as affecting the authority of the Secretary under this act.*

We believe that DHS frequently and mistakenly quotes Section 502(c)(5)(B) regarding the authority of the Secretary and the Administrator as being applicable across the entire act when, in fact, it is limited in scope only to paragraph (5).

We strongly request the committee to provide continual oversight of DHS on these matters to ensure they are following the clear and direct law on these issues.

Congress rejected the DHS Stage 2 Reorganization and clearly and unambiguously moved all Preparedness functions and personnel to FEMA. IAEM-USA believes that Section 506(c)(1) and (2) of the Homeland Security Act as amended by the Post Katrina Reform Act clearly prohibits the transfer of any asset, function or mission from FEMA without a specific act of Congress. A major function of FEMA is to rebuild relationships with State and local officials. Therefore, the Intergovernmental Affairs function assumes a much higher level of importance. Despite the clear prohibition on moving this function from FEMA, we understand there are still 11 positions performing this vital role still under the National Protection and Pro-

grams Directorate (outside of FEMA) on a non-reimbursable detail. The fiscal year 2010 Budget Request proposes to move the DHS intergovernmental function to the Office of Stakeholder Affairs in the Office of the Secretary and transfer 17 positions and \$2,000,000 from FEMA to fund it. We remain concerned about the seriously understaffed and under funded Intergovernmental Affairs Office in FEMA and suggest that rather than transfer the funding and positions from FEMA that additional funding and positions be sought by DHS.

#### *Conclusion*

In conclusion, we urge the Subcommittee to continue to build emergency management capacity by increasing EMPG to \$487 million. We urge increased funding for the Emergency Management Institute. Congress passed the PKEMRA to give FEMA the clear authority and tools to do its job and put a fence around it to give protection for its mission and resources. We urge the Subcommittee to insist on the appropriate implementation of the act.

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### PREPARED STATEMENT OF THE NATIONAL EMERGENCY MANAGEMENT ASSOCIATION

#### INTRODUCTION

Thank you Chairman Byrd, Ranking Member Voinovich, and distinguished members of the Committee for allowing me the opportunity to provide you with a statement for the record on the Department of Homeland Security's (DHS) fiscal year 2010 budget. I am Nancy Dragani, President of the National Emergency Management Association and Executive Director of the Ohio State Emergency Management Agency. In my statement, I am representing the National Emergency Management Association (NEMA), whose members are the State emergency management directors in the States, the U.S. territories, and the District of Columbia. NEMA's members are responsible to their Governors for emergency preparedness, homeland security, mitigation, response, and recovery activities for natural, man-made, and terrorist caused disasters.

In 2008, FEMA declared 75 major disasters; 17 emergency declarations; and 51 fire management assistance declarations. Overall, 40 States and two territories were impacted. The multi-hazards emergency management system continues to be the means to practice and exercise for devastating acts of terrorism, while at the same time preparing the Nation for hurricanes, tornadoes, earthquakes, hazardous materials spills, and floods. We respectfully ask for your Committee to consider the role of emergency management as you address the fiscal year 2010 appropriations and ask for your serious consideration of additional Federal support for the only all-hazards program to build State and local emergency management capacity. Emergency Management Performance Grant (EMPG) is the only State and local matching grant program supporting preparedness efforts.

The Department of Homeland Security budget provides critical support to State and local emergency management programs. NEMA would like to address four critical issues regarding the proposed Federal budget for the Department of Homeland Security:

- Addressing the needs for the Emergency Management Performance Grant (EMPG) level and maintaining flexibility in State's use of the program;
- Federal support for the Emergency Management Assistance Compact (EMAC);
- Significant deficits for improving State and local Emergency Operations Centers (EOCs); and
- Additional investment is needed for the Nation's mitigation programs including the Predisaster Mitigation Grant Program.

#### EMERGENCY MANAGEMENT INFRASTRUCTURE FUNDING

##### *EMPG is the Only Program for All-Hazards Preparedness*

Natural disasters are certain and often anticipated. Every State must be able to plan for disasters as well as build and sustain the capability to respond. EMPG is the only source of funding to assist State and local governments with planning and preparedness/readiness activities associated with natural disasters. At a time when our country is continuing to recover from one of the largest natural disasters in history and making strides to improve the Nation's emergency preparedness/readiness, we cannot afford to have this vital program be cut or just maintained. EMPG is the backbone of the Nation's all-hazards emergency management system and the only source of direct Federal funding to State and local governments for emergency management capacity building. EMPG is used for personnel, planning, training, and exercises at both the State and local levels. EMPG is primarily used to support State

and local emergency management personnel who are responsible for writing plans; conducting training, exercises and corrective action; educating the public on disaster readiness; and maintaining the Nation's emergency response system. EMPG is being used to help States create and update plans for receiving and distribution of emergency supplies such as water, ice, and food after a disaster; debris removal plans; and plans for receiving or evacuating people—all of these critical issues identified in the aftermath of Hurricane Katrina and the following investigations and reports. EMPG is the program being used to support State and local efforts for Federal preparedness initiatives like the Target Capabilities List, Cost to Capability, Comprehensive Planning Guide 101, and Gap Analysis.

The State and local government partnership with the Federal Government to ensure preparedness dates back to the civil defense era of the 1950s, yet increased responsibilities over the last decade have fallen on State and local governments. NEMA's 2008 Biennial Report shows that the shortfall in EMPG funding has reached \$172 million. The total need for the program is \$487 million annually. The 9/11 Implementation Act authorized EMPG at \$680 million for fiscal year 2010.

We appreciate all of the efforts of members of Congress and the Administration to allow for increases to the EMPG program; however, adjusted over the last 15 years, the increases have not kept pace with inflation at a time when capacity is supposed to be increasing. Continued funding increases are necessary to make up for over a decade of degradation of funding and increased State and local commitments. The President's fiscal year 2010 budget calls for EMPG to be rolled into the State and Local Account and eliminates the program's separate line item. We strongly support maintaining a separate line item for EMPG since the program is all-hazards focused. Additionally, we are studying the proposal made in the budget to make the program risk based and would like to get back to you with our analysis of how the change may impact States.

EMPG is the only all-hazards preparedness program within the Department of Homeland Security that requires a match at the State and local level. The 50/50 match is evidence of the commitment by State and local governments to make public safety and security a top priority. According to the Council of State Governments, 49 of 50 States are currently in a recession, and 41 States are looking at shortfalls in 2009 or 2010. States are faced with an estimated \$140 billion overall shortfall. The fiscal conditions warrant maintaining the intent of EMPG as all-hazards and as a flexible program. States should not be forced to set aside arbitrary amounts of EMPG for specific tasks—each State's hazards and risks are unique as is the approach to addressing these hazards. One size does not fit all in terms of the overall emergency management needs. Additionally, many of the EMPG funds help pay for the personnel to run key programs and reducing flexibility means that critical functions could be lost.

NEMA surveyed States on the fiscal impact of the current economic conditions earlier this month. Some of the statistics that we found include:

- At least 23 State EMAs indicated a budget reduction in fiscal year 2010. Cuts range from \$200,000 to over \$6 millions and from 1 percent budget reductions to 30 percent;
- Seven States plan to use disaster "rainy day or related set aside emergency funds to cover overall State budget shortfalls;
- Hiring freezes are in place in 32 States and may impact anywhere from 2–31 positions in a given State. Elimination of positions is expected in 28 States ranging from 1–17 positions in a given State. Emergency management agencies are traditionally understaffed and any cut in positions will impact services;
- States report the greatest impact stemming from budget cuts will be their ability to provide the 50 percent match for Federal funding provided through the Emergency Management Performance Grant (EMPG). This is the single source of funding that supports all hazards emergency preparedness at the State and local level. Budget cuts also threaten the States' abilities to support State funded disaster assistance programs for individuals and businesses. Other emergency management functions that may be most impacted includes planning, training and public outreach/education on emergency preparedness.

At the same time as the fiscal challenges, States are doing more with less and finding innovative ways to use EMPG funds to address emergency management capacity building. Attached is a recent document that outlines how States are using EMPG funds. Some of the key examples include:

- ARIZONA*.—The Emergency Management Performance Grant (EMPG) has enabled the State of Arizona to achieve a level of collaboration between the State, counties, cities, tribes, volunteer and faith-based organizations and the private sector that never existed before. EMPG recently funded the largest full-scale exercise ever conducted in Arizona, the "Coyote Crisis Campaign," a mass-cas-

uality incident that over-burdened the surge capacity of area hospitals and challenged the ability of officials to manage a multi-jurisdiction response. Arizona's first responders, health care providers and other emergency management partners responded to the terrorist scenario.

EMPG funds have provided the means to develop the capability to respond to bi-national incidents along the Arizona-Sonora border. The grant has been used to pay for State and local bi-national emergency preparedness activities (planning, training, and exercising) and the implementation of bi-national emergency alert and notification systems, interoperable communications, and IT systems that support the sharing of information and maintaining a common operating picture for emergency incidents.

—*CALIFORNIA*.—The establishment of the Office for Access and Functional Needs (OAFN), in January 2008 is the result of EMPG funding. As part of the California Emergency Management Agency (CalEMA), the office identifies the needs of people with disabilities before, during and after a disaster; and integrates disability elements and resources into all aspects of emergency management systems. OAFN is currently funded by EMPG and provides two employees. In July 2008, OAFN published Guidance on Planning and Responding to the Needs of People with Disabilities and Older Adults, and released it specifically to California emergency managers, planners, and disability and older adult service systems, for planning and responding during disasters and recovery.

—*CONNECTICUT*.—During the past 3 years, the Connecticut Department of Emergency Management and Homeland Security (DEMHS) has used EMPG to improve participation in the State's High Band Radio System. This is a communications network of last resort during a major disaster. Because of EMPG, 96 percent of Connecticut communities are connected to the system, as compared to only 24 percent in 2006. In a serious event, it would help impacted areas convey their most urgent life-sustaining needs, such as food, water and temporary shelters. The High Band System also links regional emergency management offices to local towns and to the State EOC.

—*HAWAII*.—Emergency shelters can mean the difference between life and death in a vulnerable State like Hawaii, which is confronted by the possibility of many different types of hazards—earthquakes, hurricanes, tsunamis and volcano eruptions. In 2009, the State is dedicating part of its EMPG funds to conduct assessments and surveys of public and private facilities that could serve as emergency shelters; and support State and county participation in the development of a catastrophic hurricane disaster plan. EMPG money is also contributing to State readiness exercises involving terrorism, earthquake, tsunami, and hurricane emergency response scenarios.

—*KENTUCKY*.—In 2008, the Commonwealth of Kentucky used EMPG dollars to develop and exercise a plan in the event of a New Madrid earthquake occurring in the western portion of the State. When the State was hit with a massive ice storm earlier this year, resulting in its worst disaster ever, State emergency management used the earthquake plan to support western counties decimated by the storm. Though designed for an earthquake, the plan was adapted for this disaster and was key in delivering aid to 103 counties with hundreds of thousands of citizens who had no power, no heat and no food. Also, because the plan had been thoroughly exercised—again due to EMPG funds—the State had already made adjustments and knew that it would work. Advance planning and exercise supported through EMPG saved lives in Kentucky.

—*MISSISSIPPI*.—Thanks to the current EMPG funding level, all 82 counties in Mississippi, as well as the Mississippi Band of Choctaw Indians, have emergency management programs and emergency management directors. This was not always the case. Back in 2000, when EMPG funding was significantly lower, there were only 43 county emergency management programs. At the State level, nine area coordinators—all funded by EMPG—cover between six and 11 counties. Each coordinator works closely with their respective local emergency managers, responding to their requests for support and resources, and conducting training for the staff and educational presentations for residents. The importance of this integration came into play in September 2008 when Hurricane Gustav hit. The Mississippi Emergency Management Agency (MEMA) helped coordinate the unprecedented evacuation of more than 3 million people from South Louisiana and the city of New Orleans. The large number of evacuees was able to move easily through Mississippi and find shelter thanks to the coordination of all the county emergency managers and MEMA.

—*OHIO*.—In 2008, the State of Ohio allocated approximately 74 percent of its EMPG funds directly to local governments to focus on sustaining and enhancing

emergency management capability. Ohio recognizes the critical importance of building and sustaining local capabilities throughout the planning, response, recovery and mitigation phases of a disaster. As such, EMPG grant funds support 170 full time emergency management personnel in 88 counties who update and enhance county Emergency Operations Plans and applicable annexes that serve as the foundation of local capabilities. The State supports the counties in all aspects of emergency management, including grants management, planning activity identification, training and exercise and special projects. These efforts, coupled with the detailed guidance established for EMPG funds, further enhance the local capabilities and allow for increased identification of risks and hazards that threaten the 11 plus million residents of Ohio's 88 counties.

One such threat occurred in September 2008 when Ohio was faced with hurricane force wind gusts from the remnants of Hurricane Ike. As the winds moved through a large portion of the State, more than 5 million Ohioans were impacted and many lost power for more than a week. The ability of county emergency management agencies to coordinate response and resource support for the needs of the residents was a credit to their planning and preparedness efforts, supported by Ohio's allocations of EMPG funding.

—*WISCONSIN*.—EMPG is a major reason for the successful response by both the State and local jurisdictions to the severe storms and flooding that occurred in Wisconsin in June 2008. Wisconsin requires the State, counties and municipalities to develop consistent, emergency management programs. To accomplish this, Wisconsin Emergency Management provides two-thirds of its EMPG grant to county emergency managers. They in turn assist municipalities in developing their annual plans of work. These documents include areas of planning, training, exercising, public education/information, grant administration, and other initiatives that focus on specific local needs.

#### BUILDING OUR NATION'S MUTUAL AID SYSTEM THROUGH EMAC

The Emergency Management Assistance Compact (EMAC) remains a the vehicle to utilize mutual aid assistance during disasters. Congress enacted EMAC in 1996 (Public Law 104-321). Currently 50 States, the U.S. Virgin Islands, Puerto Rico, Guam, and the District of Columbia are members of EMAC. EMAC requires member States to have an implementation plan and to follow procedures outlined in the EMAC Operations Manual. EMAC addresses issues such as reimbursement, liability protections, and workers' compensation issues.

In the last year, EMAC has provided critical aid to impacted States. In support of the 2009 Flooding in North Dakota and Minnesota, States deployed equipment, sandbags, and 1,029 personnel to North Dakota and 6 personnel to Minnesota. Two individuals were deployed to the National Response Coordination Center (NRCC) at FEMA Headquarters to coordinate the State response under EMAC with the Federal response. In all, 727 National Guard personnel and 302 civilians were sent to assist via the compact.

In February 2009, generators, cots with blankets, and 702 personnel were deployed to Kentucky to assist in the response and recovery following an ice storm that impacted the majority of the State. 528 personnel with civilian and 174 personnel were National Guard assets.

In response to the 2008 Hurricanes Gustav and Ike States deployed 12,274 personnel under EMAC to support the impacted States of Texas, Louisiana, and Florida. The response lasted 63 continuous days with a total of 265 completed missions.

In October 2006, Congress, under The Post-Katrina FEMA Reform Act authorized FEMA to appropriate up to \$4 million annually in grants in fiscal year 2008 to support EMAC operations and coordination activities, but no funds have been appropriated.

Prior to 2004, deployments under EMAC were primarily State emergency management and National Guard personnel. The value of EMAC was reaffirmed following Hurricanes Katrina and Rita by demonstrating that EMAC can be used to deploy "any resources one State would want to share with another". Combined with the requirements in the Post-Katrina Emergency Management Reform Act of 2006, EMAC has resulted in an unprecedented growth and involvement in EMAC across the Nation. EMAC has also demonstrated the need for a unified mutual aid system (intrastate to interstate) that coordinates with the Federal response.

EMAC has a 5 year strategic plan to put lessons learned into practice. The After-Action process from Hurricane Katrina allowed EMAC to examine how to improve the system after unprecedented disasters and an unparalleled growth in the use of the system.

Examples of improvements to be made with current and future funding as a result of lessons learned are outlined below:

- NEMA has been working with first responder disciplines to provide EMAC educational and training materials. This includes training on EMAC, integration with State Emergency Operations Centers, Incident Command Systems, resource typing, and credentialing;
- NEMA has established an EMAC Advisory Group that is working to better integrate mutual aid partners into the EMAC system before future disasters occur. The group includes representatives from State and local government associations, the National Guard Bureau, emergency responder associations, public utility associations, the private sector, DHS/FEMA, and the Centers for Disease Control. The discussions and interactions of this group serve to assist in adding local government assets to the scope of resources and other disciplines that can be readily plugged into the system;
- EMAC is evolving the tracking of resources through NEMA administrative management. EMAC is working towards an integrated system to allow for swifter approvals from the requesting and responding States, which will ultimately allow for improved tracking and faster response to requests for assistance;
- States are engaged in developing their own resource typed mission ready packages and EMAC is involved in assisting with responsibilities set in both the Post-Katrina Emergency Management Reform Act and the Implementing the 9/11 Commission Recommendations Act for resource typing and credentialing; and
- Building capabilities for A-Team operations to assist during disasters outside of State Emergency Operations Centers with resource management, integration of EMAC into exercises with the development of table-top exercises and inclusion in national level exercises such as TOPOFF, as well as address reimbursement ahead of mission deployments for both State and local resource providers.

While Emergency Management Performance Grants and homeland security grants are helping to build capabilities, the National Homeland Security Strategy counts on the fact that mutual aid is going to be put to use in a disaster. The support of EMAC is critical to helping offset the costs of disasters and building costly infrastructure at the Federal level that could sit unused until a disaster. In order to meet the ever-growing need for and reliance on interstate mutual aid, NEMA is seeking reauthorization at \$4 million annually for 2010 and beyond and an annual \$4 million line item in the FEMA budget for building EMAC capabilities and our Nation's mutual aid system.

#### IMPROVING STATE AND LOCAL EMERGENCY OPERATION CENTERS

During emergencies and disasters, emergency operations centers (EOCs) serve as the nerve center for State and local coordination. Federal agencies as well use these facilities to act as a central point for communication during response and recovery phases. States continue to require more monies to enhance State primary and alternate EOCs. According to data in the 2008 NEMA Biennial Report, it is estimated that almost \$497 million would be needed to build, retrofit and upgrade the facilities. The amount is a 26 percent increase over the 2006 estimate. For local EOCs, that number increases to \$1.1 billion, for a total of almost \$1.6 billion. This includes the costs to upgrade equipment and software, train personnel, and conduct operations during emergency and non-emergency situations. We appreciate Congress' recognition of the need for EOC improvements in the fiscal year 2008 and fiscal year 2009 appropriations as these investments are a down payment towards addressing this critical shortfall.

A separate line item for EOC improvements should be continued in the budget and the program should not be eliminated as these are both critical functions that need adequate resources. Maintaining the flexibility of EMPG and having the separate program specific for emergency operations centers continue are priorities for emergency management.

#### INVESTMENT IN PREDISASTER MITIGATION

As the Nation continues to recover from the 2004 and 2005 hurricane season and the numerous other disasters, mitigation opportunities are the only way to take advantage of lessons learned during disasters. The Disaster Mitigation Act of 2000 (DMA2K and Public Law 106-390) authorized a national disaster hazard mitigation program "to reduce the loss of life and property, human suffering, economic disruption, and disaster assistance costs resulting from natural disasters and to provide a source of predisaster hazard mitigation funding that will assist States and local

governments in implementing effective hazard mitigation measures that are designed to ensure the continued functionality of critical services and facilities after a natural disaster." The title of the bill that authorizes the Predisaster Mitigation program is scheduled to sunset on September 30, 2009, after a 1-year extension of the program.

Predisaster Mitigation grants accounts contained significant earmarks in fiscal year 2008 and fiscal year 2009, thus reducing the amount available for State and local governments to openly apply to be considered for the grants. The program funding is sorely under the total national need, especially with the original intent of the law to provide each State with a portion of funding so lessons learned from disasters could be taken advantage of by all States. Each year, FEMA typically receives requests for grants averaging over \$450 million annually. When the program was proposed for the first time in fiscal year 2003, the President proposed \$300 million annually. The fiscal year 2003 figure was derived by taking a decade of mitigation opportunities annual averages, but took out the large disaster spikes like Hurricane Andrew and the North Ridge and Loma Prieta earthquakes.

While Federal costs towards disasters remain a concern, significant commitments must be made towards both predisaster and post-disaster mitigation in order to lower overall disaster costs in the long run. With such low levels of funding, the predisaster mitigation program has never been fully able to address the intent of DMA2K. In 2005, the Multi-Hazard Mitigation Council published a study that found that every \$1 FEMA invested into mitigation projects saves society approximately \$4. The key to the value of the programs is that predisaster mitigation is coordinated through the Governors and the State hazard mitigation plan as required by DMA2K. The program addresses the unique areas of greatest need to prepare for and reduce the overall costs of a disaster event.

While NEMA is supportive of the Predisaster Mitigation Program, we remain supportive of both pre- and post-disaster mitigation. The Hazard Mitigation Grant Program (HMGF) must not be changed in order to ensure a balanced holistic national mitigation program that includes both pre- and post-disaster mitigation. As the Congress considers the Predisaster Mitigation program's reauthorization, adequate funding levels are needed to give the program the opportunity to demonstrate real value for the investments. Additionally, we are studying the proposal in the President's budget to make PDM a base plus risk program, however NEMA has supported a base plus population formula for the program since the program's creation. NEMA supports the program's reauthorization and looks forward to working with Congress to improve the program.

#### CONCLUSION

Congress has affirmed their support for ensuring preparedness for our Nation's continuous vulnerability against all-hazards with additional investments to EMPG and emergency operations centers improvements. We must continue to build national preparedness efforts with a multi-hazard approach. In this year's appropriations process Congress will make critical decisions that shape the future of emergency management in this country. As you begin your consideration, we ask you to recognize the importance of adequately funding the EMPG program and maintain the program's flexibility for building capacity through people at the State and local level for all disasters. I thank you for the opportunity to testify on behalf of NEMA and appreciate your partnership.

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#### PREPARED STATEMENT OF THE NATIONAL TREASURY EMPLOYEES UNION

Chairman Byrd, Ranking Member Voinovich, distinguished members of the Subcommittee; I would like to thank the Subcommittee for the opportunity to provide this testimony. As President of the National Treasury Employees Union (NTEU), I have the honor of leading a union that represents over 22,000 Customs and Border Protection (CBP) Officers and trade enforcement specialists who are stationed at 327 land, sea and air ports of entry (POEs) across the United States. CBP employees make up our Nation's first line of defense in the wars on terrorism and drugs.

In addition, CBP trade compliance personnel enforce over 400 U.S. trade and tariff laws and regulations in order to ensure a fair and competitive trade environment pursuant to existing international agreements and treaties, as well as stemming the flow of illegal contraband such as child pornography, illegal arms, weapons of mass destruction and laundered money. CBP is also a revenue collection agency, expecting to collect an estimated \$29 billion in Federal revenue according to fiscal year 2009 revenue estimates.

## FUNDING FOR LAW ENFORCEMENT ENHANCED RETIREMENT

First, NTEU would like to thank the Committee on Appropriations for rejecting the previous Administration's fiscal year 2009 budget request to repeal the law and rescind the fiscal year 2008 appropriated funding to implement a new enhanced retirement benefit for all eligible CBP Officers. The Committee also included \$200 million in its fiscal year 2009 funding bill to cover the conversion costs associated with this enhanced retirement benefit.

NTEU members are extremely grateful that, despite then-President Bush's request, the Committee remained firmly committed to this new enhanced retirement program. NTEU commends the Committee on its forethought and perseverance in enacting and funding this vital legislation. Nothing that the Committee has done since the creation of the Department of Homeland Security (DHS) has had a more positive effect on the morale of the CBP Officer.

The new administration in its fiscal year 2010 budget request seeks an increase of \$25 million to provide enhanced retirement benefits to CBP Officers. An additional \$25 million is required in fiscal year 2010 (for a total of \$225 million) as a final increment that will fully fund the new retirement coverage. NTEU fully supports this final installment of Federal funding of the CBP of Officer enhanced retirement package and asks the Committee to include this funding in its fiscal year 2010 DHS appropriations bill.

## FUNDING FOR DHS HUMAN RESOURCES MANAGEMENT SYSTEM

NTEU also commends the Committee for adding a provision, Section 533, in the Consolidated Security Disaster and Continuing Appropriations Act for fiscal year 2009 that prohibits the expenditure of funds to apply a new DHS human resources management system to employees eligible for inclusion in a bargaining unit. Because of this funding prohibition, DHS announced that the agency would rescind application of this new human resources system as of October 2, 2008.

The Department's fiscal year 2010 budget request proposes deletion of Section 522 of the DHS fiscal year 2009 appropriations bill. Section 522 prohibits spending of any appropriated fund for implementation of this DHS human resources management system fund (MaxHR). NTEU has great concerns about deleting this language. Even though DHS has rescinded the application of the human resource system and DHS has no authority to issue any new regulations, regulations remain in place for adverse actions, appeals, performance management, and pay and classification and can be reactivated if the funding prohibition is lifted.

If the appropriations prohibition language were dropped from the fiscal year 2010 appropriations bill, DHS would be free to revive the regulatory provisions of MaxHR that were not enjoined by the courts. Though DHS could not modify the regulations (since the authority to do that expired in January 2009) these regulations remain on the books as originally promulgated and could be given effect, if DHS were allowed to spend appropriated funds to make them effective.

Even though the fiscal year 2010 budget request states that old section 522 is no longer necessary because "the department has withdrawn its coverage under 5 U.S.C. 9701." DHS by itself cannot withdraw "its coverage under 5 U.S.C. 9701." Title 5, Section 9701 by its terms covers DHS and only Congress can change that. To the extent that DHS has decided not to implement MaxHR, as noted above, that decision could be revisited if the appropriations ban were lifted.

In the 110th Congress, the full House voted to repeal Title 5, Chapter 97 in its entirety, and any regulations issued under its authority. NTEU is working with both the House and Senate DHS authorizing committees to achieve enactment of this title 5, Chapter 97 repeal by the 111th Congress. Until this statutory authority is repealed by Congress, inclusion of the of section 522, the fiscal year 2009 appropriations prohibition language, in the DHS fiscal year 2010 appropriations bill remains necessary. NTEU therefore requests that identical language to Section 522 prohibiting the use of appropriated funds to implement any part of the regulations promulgated pursuant to Title 5, Chapter 97 is again included in the fiscal year 2010 DHS funding bill.

## FUNDING FOR CBP SALARIES AND EXPENSES AT THE PORTS OF ENTRY

*Staffing Southbound Inspections at U.S.-Mexico Land Ports*

In the last year, an epidemic of violence has erupted right across the U.S. southern border in Mexico due to an increase in Mexican drug cartel activity there. Drug violence in northern Mexico has skyrocketed with more than 6,000 homicides since January 2008. This violence is fueled by arms smuggling and bulk cash drug proceeds transiting south from the United States.

The last administration fell down on the job of inspecting outbound traffic through U.S. land ports and not all U.S.-Mexico passenger vehicle, rail and truck port crossings are staffed or equipped to conduct southbound inspections. Rightfully, the new administration is focused on putting more resources into southbound inspections to help curb arms and bulk cash trafficking into Mexico.

NTEU is providing information to Congress and the administration to help formulate this new policy and to assess security equipment and other needs to address the increased threat to CBP personnel at the southern border. Safety of CBP Officers at the ports of entry is a major concern. Appropriate facilities, staffing and equipment are necessary at the southern land ports to ensure CBP Officers' safety.

NTEU supported an amendment offered by the Chairman and Ranking Member of the Senate Homeland Security and Government Affairs Committee Senators Joe Lieberman (I-CT) and Susan Collins (R-ME), to the fiscal year 2010 budget resolution, to provide an additional \$550 million to fight drug violence along the border. This budget amendment, approved by Congress, includes \$260 million for Customs and Border Protection to hire, equip, train and deploy 1,600 additional personnel and 400 canine teams to the border to increase the number of inspections of vehicles heading south into Mexico.

This increase in CBP staffing at the ports of entry called for in the budget resolution, however, must be in addition to the increase in staffing called for in CBP's own staffing allocation models. The Department's fiscal year 2010 budget request includes \$8.1 million for 65 CBP Officers and 8 support staff positions to be dedicated to "Combating Southbound Firearms and Currency Smuggling." NTEU believes that this staffing increase is insufficient to address the staffing needs at southern ports of entry and well below the 1,600 additional personnel and 400 canine teams sought by the Senate authorizing committee. NTEU asks the Committee to increase funding for salaries and expenses at the ports of entry to fight drug violence along the southern border and increase the number of inspections of vehicles and travelers heading south into Mexico.

#### *CBP Officer Staffing*

NTEU was very grateful that the Committee, in its fiscal year 2007 DHS appropriations conference report, directed CBP to submit a resource allocation model for current and future year staffing requirements. For years, NTEU has said that CBP needs several thousand additional CBP Officers and CBP Agriculture Specialists at its ports of entry; that insufficient staffing and scheduling abuses are contributing to morale problems, fatigue, and safety issues for CBP Officers and CBP Agriculture Specialists, and that CBP is losing personnel faster than it can hire replacements.

CBP's 2007 staffing model concluded "that the agency needs 1,600 to 4,000 more officers and agricultural specialists at the Nation's air, land and sea ports, or a boost of 7 to 25 percent, the GAO reported." (Washington Post, November 6, 2007).

NTEU is grateful that the Committee, in its fiscal year 2009 DHS Appropriations bill, provided funds for 1,373 U.S. Customs and Border Protection Officers and CBP Agriculture Specialists at the ports of entry—an increase of 834 beyond those requested by the Bush Administration. Also, CBP announced in January 2009 that it is hiring 11,000 new CBP employees; however, the majority of these hires are to keep up with attrition, not to address optimal staffing levels as determined by CBP's own Resource Allocation Model. According to CBP, there are currently 19,726 CBP Officers of which nearly 3,400 are non-frontline supervisors—a ratio of one supervisor for every 5 CBP Officers.

NTEU is disappointed that the Department's fiscal year 2010 budget outline includes increasing new hires for CBP Border Patrol Agents from 17,499 to 20,000—an increase of 1,500, but no increase at all in the number of frontline CBP Officer or CBP Agriculture Specialist new hires.

NTEU agrees with the observation of Senate Homeland Security and Governmental Affairs Committee Chairman Lieberman in his March 13, 2009 letter to the Senate Budget Committee. Chairman Lieberman states that "[t]he Border Patrol has almost doubled in the last 3 fiscal years, while the number of CBP officers at ports of entry has remained basically stable despite long wait times at the border. If this trend continues, it could lead to a misalignment of resources and the underfunding of critical border security priorities, in particular this Nation's efforts to enhance the security of our ports of entry through the deployment of programs such as the Western Hemisphere Travel Initiative (WHTI), the Electronic System for Travel Authorization (ESTA), and US ISIT."

Again NTEU calls on the Committee to fund staffing levels for CBP Officers at the ports of entry as specified in CBP's own workforce staffing model by at least 1,000 new hires in the fiscal year 2010 appropriations bill, in addition to sufficiently

funding an increase in CBP Officer staffing needed to expand outbound inspection and address the increasing violence at the U.S.-Mexico border.

#### *Agriculture Specialists Staffing*

NTEU was certified as the labor union representative of CBP Agriculture Specialists in May 2007 as the result of an election to represent all CBP employees that had been consolidated into one bargaining unit by merging the port of entry inspection functions of Customs, INS and the Animal, Plant and Health Inspection Service as part of DHS' One Face at the Border initiative.

According to GAO (GAO-08-219, page 31), CBP's staffing model "showed that CBP would need up to several thousand additional CBP Officers and agriculture specialists at its ports of entry." And GAO testimony issued on October 3, 2007 stated that, "as of mid-August 2007, CBP had 2,116 agriculture specialists on staff, compared with 3,154 specialists needed, according to staffing model." (See GAO-08-96T page 1.) According to CBP, the current number of CBP Agriculture Specialists staff is 2,277, of which 312 are non-frontline supervisors. This is unacceptable.

The Department's fiscal year 2010 budget request includes no additional funding for CBP Agriculture Specialist new hires. CBP needs to dramatically increase front-line Agriculture Specialist staffing levels to address current needs as stated in its own workforce allocation model. NTEU therefore requests that the Committee include funding in its fiscal year 2010 appropriations bill to increase the number of CBP Agriculture Specialists by at least 500 new hires.

NTEU also recommends that Congress, through oversight and statutory language, make clear that the agricultural inspection mission is a priority. NTEU would support asking DHS to report on how it is following U.S. Department of Agriculture procedures on agriculture inspections. The report should include wait times for clearing agricultural products and what measures could be implemented to shorten those wait times.

#### *One Face at the Border and Training*

In 2006, Congress requested that the Government Accountability Office (GAO) evaluate the One Face at the Border initiative and its impact on legacy customs, immigration and agricultural inspection and workload. GAO conducted its audit from August 2006 through September 2007 and issued its public report, *Border Security: Despite Progress, Weaknesses in Traveler Inspections Exist at Our Nation's Ports of Entry* (GAO-08-219), on November 5, 2007. The conclusions of this report echo what NTEU has been saying for years:

- CBP needs several thousand additional CBP Officers and Agriculture Specialists at its ports of entry.
- Not having sufficient staff contributes to morale problems, fatigue, and safety issues for CBP Officers.
- Staffing challenges force ports to choose between port operations and providing training. In these instances—training is often sacrificed.
- CBP's onboard staffing level is below budgeted levels, partly due to high attrition, with ports of entry losing officers faster than they can hire replacements.

The Homeland Security Appropriations Committee added report language to the fiscal year 2007 DHS Appropriations bill that, with regard to CBP's One Face at the Border initiative, directs "CBP to ensure that all personnel assigned to primary and secondary inspection duties at ports of entry have received adequate training in all relevant inspection functions." NTEU asks the Committee to again seek this information in report language to its fiscal year 2010 DHS Appropriations bill.

NTEU's CBP members have told us that CBP Officer cross-training and on-the-job training continues to be woefully inadequate. In addition, staffing shortages force managers to choose between performing port operations and providing training. In these instances, it is training that is sacrificed.

It is apparent that CBP sees its One Face at the Border initiative as a means to "increase management flexibility" without increasing staffing levels. NTEU again calls for Congress to end the failed One Face at the Border experiment and ensure that expertise is retained with respect to customs, immigration, and agriculture inspection functions at CBP.

#### *Trade Operations Staffing*

When CBP was created, it was given a dual mission of not only safeguarding our Nation's borders and ports from terrorist attacks, but also the mission of regulating and facilitating international trade; collecting import duties; and enforcing U.S. trade laws. In 2005, CBP processed 29 million trade entries and collected \$31.4 billion in revenue. In 2009, the estimated revenue collected is projected to be \$29 billion—a drop of over \$2 billion in revenue collected.

To insure the proper focus by CBP of trade operations staffing needs, Congress included Section 402 in the SAFE Port Act of 2006. This provision required CBP to prepare a Resource Allocation Model (RAM) every 2 years to determine optimal staffing levels needed to carry out the commercial operations of CBP, including commercial inspection and release of cargo. The first RAM was delivered to Congress in June of 2007 and proposed significant increases from the Homeland Security Act's section 412(b) floor of 2,263 customs revenue function employees, which includes Fine, Penalty and Forfeiture Specialists, Import Specialists, International Trade Specialists, Customs Attorneys, Customs Auditors, Chemists and CBP Technician positions. The next RAM, as mandated by the SAFE Port Act, is due on June 30, 2009 and NTEU expects to see similar numbers in terms of CBP trade operations staffing needs.

The Department's fiscal year 2010 budget request seeks an increase of \$9.3 million to hire a total of 103 new positions that includes 12 scientists, 1 paralegal, 34 international trade specialists, 32 auditors, 10 attorneys, 3 import specialists and 11 support personnel. This increase is well below the number of new hires needed for many of these CBP trade operation occupations.

According to CBP's 2007 RAM, in fiscal year 2010, 1,100 Import Specialists are needed to adequately staff CBP's trade enforcement mission. The current number of non-supervisory Import Specialists is 799. The Administration's request for 3 additional Import Specialists is well below the number of new hires needed according to CBP's own data.

And, according to the 2007 RAM, 295 International Trade Specialists are needed for optimal performance in fiscal year 2010. The current number of non-supervisory International Trade Specialists is 54. The Department's request in its fiscal year 2010 budget is only 34 International Trade Specialists new hires, bringing this to a total of only 88 non-supervisory positions, well below the 295 optimal performance staffing number.

NTEU, therefore, urges the Committee to ensure that trade compliance personnel is increased to the fiscal year 2010 staffing levels that CBP itself states in the 2007 RAM are sufficient to ensure effective performance of customs revenue functions.

#### *Conclusion*

Each year, with trade and travel increasing at astounding rates, CBP personnel have been asked to do more work with fewer personnel, training and resources. The more than 22,000 CBP employees represented by the NTEU are capable and committed to the varied missions of DHS from border control to the facilitation of legitimate trade and travel. They are proud of their part in keeping our country free from terrorism, our neighborhoods safe from drugs and our economy safe from illegal trade. These men and women are deserving of more resources and technology to perform their jobs better and more efficiently. Thank you for the opportunity to submit this testimony to the Committee on their behalf.

## LIST OF WITNESSES, COMMUNICATIONS, AND PREPARED STATEMENTS

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	Page
Brownback, Senator Sam, U.S. Senator From Kansas, Questions Submitted by .....	98
Byrd, Senator Robert C., U.S. Senator From West Virginia:	
Opening Statement of .....	1
Questions Submitted by .....	36
Cochran, Senator Thad, U.S. Senator From Mississippi, Questions Submitted by .....	93
International Association of Emergency Managers, Prepared Statement of .....	103
Napolitano, Hon. Janet, Secretary, Department of Homeland Security .....	1
Prepared Statement of .....	6
Statement of .....	4
National:	
Emergency Management Association, Prepared Statement of .....	107
Treasury Employees Union, Prepared Statement of .....	112
Voinovich, Senator George V., U.S. Senator From Ohio:	
Questions Submitted by .....	79
Statement of .....	2



# SUBJECT INDEX

## DEPARTMENT OF HOMELAND SECURITY

	Page
Accident at Bayer Crop Science Chemical Plant .....	17
Acquisitions .....	36
Action Orders .....	44
Additional Committee Questions .....	36
Advanced Training Center .....	48
Agricultural Specialists .....	47
Air:	
Exit .....	63
Passenger Fee Increase .....	55
All-hazards .....	69
Arctic Policy .....	57
Assistance to:	
Firefighter Grants .....	23, 33
Rural Firefighters .....	97
Automation Modernization .....	46
Behavior Detection .....	55
BioWatch .....	65
Biodefense Countermeasures .....	87
Biometric Air Exit .....	82
Bioshield .....	65
Border Patrol Agents .....	50
Building our Nation's Mutual Aid System Through EMAC .....	110
CEDAP Grants .....	79
Capital Improvement Plan .....	64
Chemical Security .....	61
Coast Guard .....	56
Assets in Iraq .....	56
Icebreaker Polar Star .....	25
National Security Cutter .....	93
Unmanned Aircraft Systems (UAS) .....	98
Collective Bargaining .....	92
Rights .....	55
Commercial Mobile Alert System .....	72
Consolidation of Leases .....	87
Construction .....	47
Contractor Conversions .....	76
Contractors .....	63
Conversion of Contractors to Government Positions .....	84
Coordination With DOJ .....	34
Cuts to Port:	
And Rail Security Grants .....	20
Security and Rail Security Grants .....	21
Cyber Security .....	61
Declaration of Major Disaster .....	32
DHS:	
Consolidated Headquarters Project .....	41
Data Migration .....	93
Headquarters Consolidation .....	86
Role in Cyber Security Efforts .....	85, 86
Departmental Management .....	36
Detention Beds .....	52
Disaster:	
Costs .....	66

	Page
Disaster—Continued	
Relief Fund .....	17
Domestic Nuclear Detection Office .....	76
Effect of Economic Downturn on Fee-Funded Programs .....	83
Effectiveness of Grants .....	79
Efficiency Review .....	14
Emergency Management Infrastructure Funding .....	107
Estimating Flood Elevations With Aerial Photography .....	101
Explosive Detection Systems .....	90
E-Verify .....	35, 73
Federal:	
Emergency Management Agency .....	66
Housing Case Management .....	95
Information Security Management Act .....	59
Protective Service .....	64
Requirements .....	71
Fees .....	74
Fire Grant Funding Distribution .....	69
Firefighter Assistance .....	66
Fiscal Year 2010 Budget Request .....	6
Flood Mapping .....	28
Floodplain Remapping, Garden City, Kansas .....	99
Funding:	
Crosswalk .....	60
For:	
Biometric Air Exit .....	19
CBP Salaries and Expenses at the Ports of Entry .....	113
DHS Human Resources Management System .....	113
Enforcement Enhanced Retirement .....	113
Great Lakes Icebreaker .....	57
Guidance .....	70
Housing Case Management .....	22
H1N1 Supplemental Funding .....	81
HSPD-12 Card Issuance .....	43
ICE Leases .....	53
Improving State and Local Emergency Operation Centers .....	111
In-Line Baggage Screening Systems .....	90
Inspection of High-Risk Chemical Facilities .....	89
Interagency Operation Centers .....	57
Intermodal Security Coordination Office .....	89
Investment in Predisaster Mitigation .....	111
Loran-C .....	58
Large Spectator Event Security .....	96
License Plate Readers .....	47
Mail Facility .....	60
Mass Evacuation .....	67
Medical Stockpile .....	82
National:	
Bio and Agro-Defense Facility (NBAF) .....	26, 98
Cyber Security Center .....	85
Guard on the Border .....	81
Protection and Programs Directorate .....	61
Security Cutter (NSC) .....	55
Special Security Events .....	60
Need for:	
Mission Support .....	48
National Guard to Secure Southwest Border .....	18
Non-pay inflation .....	44
Number of Grant Programs .....	80
Obligations .....	63
Office of Health Affairs .....	65
Ottawa County, Ohio, Facility .....	92
Out-year Funding .....	44
Overseas Activities .....	59
Oversight of Management Functions .....	87
Pacific Northwest National Lab .....	24
Performance Accountability and Standards System .....	91
Piracy .....	21

	Page
Preparedness Grants .....	67
Principal Federal Official .....	68
Program Integrity.....	44, 51
Project Newton .....	75
Protection of U.S.-Flagged Vessels .....	78
REAL ID .....	75
Act Implementation .....	80
Radar Coverage .....	50
Radiation:	
Detection Equipment .....	92
Portal Monitors .....	92
Realignment of Grant Programs .....	80
Reduction:	
For Stimulus Bill Funded Activities .....	16
In Grants .....	77
Regulations .....	72
Reliance on Contractors .....	38
Role of Contractors .....	83
Science and Technology .....	75
Secure:	
Border Initiative (SBI).....	33, 49
Communities .....	52
Securing the Cities (STC) .....	77
Security of Chemical Facilities .....	16
Sole Source Contracting .....	29
Southeast Region Research Initiative (SERRI) .....	95
Southwest Border Fencing .....	32
Systems Acquisition .....	76
Technology Transfer to Iran .....	78
Timeliness of Spend Plan Submission .....	62
Trade Regulations .....	45
Transfer of:	
Sensitive Technology to Hostile Nations .....	21
The Federal Protective Service .....	92
Transformation and Systems Consolidation (TASC) .....	39
Transportation Security Administration .....	54
Acquisitions Process .....	30
Air Cargo Inspector Staffing .....	54
2010 Olympics .....	25
UASI Grant Program Reductions .....	22
Unaccompanied Alien Children .....	81
USM Conversion of Contractors to FTE .....	44
Uniformed Division Modernization .....	60
Unique Identity .....	63
U.S.:	
Citizenship and Immigration Services .....	73
Coast Guard .....	55
Customs and Border Protection .....	44
Immigration and Customs Enforcement .....	50
Secret Service .....	59
US-VISIT .....	62
Program .....	31
Vehicles .....	48
VIPR Teams .....	91
Visa Waiver Country Information Sharing .....	83
West Virginia Chemical Explosion .....	62
Worksite Enforcement .....	50