DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR 2017

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTEENTH CONGRESS

SECOND SESSION

SUBCOMMITTEE ON HOMELAND SECURITY

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PART 2

DEPARTMENT OF HOMELAND SECURITY

	Page
U.S. Department of Homeland Security	**1**
U.S. Customs and Border Protection	**113**
Transportation Security Administration	**173**
U.S. Coast Guard	**219**
U.S. Secret Service	**257**
U.S. Immigration and Customs Enforcement	**303**

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DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR 2017

WEDNESDAY, FEBRUARY 24, 2016.

UNITED STATES DEPARTMENT OF HOMELAND SECURITY

WITNESS

HON. JEH C. JOHNSON, SECRETARY, UNITED STATES DEPARTMENT OF HOMELAND SECURITY

Mr. CARTER. Good morning. We are going to maybe have others coming in a few minutes later, but we are going to begin this hearing right now, and we may be joined by others of our colleagues in a few minutes. As this hearing is called to order, I would like to welcome everyone to this first hearing of the Department of Homeland Security fiscal year 2017 President's budget request.

Mr. Secretary, it is good to have you here. We are going to have an interesting conversation. By the way, I understand we have several members of the Tunisian Parliament who are observing the proceedings today as guests of Mr. Price and the State Department. Welcome to each of you. We are glad you are here. I have visited your country, and I enjoyed it very much. I was given good hospitality, and I hope we give good hospitality to you while you are here.

Mr. Secretary, because we enjoy a relationship that is candid and built on mutual respect, I am going to get right to the point and tell you that I am pretty disappointed in the budget submission. As you know, the budget of $40.6 billion, a decrease of $381.3 million from last year, it is not the amount of the request that worries me; it is the intellectually dishonest and politically insensitive gimmicks included in the request.

Right off the bat, the request creates a $908.8 million hole by assuming offsets from new, unauthorized TSA fees. I mean, this is not the first time we have talked about these fees. They are like a bad penny, they keep turning up, turning up, turning up. It shortchanges the statutory minimum of 34,000 detention beds by more than 3,087, a gap of roughly $142 million. It slashes FEMA's State Homeland Security and UASI grant program by $537 million, a reckless cut given ISIS' pledge to launch and inspire more attacks on the U.S.

It reduces the Border Patrol staffing by 300 agents on the grounds that attrition rates exceed new agent hires. While this is a fact, DHS has yet to present any analysis that supports the assertion that a staff cut will not increase risks to the CBP mission to secure the border. At Secret Service, the budget fails to include

$10 million in change-of-station costs, which assures the agents get a respite from the grind of VIP protection, something we all agree is necessary to improve morale.

I have other questions about your budget priorities, for example, the request to buy back hundreds of millions of dollars of cuts made last year for staff positions that are not filled today. It includes $150 million for a lengthy design process for a new Coast Guard heavy icebreaker, of which only $25 million can be obligated in fiscal year 2017. While I believe that we need a new heavy icebreaker, this funding request precedes a sound procurement funding strategy.

More than $225 million is requested for a new FEMA headquarters at St. Elizabeths. Does this building really outweigh the need to secure the border and provide Homeland Security antiterrorism programs?

I am somewhat comfortable with the $250 million increase proposed for cybersecurity enhancements, but not if the majority of the funds are for increases to personnel.

So, Mr. Secretary, I hope I have been clear that this request is a major disappointment after last year. To be fair, I do appreciate your continued emphasis on management reform, better requirements analysis, improved budget justification, and a commitment to institutionalizing joint operations across DHS components. I look forward to hearing what you learned from the new common appropriation structure you adopted this year, and I appreciate the level of effort made to undertake changes. For that, I would like to recognize Mrs. Roybal-Allard, our distinguished ranking member, for any opening remarks she may wish to make.

[The information follows:]

Chairman John Carter

Subcommittee on Homeland Security
House Committee on Appropriations

FY 2017 Budget Request for the Department of Homeland Security
February 24, 2016
Opening Statement As Prepared

Today's hearing is called to order –

I'd like to welcome everyone to the first hearing on the Department of Homeland Security's fiscal year 2017 President's Budget Request. Mr. Secretary…it's good to have you here.

I understand several Members of the Tunisian Parliament are observing the proceedings today as guests of Mr. Price and the Department of State. It's an honor for us to have you here.

Mr. Secretary…because we enjoy a relationship that is candid and built on mutual respect, I'm going to get right to the point and tell you I'm disappointed with the budget submission.

As you know, the budget is $40.6 billion, a decrease of $381.3 million from last year. But it's not the amount of the request that worries me, it's the intellectually dishonest and politically insensitive gimmicks included in the request.

Right off the bat, the request creates a $908.8 million hole by assuming an offset from new, unauthorized TSA fees.

It shortchanges the statutory minimum of 34,000 detention beds by more than 3,087 – a gap of roughly $142 million.

It slashes FEMA's state homeland security and UASI grant programs by $537 million – a reckless cut given ISIS's pledge to launch and inspire more attacks on the U.S.

It reduces Border Patrol's staffing by 300 agents on the grounds that attrition rates exceed new agents hired. While this is a fact, DHS has yet to present any analysis that supports the assertion that a staff cut will not increase risk to CBP's mission to secure the border.

At Secret Service, the budget fails to include $10 million in change of station costs, which assures agents get a respite from the grind of VIP protection, something we all agree is necessary to improve morale.

I have other questions about your budget's priorities. For example, the request buys back hundreds of millions of dollars of cuts made last year for staff positions that are not filled today.

It includes $150 million for a lengthy design process for the new Coast Guard heavy icebreaker, of which only $25 million can be obligated in FY17. While I believe we need a new heavy icebreaker, this funding request precedes a sound procurement funding strategy.

More than $225 million is requested for a new FEMA headquarters at St. Elizabeths. Does a new building really outweigh the need to secure the border or provide homeland security anti-terrorism programs?

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To be fair, I do appreciate your continued emphasis on management reform, better requirements analysis, improved budget justifications, and a commitment to institutionalizing joint operations across DHS components. I look forward to hearing what you learned from the new, common appropriations structure you adopted this year, and I appreciate the level of effort made to undertake the changes.

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Ms. ROYBAL-ALLARD. Thank you, Mr. Chairman, and good morning, Mr. Secretary, and welcome. I also would like to extend my welcome to the delegation from Tunisia. Let me begin by noting your leadership in helping the Department mature as an institution. It is clear to me that today, under your stewardship, the Department is more integrated and better focused than ever on the critical areas of planning, budgeting, joint requirements and acquisition best practices.

As you know, for the fiscal year 2017 appropriations process and beyond, we will be working within a very tight fiscal constraint, so that kind of institutional rigor from the Department is definitely needed.

The fiscal year 2017 net discretionary budget request for the Department of Homeland Security is $40.57 billion. This does not include an additional $6.7 billion in disaster relief funding, which is an adjustment to the discretionary cap. The total is nearly $400 million below the current year funding level. This is obtained, in large part, by proposing significant cuts to preparedness grants, and I am deeply concerned about these proposed cuts and the signal it sends to State and local jurisdictions, which need the Federal Government to be consistent in its level of support in order to plan and budget for the future.

Mr. Secretary, some areas in which we have disagreed deal with the appropriate enforcement of immigration law. I will discuss some of those issues this morning, but I have certainly appreciated your willingness to listen to my concern and that of other members and take steps to address some of them. For nearly every other mission area of the Department, Mr. Secretary, I think you are providing excellent leadership. There is still a lot of work to do, but it seems clear to me that good progress is being made. I look forward to your testimony and our discussion today, and I look forward to continuing to work with you this year in support of the Department's important missions. I yield back.

[The information follows:]

Congresswoman Lucille Roybal-Allard (CA-40), the Ranking Democrat on the House Homeland Security Appropriations Subcommittee, today delivered the following opening statement at a subcommittee hearing on the U.S. Department of Homeland Security budget request for fiscal year 2017. The hearing's witness was Homeland Security Secretary Jeh Johnson.

"Good morning, Mr. Secretary, and welcome.

"Let me begin by first noting your leadership in helping the department mature as an institution.

"It is clear to me that today, under your stewardship, the department is more integrated and better focused than ever on the critical areas of planning, budgeting, joint requirements, and acquisition best practices.

"As you know, for the fiscal year 2017 appropriations process and beyond, we'll be working within tight fiscal constraints. So that kind of institutional rigor from the department is definitely needed.

"The fiscal year 2017 net discretionary budget request for the Department of Homeland Security is $40.57 billion. This does not include an additional $6.7 billion in disaster relief funding, which is an adjustment to the discretionary cap.

"The total is nearly $400 million below the current year funding level. This is obtained in large part by proposing significant cuts to preparedness grants. I am deeply concerned about these proposed cuts and the signal it sends to state and local jurisdictions, which need the federal government to be consistent in its level of support in order to plan and budget for the future.

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"For nearly every other mission area of the department, Mr. Secretary, I think you are providing excellent leadership. There is still a lot of work to do but it seems clear to me that good progress is being made.

"I look forward to your testimony and our discussion today, and I look forward to continuing to work with you this year in support of the department's important missions."

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Mr. CARTER. Thank you, Ms. Roybal-Allard. I guess now, Mr. Secretary, we will hear what you have got to say.

OPENING STATEMENT: SECRETARY JOHNSON

Secretary JOHNSON. Chairman Judge Carter, Ranking Member Roybal-Allard, and distinguished members of this committee, and our distinguished visitors from the Tunisian legislature, I, too, want to give you a special welcome. I visited Tunisia in 2012 with the Secretary of Defense. It was very hot that day.

The President's fiscal year 2017 budget request for the Department of Homeland Security reflects hard choices to fit within the caps established by the bipartisan budget agreement of 2015, but at the end of the day, it funds all of our vital Homeland Security missions in these challenging times. The President's budget request calls for, as the chairman noted, $40.6 billion in appropriated funds, compared to $41 billion currently in fiscal year 2016, but an increase in total spending authority to $66.8 billion, compared to $64.8 billion last year. And to be clear, that increase depends in part on the funding from fee increases, as the chairman has noted. We have submitted language to our authorizers to bring that about.

Total workforce requested is 229,626, compared to 226,157 in the current fiscal year, accompanied by an overall workforce pay increase of 1.6 percent. Like this year, the President's budget request calls for $6.7 billion, to finance the cost of major disasters in FEMA's Disaster Relief Fund, and the ability to collect fees of $19.5 billion, compared to $17.1 billion this year.

The budget request funds all of our vital home security missions. It includes $5.1 billion for transportation screening operations; $1.6 billion, an increase of more than $200 million to fund our vital cybersecurity mission, including increased investments in the continuous diagnostic mitigation program; $1.9 billion for the Secret Service; $319 million to cover the costs associated with unaccompanied children and families who cross the border illegally; $1.1 billion for a recapitalization of the U.S. Coast Guard's assets, including a sizeable investment in the Nation's future arctic capability; and $226 million for continued investment in the construction of a future DHS headquarters at St. Elizabeths.

Like last year, reforming the way in which the Department of Homeland Security functions and conducts its business to more effectively and efficiently deliver our services to the American people is my top overarching objective for 2016. We have done a lot in the last 2 years, as the ranking member noted, but there is still much more to do, which I intend to do this year. There are still too many stovepipes and inefficiencies in the Department of Homeland Security.

The centerpiece of our management reform efforts has been the unity of effort initiative I launched in April 2014, which focuses on getting away from stovepipes in favor of a more centralized programming process when it comes to budgets and acquisition. My overarching goal as Secretary is to continue to protect the homeland, and leave the Department of Homeland Security a better place than I found it. I look forward to your questions.

[The information follows:]

Written Statement for the Record
House Appropriations Committee on Homeland Security
February 24, 2016

The Honorable Jeh C. Johnson
Secretary
United States Department of Homeland Security

Homeland Security

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Introduction

Chairman Carter, Ranking Member Roybal-Allard, and members of the subcommittee, thank you for the opportunity to be here.

The President's FY 2017 budget request for the Department of Homeland Security reflects hard choices to fit within the caps established by the bipartisan budget agreement of 2015, but, at the end of the day, it funds all of our vital homeland security missions in these challenging times.

The President's FY 2017 budget request calls for $40.6 billion in appropriated funds (compared to $41 billion currently in FY2016) but an increase in total spending authority to $66.8 billion (compared to $64.8 billion currently in FY2016). Total workforce requested is 229,626, compared to 226,157 in FY2016, accompanied by an overall workforce pay raise of 1.6%.

Like this year, the President's budget requests $6.7 billion to finance the cost of major disasters in FEMA's disaster relief fund, and the ability to collect fees of $19.5 billion (compared to $17.1 billion this year).

As I said before, the President's budget request funds our vital homeland security missions. Our request includes:

- $5.1 billion for transportation screening operations, including increased screening personnel, to ensure the security of our airways, a $100 million increase;
- $1.6 billion, an increase of over $200 million, to fund our vital cybersecurity mission, including increased investments in the Continuous Diagnostic Mitigation program;
- $1.9 billion for the Secret Service, which is the same as enacted in FY 2016, to protect our national leaders, fight cyber-crime, and support increased hiring;
- $319 million to cover costs associated with unaccompanied children and families;
- $1.1 billion for recapitalization of the U.S. Coast Guard's assets, including a sizable investment in the Nation's future arctic capability; and
- $226 million for continued investment in the construction of a future DHS headquarters at St. Elizabeths.

Management Reform

Like last year, reforming the way in which the Department of Homeland Security functions and conducts business, to more effectively and efficiently deliver our services

to the American people, is my overarching objective for 2016. We've done a lot in the last two years, but there is still much we will do. There are still too many stove pipes and inefficiencies in the Department.

My goal as Secretary is to continue to protect the homeland, and leave the Department of Homeland Security a better place than I found it.

The centerpiece of our management reform has been the Unity of Effort initiative I announced in April 2014, which focuses on getting away from the stove pipes, in favor of more centralized programming, budgeting, and acquisition processes.

We have already transformed our approach to the budget. Today, we focus Department-wide on our mission needs, rather than through component stove-pipes. With the support of Congress, we are moving to a simplified budget structure that will support better decision-making across the Department.

We have transformed our approach to acquisition. Last year I established a DHS-wide Joint Requirements Council to evaluate, from the viewpoint of the Department as a whole, a component's needs on the front end of an acquisition.

We have launched the "Acquisition Innovations in Motion" initiative, to consult with the contractor community about ways to improve the quality and timeliness of our contracting process, and the emerging skills required of our acquisition professionals. We are putting faster contracting processes in place.

We are reforming our human resources process. We are making our hiring process faster and more efficient. We are using all the tools we have to recruit, retain and reward personnel.

As part of the Unity of Effort initiative, in 2014 we created the Joint Task Forces dedicated to border security along the southern border. Once again, we are getting away from the stove pipes. In 2015, these Task Forces became fully operational. In 2016, we are asking Congress to officially authorize them in legislation.

We are achieving more transparency in our operations. We have staffed up our Office of Immigration Statistics and gave it the mandate to integrate immigration data across the Department. Last year, and for the second year in a row, we reported our total number of repatriations, returns and removals on a consolidated, Department-wide basis.

The long-awaited entry/exit overstay report was published in January, providing a clearer picture of the number of individuals in this country who overstay their visitor visas. It reflects that about 1% of those who enter the country by air or sea on visitor visas or through the Visa Waiver Program overstay.

We are working with outside, non-partisan experts on a project called BORDERSTAT, to develop a clear and comprehensive set of outcome metrics for measuring border security, apprehension rates, and inflow rates.

Since 2013 we've spearheaded something called the "DHS Data Framework" initiative. For the protection of the homeland, we are improving the collection and comparison of travel, immigration and other information against classified intelligence. We will do this consistent with laws and policies that protect privacy and civil liberties.

We want to restructure the National Protection and Programs Directorate from a headquarters element to an operational component called the "Cyber and Infrastructure Protection" agency.

Finally, we will improve the levels of employee satisfaction across the Department. We've been on an aggressive campaign to improve morale over the last two years. It takes time to turn a 22-component workforce of 240,000 people in a different direction. Though the overall results last year were still disappointing, we see signs of improvement. Employee satisfaction improved in a number of components, including at DHS headquarters.

This year we will see an overall improvement in employee satisfaction across DHS.

Counterterrorism

In 2016, counterterrorism will remain the cornerstone of the Department of Homeland Security's mission. The events of 2015 reinforce this.

As I have said many times, we are in a new phase in the global terrorist threat, requiring a whole new type of response. We have moved from a world of terrorist-directed attacks to a world that includes the threat of terrorist-inspired attacks – in which the terrorist may have never come face to face with a single member of a terrorist organization, lives among us in the homeland, and self-radicalizes, inspired by something on the internet.

By their nature, terrorist-inspired attacks are harder to detect by our intelligence and law enforcement communities, could occur with little or no notice, and in general makes for a more complex homeland security challenge.

So, what are we doing about this?

First, our government, along with our coalition partners, continues to take the fight militarily to terrorist organizations overseas. ISIL is the terrorist organization most

prominent on the world stage. Since September 2014, air strikes and special operations have in fact led to the death of a number of ISIL's leaders and those focused on plotting external attacks in the West. At the same time, ISIL has lost about 40% of the populated areas it once controlled in Iraq, and thousands of square miles of territory it once controlled in Syria.

On the law enforcement side, the FBI continues to do an excellent job of detecting, investigating, preventing, and prosecuting terrorist plots here in the homeland.

As for the Department of Homeland Security, following the attacks in Ottawa, Canada in 2014, and in reaction to terrorist groups' public calls for attacks on government installations in the western world, I directed the Federal Protective Service to enhance its presence and security at various U. S. government buildings around the country.

Given the prospect of the terrorist-inspired attack in the homeland, we have intensified our work with state and local law enforcement. Almost every day, DHS and the FBI share intelligence and information with Joint Terrorism Task Forces, fusion centers, local police chiefs and sheriffs.

In FY 2015 we provided homeland security assistance to state and local governments around the country, for things such as active shooter training exercises, overtime for cops and firefighters, salaries for emergency managers, emergency vehicles, and communications and surveillance equipment. We helped to fund an active shooter training exercise that took place in the New York City subways last November and a series of these exercises earlier this month in Miami. Last week we announced another round of awards for FY 2016 that will fund similar activities over the next three years.

As I said at a graduation ceremony for 1,200 new cops in New York City in December, given the current threat environment, it is the cop on the beat who may be the first to detect the next terrorist attack in the United States.

We are also enhancing information sharing with organizations that represent businesses, college and professional sports, faith-based organizations, and critical infrastructure.

We are enhancing measures to detect and prevent travel to this country by foreign terrorist fighters.

We are strengthening our Visa Waiver Program, which permits travelers from 38 different countries to come here without a visa. In 2014, we began to collect more personal information in the Electronic System for Travel Authorization, or "ESTA"

system, that travelers from Visa Waiver countries are required to use. As a result of these enhancements, over 3,000 additional travelers were denied travel here in FY 2015.

In August 2015, we introduced further security enhancements to the Visa Waiver Program.

Through the passage in December of the Visa Waiver Program Improvement and Terrorist Travel Prevention Act of 2015, Congress has codified into law several of these security enhancements, and placed new restrictions on eligibility for travel to the U.S. without a visa. We began to enforce these restrictions on January 21. Waivers from these restrictions will only be granted on a case-by-case basis, when it is in the law enforcement or national security interests of the United States to do so. Those denied entry under the Visa Waiver Program as a result of the new law may still apply for a visa to travel to the U.S.

Last week, under the authority given me by the new law, I also added three countries – Libya, Yemen and Somalia – to a list that prohibits anyone who has visited these nations in the past five years from traveling to the U.S. without a visa.

We are expanding the Department's use of social media for various purposes. Today social media is used for over 30 different operational and investigative purposes within DHS. Beginning in 2014 we launched four pilot programs that involved consulting the social media of applicants for certain immigration benefits. USCIS now also reviews the social media of Syrian refugee applicants referred for enhanced vetting. Based upon the recent recommendation of a Social Media Task Force within DHS, I have determined, consistent with relevant privacy and other laws, that we must expand the use of social media even further.

CBP is deploying personnel at various airports abroad, to pre-clear air travelers before they get on flights to the United States. At present, we have this pre-clearance capability at 15 airports overseas. And, last year, through pre-clearance, we denied boarding to over 10,700 travelers (or 29 per day) seeking to enter the United States. As I said here last year, we want to build more of these. In May 2015, I announced 10 additional airports in nine countries that we've prioritized for preclearance.

For years Congress and others have urged us to develop a system for biometric exit – that is, to take the fingerprints or other biometric data of those who leave the country. CBP has begun testing technologies that can be deployed for this nationwide. With the passage of the omnibus bill, Congress authorized up to $1 billion in fee increases over a period of ten years to pay for the implementation of biometric exit. I have directed that CBP begin implementing the system, starting at top airports, in 2018.

Last month I announced the schedule for the final two phases of implementation of the REAL ID Act, which goes into effect two and then four years from now. At present 23 states are compliant with the law, 27 have extensions, and 6 states or territories are out of compliance. Now that the final timetable for implementation of the law is in place, we urge all states, for the good of their residents, to start issuing REAL ID-complaint drivers' licenses as soon as possible.

In the current threat environment, there is a role for the public too. "If You See Something, Say Something"™ must be more than a slogan. We continue to stress this. DHS has now established partnerships with the NFL, Major League Baseball and NASCAR, to raise public awareness at sporting events. An informed and vigilant public contributes to national security.

In December we reformed "NTAS," the National Terrorism Advisory System. In 2011, we replaced the color-coded alerts with NTAS. But, the problem with NTAS was we never used it, it consisted of just two types of Alerts: "Elevated" and "Imminent," and depended on the presence of a known specific and credible threat. This does not work in the current environment, which includes the threat of homegrown, self-radicalized, terrorist-inspired attacks. So, in December we added a new form of advisory – the NTAS "Bulletin" – to augment the existing Alerts. The Bulletin we issued in December advises the public of the current threat environment, and how the public can help.

Finally, given the nature of the evolving terrorist threat, building bridges to diverse communities has become a homeland security imperative. Well informed families and communities are the best defense against terrorist ideologies. Al Qaeda and the Islamic State are targeting Muslim communities in this country. We must respond. In my view, this is as important as any of our other homeland security missions.

In 2015 we took these efforts to new levels. We created the DHS Office for Community Partnerships, headed by George Selim. George and this office are now the central hub for the Department's efforts to counter violent extremism in this country, and the lead for a new interagency CVE Task Force that includes DHS, DOJ, the FBI, NCTC and other agencies.

Funding is included in the President's budget request to support these counterterrorism efforts in the following key areas:

- $2 billion requested in total grants funding will prepare state and local governments to prevent, protect against, mitigate, respond to, and recover from incidents of terrorism and other catastrophic events. These funds also include Firefighter and Emergency Management Performance Grants that support local first responders in achieving their missions and $50 million for Countering

Violent Extremism grants for emergent threats from violent extremism and from complex, coordinated terrorist attacks.

- $292 million sustains U.S. Customs and Border Protection (CBP) targeting programs, which includes support for the National Targeting Centers (NTC) for passengers and cargo. The NTCs effectively target and interdict inadmissible high-risk passengers, cargo and agriculture/bioterrorism threats before reaching U.S. ports of entry. And, the newly established Counter Network Program will expand CBP's partnerships to exchange information and coordinate actions to identify, disrupt, and dismantle illicit networks and associated organizations.

- $197.5 million to sustain inspection and enforcement efforts abroad, which include the Immigration Advisory Program, created by CBP in 2004 to prevent terrorists and high-risk or improperly-documented travelers from boarding commercial aircraft destined for the United States. This investment also funds Preclearance operations. In addition to improving CBP's ability to protect the American homeland by extending our borders and preventing terrorists from gaining access to the United States, Preclearance relieves congestion at U.S. "gateway" airports and opens up new destinations for international flights.

- $103.9 million to purchase radiological and nuclear detection equipment, an increase of $14 million over funding appropriated in 2016, enabling the proposed new CBRNE Office (a combination of Office of Health Affairs and Domestic Nuclear Detection Office) and the U.S. Coast Guard, CBP, and TSA, to keep U.S. ports of entry safe and secure by detecting and interdicting illicit radioactive or nuclear materials.

- $81.9 million sustains the BioWatch program to provide detection and early warning of the intentional release of select aerosolized biological agents in more than 30 jurisdictions nationwide.

- $79.9 million sustains Infrastructure Security Compliance funding to secure America's high-risk chemical facilities through systematic regulation, inspection, and enforcement under the authority of the Chemical Facility Anti-Terrorism Standards.

Aviation Security

We are taking aggressive steps to improve aviation and airport security.

Since 2014 we have enhanced security at overseas last-point-of-departure airports, and a number of foreign governments have replicated those enhancements.

As many of you know, in May of last year a classified DHS Inspector General's test of certain TSA screening at eight airports, reflecting a dismal fail rate, was leaked to the press. I directed a 10-point plan to fix the problems identified by the IG. Under the new leadership of Admiral Pete Neffenger over the last six months, TSA has aggressively implemented this plan. This has included "back to basics" retraining for the entire TSO workforce, increased use of random explosive trace detectors, testing and re-evaluating the screening equipment that was the subject of the IG's test, a rewrite of the standard operating procedures manual, increased manual screening, and less randomized inclusion in Pre-Check lanes. These measures were implemented on or ahead of schedule.

We are also focused on airport security. In April of last year TSA issued guidelines to domestic airports to reduce access to secure areas, to require that all airport and airline personnel pass through TSA screening if they intend to board a flight, to conduct more frequent physical screening of airport and airline personnel, and to conduct more frequent criminal background checks of airport and airline personnel. Since then employee access points have been reduced, and random screening of personnel within secure areas has increased four-fold. We are continuing these efforts in 2016. Two weeks ago TSA issued guidelines to further enhance the screening of aviation workers in the secure area of airports.

I am particularly proud of the newly established TSA Academy housed by the Federal Law Enforcement Training Centers in Glynco, Georgia. All new TSOs are now receiving two-week training on how to screen for threats. DHS has built a full-scale representation of an airport screening station for students to use as they are taught how to serve the traveling public, interpret x-ray machine images, and check bags for dangerous materials or weapons.

In the President's FY2017 budget request, funding is included for aviation security in the following key areas:

- $3.0 billion to support 42,848 Transportation Security Officers, an increase of $26.9 million over FY 2016, to ensure effective screening operations while minimizing wait times.

- $199.8 million for transportation screening technology, enabling TSA to continue improving the capabilities of its checkpoint screening equipment throughout almost 450 airports to better protect against passenger-borne threats, an increase of $5 million.

- $116.6 million to provide training for TSA screeners, which supports an increase of $20 million for new basic training to be provided at the TSA Academy located at the Federal Law Enforcement Training Center in Glynco, Georgia.

- $84.0 million for TSA's intelligence operations, an increase of $2.0 million to expand the number of intelligences officers to 87 in frontline facilities that will enhance the effectiveness of checkpoint security screening.

- $815.3 million to support the continued deployment of Federal Air Marshals (FAMs), $10 million above the FY 2016 levels. The Federal Air Marshal Service has been subject to a hiring freeze since 2011, and recently completed a new Concept of Operations (CONOPS) detailing a new deployment strategy that achieves optimal FAMs staffing to ensure its operations mitigate the maximum risk as with other TSA aviation security activities.

Cybersecurity

While counterterrorism remains a cornerstone of our Department's mission, I have concluded that cybersecurity must be another. Making tangible improvements to our Nation's cybersecurity is a top priority for President Obama and for me to accomplish before the next President is inaugurated.

On February 9th, the President announced his "Cybersecurity National Action Plan," which is the culmination of seven years of effort by the Administration. The Plan includes a call for the creation of a Commission on Enhancing National Cybersecurity, additional investments in technology, federal cybersecurity, cyber education, new cyber talent in the federal workforce, and improved cyber incident response.

DHS has a role in almost every aspect of the President's plan.

As reflected in the President's 2017 budget request, we want to expand our cyber response teams from 10 to 48.

We are doubling the number of cybersecurity advisors to in effect make "house calls," to assist private sector organizations with in-person, customized cybersecurity assessments and best practices.

Building on DHS's "Stop. Think. Connect" campaign, we will help promote public awareness on multi-factor authentication.

We will collaborate with Underwriters Laboratory and others to develop a Cybersecurity Assurance Program to test and certify networked devices within the "Internet of Things." -- such as your home alarm system, your refrigerator, or even your pacemaker.

Last year we greatly expanded the capability of DHS's National Cybersecurity Communications Integration Center, or "NCCIC." The NCCIC increased its distribution

of information, the number of vulnerability assessments conducted, and the number of incident responses.

At the NCCIC, last year we built a system to automate the receipt and distribution of cyber threat indicators in near real-time speed. We built this in a way that also includes privacy protections.

I have issued an aggressive timetable for improving federal civilian cybersecurity, principally through two DHS programs:

The first is called EINSTEIN. EINSTEIN 1 and 2 have the ability to detect and monitor cybersecurity threats in our federal systems, and are now in place across all federal civilian departments and agencies.

EINSTEIN 3A is the newest iteration of the system, and has the ability to block potential cyber attacks on our federal systems. Thus far E3A has actually blocked 700,000 cyber threats, and we are rapidly expanding this capability. About a year ago, E3A covered only about 20% of our federal civilian networks. In the wake of the OPM attack, in May of last year I directed our cybersecurity team to make at least some aspects of E3A available to all federal departments and agencies by the end of last year. They met that deadline. Now that the system is available to everyone, 50% are actually on line, including the Office of Personnel Management, and we are working to get all federal departments and agencies on board by the end of this year.

The second program, called Continuous Diagnostics and Mitigation, or CDM, helps agencies detect and prioritize vulnerabilities inside their networks. In 2015, we provided CDM sensors to 97% of the federal civilian government. Next year, DHS will provide the second phase of CDM to 100% of the federal civilian government.

We have worked with OMB and DNI to identify the government's high value systems, and we are working aggressively with the owners of those systems to increase their security.

In September, DHS awarded a grant to the University of Texas San Antonio to work with industry to identify a common set of best practices for the development of Information Sharing and Analysis Organizations, or "ISAOs."

Finally, I thank Congress for passing the Cybersecurity Act of 2015. This new law is a huge assist to DHS and our cybersecurity mission. We are in the process of implementing that new law now. Just last week, I announced that we issued guidelines and procedures, required by this law, providing federal agencies and the private sector with a clear understanding of how to share cyber threat indicators with the NCCIC, and

how the NCCIC will share and use that information. We issued these guidelines and procedures consistent with the deadline set by the new law.

Funding is included for cybersecurity in the FY 2017 budget request in the following key areas:

- $274.8 million for the Continuous Diagnostics and Mitigation program which provides hardware, software, and services designed to support activities that strengthen the operational security of federal ".gov" networks, an increase of more than $170 million over the FY 2016 enacted level.

- $471.1 million sustains the EINSTEIN program, to continue to combat intrusions, enhance information sharing, and deploy analytical capabilities to secure the federal civilian information technology enterprise.

- The FY 2017 budget request sustains ICE and USSS resources to combat cyber-crime and investigate cyber-criminals.

Immigration/Border Security

Immigration policy must be two sides of the same coin.

The resources we have to enforce immigration laws are finite, and we must use them wisely. This is true of every aspect of law enforcement.

With the immigration enforcement resources we have, ICE is focused more sharply on public safety and border security. Those who are convicted of serious crimes or who have recently been apprehended at the border are top priorities for removal. And we will enforce the law in accordance with these priorities.

Accordingly, over the last several years deportations by ICE have gone down, but an increasing percentage of those deported are convicted criminals. And, an increased percentage of those in immigration detention, around 85%, are in the top priority for removal. We will continue to focus our resources on the most significant threats to public safety and border security.

In furtherance of our public safety efforts, in 2014 we did away with the controversial Secure Communities program and replaced it with the new Priority Enforcement Program, or "PEP." PEP fixes the political and legal controversies associated with Secure Communities and enables us to take directly into custody from local law enforcement the most dangerous, removable criminals. Since PEP was created, cities and counties that previously refused to work with Secure Communities are coming

back to the table. Of the 25 largest counties that refused to work with ICE before, 16 are now participating in PEP. In 2016, we will work to get more to participate.

And, because we are asking ICE immigration enforcement officers to focus on convicted criminals and do a job that's more in the nature of law enforcement, last year we reformed their pay scale accordingly. Now, the pay scale for these immigration officers is the same as other federal law enforcement.

We have also prioritized the removal of those apprehended at the border. We cannot allow our borders to be open to illegal immigration.

Over the last 15 years, our Nation – across multiple administrations – has invested a lot in border security, and this investment has yielded positive results. Apprehensions by the Border Patrol – which are an indicator of total attempts to cross the border illegally – are a fraction of what they to use to be.

In FY 2014, overall apprehensions by the Border patrol increased, as we saw a spike in the number of families and unaccompanied children from Central America during the spring and summer of 2014. That year the overall number of apprehensions was 479,000. Across the government, we responded aggressively to this surge and the numbers fell sharply within a short period of time.

In FY 2015, the number of those apprehended by the Border Patrol on the southwest border was 331,000 – with the exception of one year, the lowest since 1972.

From July to December 2015 the numbers of migrants from Central America, especially families and unaccompanied children, began to climb again.

In January I announced a series of focused enforcement actions to take into custody and remove those who had been apprehended at the border in 2014 or later and then ordered removed by an immigration court. I know this made a lot of people I respect very unhappy. But, we must enforce the law in accordance with our priorities.

In January overall apprehensions by the Border Patrol on the southwest border dropped 36% from the month before. At the same time, the number of unaccompanied children apprehended dropped 54%, and the number of those in families dropped 65%. So far in February, the numbers have remained at this decreased level. This six-week decline is encouraging, but it does not mean we can dial back our efforts. Traditionally, illegal migration increases in the spring. We will do all we can to prevent another summer surge in illegal crossings. We will continue to enforce the law consistent with our priorities for enforcement, which includes those apprehended at the border in 2014 or later.

Then there is the other side of the coin. The new enforcement policy the President and I announced in November 2014 makes clear that our limited enforcement resources will not be focused on the removal of those who have committed no serious crimes, have been in this country for years, and have families here. Under our new policy, these people are not priorities for removal, nor should they be.

In fact, the President and I want to offer, to those who have lived here for at least five years, are parents of U.S. citizens or lawful permanents residents, and who have committed no series crimes, the opportunity to request deferred action on a case-by-case basis, to come out of the shadows, get on the books, and be held accountable. We are pleased that the Supreme Court has agreed to hear the case of *Texas* v. *United States*, which involves the new deferred action policies we announced in November 2014.

Our overall policy is to focus our immigration enforcement resources more effectively on threats to public safety and border security, and, within our existing legal authority, do as much as we can to fix the broken immigration system. We're disappointed that Congress has not been our partner in this effort, by passing comprehensive immigration reform legislation.

Finally, we recognize that more border security and deportations may deter illegal migration, but they do nothing to overcome the "push factors" that prompt desperate people to flee Central America in the first place. We are prepared to offer vulnerable individuals fleeing the violence in Central America a safe and legal alternate path to a better life. We are expanding our Refugee Admissions Program to help vulnerable men, women and children in Central America who qualify as refugees. We are partnering with the U.N. High Commissioner for Refugees and non-governmental organizations in the region to do this as soon as possible. This approach builds on our recently established Central American Minors program, which is now providing an in-country refugee processing option for certain children with lawfully present parents in the United States.

The President's FY 2017 budget request includes the following key resources for immigration and border security:

- $7.0 billion to fund the salaries and benefits of Border Patrol agents and CBP officers. In FY 2017, CBP plans to hire up to 21,070 Border Patrol agents, a decrease of 300 from the 2016 enacted level, and 23,821 CBP officers.

- $1.4 billion to enable U.S. Immigration and Customs Enforcement to maintain nearly 31,000 detention beds for individuals presenting a flight risk, a risk to public safety or national security, or who are subject to mandatory detention.

- $2.0 billion sustains the Coast Guard counter-drug and alien migration interdiction operations. These intelligence-driven mission activities are critical to disrupting Transnational Criminal Organizations and securing the southern border.

- $1.6 billion sustains the Coast Guard's ports, waterways, and coastal security efforts. These include screening to ensure unauthorized and illicit individuals do not gain access to, or disrupt, key maritime transportation and commerce nodes. All crew, passengers, and cargo of vessels over 300 tons are screened prior to arrival in U.S. waters to mitigate potential risks to our nation.

- $319 million, a decrease of more than $370 million, to cover the costs associated with the temporary care and transportation of up to 75,000 unaccompanied children, along with other resources for the custody of adults with children who cross our borders.

- $126.0 million for the Alternatives to Detention Program, an increase of $12 million, to monitor 53,000 average daily participants, including families, who may pose a flight risk but who are not considered a threat to our communities. The ATD program places low-risk individuals under various forms of non-detained, intensive supervision, which may include electronic monitoring.

- $347.5 million for the Criminal Alien Program, an increase of $7 million, to support ICE in the apprehension and removal of both at-large and incarcerated convicted criminals. These resources include funding for an additional 100 officers to support the expanded implementation of PEP.

- $268.4 million, an increase of $30 million that sustains the increase of 311 attorneys in the FY 2016 appropriation, for ICE's Office of Principal Legal Advisor, which represents the U.S. Government in removal proceedings and litigated over 400,000 immigration related cases in FY 2015.

- $355.7 million to maintain the necessary infrastructure and technology along the Nation's borders to ensure CBP law enforcement personnel are supported with effective surveillance technology to improve their ability to detect and interdict illegal activity in a safer environment. This represents a decrease of $91 million from the substantial increase provided in the FY 2016 appropriation.

Refugees

We are doing our part to address the Syrian refugee crisis. USCIS, in conjunction with the Department of State, is working hard to meet our commitment to admit at least 10,000 Syrian refugees by the end of this fiscal year. We will do this by carefully

screening refugees in a multi-layered and intense screening process involving multiple law enforcement, national security, and intelligence agencies across the Federal Government.

Secret Service

Over the last year, Director Joe Clancy of the Secret Service has done a tremendous job reforming the agency, including hiring a chief operating officer from outside the Secret Service, altering the structure and management of the agency, ramping up efforts to hire new members of its workforce, and expanding training opportunities. In 2016 we will continue to work on areas that still need improvement.

The President's FY2017 budget requests $108.2 million to enhance White House security, an increase of $42 million, which includes support for the U.S. Secret Service's Operational Mission Support initiative to enhance protection at fixed and temporary sites and includes advanced protective countermeasures.

The Coast Guard

With the help of Congress, in 2016 we will continue to modernize the Coast Guard fleet, including all major air and surface asset lines. We propose continuing these investments in the 2017 Budget request, and we seek an additional $150 million for the design of a new Polar-class icebreaker.

Our FY 2017 budget request includes $1.1 billion to support the Coast Guard's air and surface fleet recapitalization, to include $240.0 million for production of four Fast Response Cutters; $130.0 million to convert Air National Guard C27J aircraft for Coast Guard use; $150.0 million for acquisition activities for a new polar icebreaker; and $100.0 million to complete evaluation of detailed design and long lead time material for the lead Offshore Patrol Cutter.

FLETC

Our FY 2017 budget includes $243 million to support FLETC's mission. Since 2012, the Federal Law Enforcement Training Center has trained more than a quarter million federal, state and local officers and agents. At the same time, FLETC continually updates its curriculum to address the biggest challenges facing law enforcement, to include training for active shooter situations, cyber forensics, and human trafficking.

FEMA

FEMA continues to carry out its extraordinary responsibility of supporting the American people and communities to prepare for, respond to, and recover from various

disasters. FEMA will continue to focus on efforts to enhance resilience and mitigation measures before disaster strikes, to prevent loss and save lives.

Our FY 2017 budget request supports the Disaster Relief Fund, grant programs, disaster preparedness plans, and training for our homeland security and law enforcement partners. This includes $6.7 billion to sustain relief fund levels that provide immediate and long-lasting assistance to individuals and communities stricken by emergencies and major disasters. Our 2017 Budget request also includes $365.0 million for the Pre-disaster Mitigation Fund and for flood hazard zone mapping. The Administration is committed to helping communities take steps to protect themselves from extreme weather and other climate impacts. These investments build on recent progress and pursue strategies to build a more climate-resilient America.

Lawful Trade and Travel

We continue to promote lawful trade and travel. We will continue to pursue the President's U.S.-Mexico High Level Economic Dialogue and his Beyond the Border Initiative with Canada. We are implementing "Single Window" for international trade, which, by December 2016, will enable the private sector to use just one portal to transmit information to 47 government agencies about exports and imports, thereby eliminating over 200 different forms and streamlining the trade process.

Conclusion

As I stated before, developing this budget request within the topline constraints of the bipartisan budget agreement of 2015 required difficult choices. But I am confident that the Department of Homeland Security will build upon the progress we have made over the past year and continue to fulfill our vital mission of keeping the homeland safe.

I again thank you for the opportunity to speak here today and for your continued support of DHS.

I look forward to your questions.

Secretary Jeh Johnson

Jeh Charles Johnson was sworn in on December 23, 2013 as the fourth Secretary of Homeland Security. Prior to joining DHS, Secretary Johnson served as General Counsel for the Department of Defense, where he was part of the senior management team and led the more than 10,000 military and civilian lawyers across the Department. As General Counsel of the Defense Department, Secretary Johnson oversaw the development of the legal aspects of many of our nation's counterterrorism policies, spearheaded reforms to the military commissions system at Guantanamo Bay in 2009, and co-authored the 250-page report that paved the way for the repeal of "Don't Ask, Don't Tell" in 2010.

Secretary Johnson's career has included extensive service in national security, law enforcement, and as an attorney in private corporate law practice. Secretary Johnson was General Counsel of the Department of the Air Force from 1998 to 2001, and he served as an Assistant U.S. Attorney for the Southern District of New York from 1989 to 1991.

In private law practice, Secretary Johnson was a partner with the New York City-based law firm of Paul, Weiss, Rifkind, Wharton & Garrison LLP. In 2004, Secretary Johnson was elected a Fellow in the prestigious American College of Trial Lawyers, and he is a member of the Council on Foreign Relations.

Secretary Johnson graduated from Morehouse College in 1979 and received his law degree from Columbia Law School in 1982.

Homeland Security

BUDGETARY PRIORITIES

Mr. CARTER. Thank you, Mr. Secretary. Before we start, we are really crammed on time up here on this dais. Almost every one of us have two or three hearings that are going on almost simultaneously with this hearing, so we are going to ask, please, that let's try to limit ourselves to the 5-minute rule so that maybe we can get more rounds, and some of us can go other places where we need to be. We are all challenged, including me, the chairman.

Secretary Johnson, your fiscal year 2017 budget request reflects a reduction of $381 million from the enacted level of fiscal year 2016. When you factor in the adjustments for increased salary and benefits, some dramatic reductions to priority programs, and the unauthorized fee proposal of over $900 million, the reduction is really over $3 billion. Given the limits on nondefense discretionary spending imposed by the budget agreement, the proposed increases will have to be scrutinized and most probably cut. Based on the top line number provided by the budget resolution, the Appropriations Committee will have to find almost $2 billion within your budget to address the gaps your request has created. Of the requested included in the budget, what are your priorities: buying back operational staff cuts, St. Elizabeths, the icebreaker? Give us some indication.

Secretary JOHNSON. Chairman, you note correctly that we have to live within the agreed-upon budget caps for nondiscretionary, nondefense spending. We have proposed a fee increase, which requires authorization from Congress, and we have submitted that language, so that we get to the overall spending authorization of $66.8 billion, all of which I believe is necessary.

Chairman, my immediate priorities are aviation security, border security, cybersecurity, and taking care of the Secret Service and making sure that they are adequately staffed, they are adequately funded, and they are implementing the reforms recommended for the Secret Service in December 2014. I also believe it is critical that we continue our efforts to recapitalize the Coast Guard. It is the oldest fleet of vessels that I know of any navy in the world. With the good support of Congress, we are well on the way to do that.

My overall every day immediate priority is protection of the homeland. We want to build a headquarters. We need to build a headquarters. That is a long-term investment. So in any budget discussion like this, inevitably, the discussion turns to shouldn't we trade off your longer-term investment strategy for your immediate investment strategy. I don't think that is the way to look at it. I think that with the money that was appropriated for St. Elizabeths this year, and the money we have asked for for next year, we are actually going to get there faster. It is going to cost the taxpayer less to build us a new headquarters, and we need a new headquarters.

I will tell you that the place we have been for 13 years now was always intended to be temporary, and there are real shortfalls and curbs on our ability at the headquarters to do our jobs, to manage a 225,000-person workforce, in the place we are housed right now. I say that after having spent 4 years working in the Pentagon and,

you know, just finding SCIF [Sensitive Compartmented Information Facility] space, for example, or dealing with our communications and the like. It is very, very hard to work up on Nebraska Avenue for me. I say that on my own behalf and the future Secretary.

So I am hopeful, and I urge Congress to make that long-term investment in St. Elizabeths, but I very clearly do have my immediate Homeland Security needs that we have asked for. So that is how I see it, sir.

Mr. CARTER. You know, Mr. Secretary, on this fee situation, you know as well as I do, you have been around here long enough to know that—and I understand budget gimmicks. We see them every day. But the reality is, the chances of getting an authorization through Congress and signed by the President for these fees this year are between slim and none, and it doesn't take anybody that has been around here very long to know that our authorizers on the homeland side have real challenges in what they can and can't get done, and I praise them for the good work that they do within the major jurisdictional bounds that they have got issues with.

And the practical sense is that this year, and even more so a presidential year, there is not going to be any chance that those fees are going to be authorized. So we have got a hole, and we have either got to plug that hole, and we are going to do what we are going to do, and you know that because we have worked with you before.

But let me shift gears and ask one more question. Have I overused my time? Yep. I will come back. I will stick to the 5-minute rule. Hit me with an elbow.

Ms. Roybal-Allard.

U.S. GOVERNMENT ACCOUNTABILITY OFFICE: HIGH-RISK LIST

Ms. ROYBAL-ALLARD. Mr. Secretary, the Department of Homeland Security has been on GAO's high-risk list since 2003, which was shortly after the Department was established, and this is an acknowledgment of just how difficult it is to establish a new department. Particularly in the last few years under your leadership, DHS has made progress in addressing the weaknesses identified by GAO, some of which you noted in your opening statement. Would you care to elaborate on where you have addressed these weaknesses and what more you are doing, and do you expect to be off the high-risk list by the next 2017 high-risk report?

Secretary JOHNSON. Congresswoman, as you have noted, we have made good progress to get off the high-risk list. Just in the last 26 months that I have been Secretary, this has been a top priority of mine. One of the charges of our new Under Secretary—he is not so new anymore. It has been almost a year—but one of the charges to the Under Secretary for Management is to get us off the high-risk list. Every year we make progress. In fact, GAO has noted that DHS is a model for how to get off the high-risk list. There are a lot of departments and agencies on the high-risk list. We got on it simply by virtue of our creation in 2003, and my goal is to have all of those deficiencies resolved by the time I leave office, which I expect is in 332 days. I am not counting.

But every day I ask about this. For example, one of the issues we have had or are having is resolving all the different financial systems we had within DHS, getting them synchronized, getting them to function better so that my CFO [Chief Financial Officer] over here knows how to count the dollars. We have made a lot of progress in that regard. I am also very proud of the fact that for the second year in a row, our outside auditors have given us a clean, unqualified opinion. That is something that other very, very large departments of our government have not achieved yet in their multidecade history, not naming any names, but I am very proud of that fact. And so we continue on this road, and I think we are going to end up in a very, very good place by the time I leave office.

U.S. GOVERNMENT ACCOUNTABILITY OFFICE: EINSTEIN REPORT

Ms. ROYBAL-ALLARD. The GAO recently issued a report on the national cybersecurity protection system, also known as EINSTEIN, and the report was somewhat critical, and I know that you took issue with some of its conclusions. What do you think the GAO report got right and what did it get wrong?

Secretary JOHNSON. I hope the members of this committee saw the statement that I issued after the GAO report came out. I agree with much of what GAO says, but, GAO, in my view, did not adequately note all the progress we have made to cover the entire Federal civilian system over the last 12 months or so. Last May, only about 20 percent of the Federal civilian.gov system was covered by EINSTEIN 3A, which has the ability to block intrusions. I gave a charge to my staff that I want at least one aspect of EINSTEIN 3A available to every department and agency across the civilian and Federal Government by the end of last year, and then we met that deadline. And it is my goal, before I leave office this year, that all Federal departments and agencies across the civilian.gov system will have the EINSTEIN 3A system online. We are on target to do that. That is a mandate in the new cybersecurity law as well.

The other thing I will note is that EINSTEIN 3A has the ability to block known, unwanted intrusions, known intrusions, known bad actors, known bad signatures. It provides a platform for a future technology to block suspicious or suspected bad signatures. So that is a virtue of Einstein 3A. Currently it can block known signatures that are bad, but in the future we want technology to block suspected as well. That was something GAO noted, and it has the potential to do that.

Ms. ROYBAL-ALLARD. I have a few more seconds, so I just want to ask one follow-up question. It has to do with the Department's cybersecurity mission through NPPD. It is focused not only on Federal Departments and agencies, but also on State and local governments and the private sector, and the recently enacted Cybersecurity Act included liability protections for private sector companies when they share information with the Federal Government about cybersecurity threats. How has this new liability protection been received by the private sector, and are you seeing a greater willingness to partner with DHS on information sharing?

Secretary JOHNSON. We are in the implementation phase right now. Congress gave us firm deadlines for implementing this, which we are meeting. I would say that, given that the law was passed

in late December, it is a little too early to tell, but I do know that liability protection was something we heard over and over again that the private sector wanted, and we have met that need, so it is a little too early to tell at this point, ma'am.

Mr. CARTER. Mr. Frelinghuysen.

URBAN AREA SECURITY INITIATIVE

Mr. FRELINGHUYSEN. Mr. Chairman, it is a pleasure to welcome a fellow New Jersey resident, the Secretary here this morning, and thank you for the leadership you have provided that Department and the tens and thousands or hundreds of thousands of employees who do some pretty remarkable things.

You and I come from a region, although you have a responsibility for the entire Nation, which experienced September 11, 2001. And may I say to our Tunisian guests, we know that you suffered a similar tragedy, and when your country is attacked, that there has to be a response. Part of our American response for our region was what we call UASI, the Urban Area Security Initiative. Many of us feel, and I am sure you have felt the heat from both the House and Senate, that some of those reductions would have some consequences. Could you briefly describe how you reached those decisions and whether there is a possibility of some reconsideration? Thank you, Mr. Chairman.

Secretary JOHNSON. Congressman, the UASI grants and the State-level grants are, in my judgment, very important to our vital Homeland Security mission. I have seen firsthand at active shooter training exercises, like the one I visited in New York City in November and the one I visited a couple weeks ago in Miami, the importance of our funding. It goes for communications equipment, police overtime, surveillance equipment, and active shooter training. The current budget request again reflects hard choices to live within the budget caps agreed to between the executive branch and the legislative branch. I support this. I support this request. Ultimately, it is up to appropriators to, in your wisdom, make a determination about what you think are the appropriate levels, but we had to make some hard choices and those are reflected in the current request.

Mr. FRELINGHUYSEN. Indeed, I am sure with the chairman's leadership, we will make some of those choices. Thank you, Mr. Chairman.

Mr. CARTER. Mr. Price. And Mr. Price, thank you for including our friends from Tunisia in this hearing today.

IMMIGRATION ENFORCEMENT: POLICY

Mr. PRICE. Thank you, Mr. Chairman. I do want to welcome our friends from the Tunisian parliament, and we will look forward to meeting with them later today under the auspices of the House Democracy Partnership. We are very, very glad to have you here.

Mr. Secretary, welcome to you. It's good to see you again, and I commend you, again, for the leadership you have shown at the Department. I want to give you a chance, in fact, to talk about one of the most difficult and contentious areas that we know you are dealing with, and that is, immigration enforcement. You have made a hallmark of your leadership focusing enforcement, focusing depor-

tation on criminal elements and the people who most pose a threat to this country. That is something that I stressed as chairman and ranking member of this subcommittee, and we all have a stake in seeing that focus effectively implemented.

That was the idea, of course, originally of Secure Communities, but as you well know, the implementation of secure communities was not as focused as it might have been and gave way, I think appropriately, to the Priority Enforcement Program which you have led in implementing.

I know in your full statement here, you have a discussion of this, and I want to give you a chance to articulate that here in open session. You say that now you are to the point where the percentage of those in detention is about 85 percent of the people who are the top priority for removal, and I want to know exactly what that means. I do think there is an ambiguity here, and I want to get you to talk about it, because we do have these recent arrivals from Central America, many of them children, women, people who are fleeing terrible conditions, and there has been some question, as you know, about the access of these people to a full hearing that will let them make the case for refugee status.

And there have also been questions, including a very high-profile case in my own district, of these individuals being targeted for deportation. These anecdotes are not representative probably of the overall picture. At the same time, they are real cases. They are real people, and they often, it doesn't take too many of these cases to have a real contagion effect I think in the immigrant community. This particular case was a young man, a recent arrival, who was eligible for apprehension and detention, eventual deportation, picked up on his way to school. Raises questions about—and, of course, he is not in that criminal element or anywhere near it. Yet it does raise questions about who is in this category of priorities for deportation and how are these cases handled.

So I would appreciate your addressing that sort of situation, but more than that, I want you to talk about your assessment of how successful you have been in getting this focus implemented on people who really should be deported and who do pose a danger?

Secretary JOHNSON. Congressman, thank you for that question. I tell audiences, Democrats and Republicans, that immigration and enforcement policy has to be two sides of the same coin. On the one hand, those who have been in this country for years, who have committed no serious crimes, who have children who are U.S. citizens, or who are lawfully present here, are not priorities for removal, and we don't have the resources to remove them. On the other hand, there are those, as you noted, who are threats to public safety, convicted criminals, and our new policy that we announced in November 2014 makes a sharper, more concerted effort to focus on that population of undocumented, removable individuals.

At the same time, we are also focused on border security, and that same policy that I wrote in November 2014 says those apprehended at the border are in Priority 1 for removal, and Priority 2 are those who, while not apprehended at the border, came into this country illegally after January 1, 2014.

So there is the public safety aspect of our new policy, but there is also the border security aspect. We have to keep our borders

under control, in my view. And that will mean interior enforcement against those who have been ordered removed by an immigration court; their appeal time has run; and they have no pending asylum claim. Those people are priorities for removal, and we have to enforce the law consistent with our removal priorities.

In terms of the convicted criminals, you noted secure communities. We saw an increasing level of resistance among State and local law enforcement to cooperating with our immigration enforcement personnel with respect to secure communities. Something like 14,000 detainers were not acted upon by sheriffs and local law enforcement around the country in, I think, fiscal 2014, and that was creating a real public safety problem for us, releasing dangerous removable criminals to the streets so that our immigration enforcement people have to round them up all over again.

So we put in place, as you know, the Priority Enforcement Program to replace Secure Communities, which I believe resolves the legal and political controversy. We have seen, so far, pretty good acceptance of the program.

Of the 25 largest jurisdictions that were not working with us on Secure Communities, 16 have now come online to work with us with the new program. That is good for public safety.

In terms of the anecdotes you referred to, sir, I hear them too. Very often, our enforcement personnel, they run them down, and they find that the facts were not quite as the rumors suggested. But one of the reasons for the statement that I issued in early February was to note, first of all, that the numbers of those apprehended on the southern border have gone down significantly since the beginning of the year, but also to make clear to the public, again, who are not priorities for removal. And our folks in ICE and at headquarters are working on reiterating also our sensitive location guidance for the public, to reiterate the places where our people will not go to apprehend undocumented immigrants, and it is in the works right now, sir.

Mr. PRICE. I know my time is expired. I want to return to this, but thank you, Mr. Chairman.

Mr. CARTER. Thank you, Mr. Price.

Mr. Fleischmann.

COUNTERING VIOLENT EXTREMISM

Mr. FLEISCHMANN. Thank you, Mr. Chairman. Mr. Secretary, good morning, sir. Mr. Secretary, as you know, I represent the Third District of Tennessee. My hometown is Chattanooga. Before I ask some questions, I wanted to personally thank you and the Department. Our community went through a terrible terrorist attack, a homegrown terrorist attack last year. We lost five valiant service members, four Marines, one sailor. The sense of personal loss was horrible. The community suffered a great sadness. But your call that day and the Department's response to my requests in the days and weeks afterwards were much appreciated, and I want to report to you that Chattanooga is a strong, resilient city. We are Chattanooga strong, but, again, thank you for your concern and outreach to us, sir.

It is in that response that I am going to ask some questions. It has been made abundantly clear by that attack that we live in a

very dangerous world, that there are real threats out there, and that we are all in this together. I think it is so important that we work together to thwart any of these threats. I hope we never have to see anything like that again.

In fiscal year 2016, Mr. Secretary, Congress provided $50 million above the request from DHS to help States and local communities prepare for, prevent, and respond to emerging threats from violent extremism and from complex coordinated attacks. The fiscal year 2017 request includes $49 million to create a grant program for CVE.

I have a three-part question, and in the interest of time, I will go in order. What is the Department's overall strategy for countering violent extremism like that which led to the attack in Chattanooga? My second question is how does DHS plan to use the $50 million provided in fiscal year 2016, and the new grant program proposed in fiscal year 2017 to support these initiatives? And my third question, Mr. Secretary, is what goals and metrics will DHS use to determine the effectiveness of these programs, sir?

Secretary JOHNSON. Congressman, those are all good questions. And what happened in July in Chattanooga is a reflection of the new type of terrorist threat we face where lone actors, or actors in pairs, could strike at any moment in almost any community around the country. I believe, therefore, that our engaging communities across the country, and, in particular, Muslim communities across the country, in cities like Chattanooga or San Bernardino or Minneapolis or Boston or Houston, or wherever, are critical, and I want to take it to a new level. We have been visiting a lot of these communities as much as we can.

I have personally gone to about a dozen cities for our CVE purposes to engage communities, build bridges, hear what they have to say, and encourage them to cooperate with State and local law enforcement, but we want to take it to a new level. This is the overall strategy. We want to take it to a new level where we encourage the tech sector to help Muslim leaders, in particular, with the counter message, the message to counter the message of recruitment of the Islamic State.

We also want to help a lot of these communities with resources, support their local activities. This can't all occur at the Federal level. That was the reason that I requested the $50 million in 2016, and we are requesting the $49 million in 2017. It is for use at the local level with resources and programs, to engage youth, to help them steer their energies in a different direction. I think this is a vital Homeland Security mission given the current global terrorist threat that we face.

In terms of the goals for success, the metrics for success, that is a little difficult to measure because we are not always in a position to know who was deterred from going on the wrong path. My metrics for success are how many different potentially affected communities can we touch across the country? My personal goal is to visit every major metropolitan area in this country that has a significant Muslim population, which I think I am on the way to doing. But building bridges to these communities and seeing that countermessage amplified locally and nationally and internationally are my basic metrics for success. I do appreciate that we are

seeing, on a bipartisan basis, Republicans and Democrats in Congress supportive of our CVE efforts through appropriations and through authorizations. I do appreciate that.

Mr. FLEISCHMANN. Thank you, Mr. Secretary. Mr. Chairman, I yield back.

Mr. CARTER. Mr. Cuellar.

IMMIGRATION ENFORCEMENT: OPERATION PHALANX

Mr. CUELLAR. Mr. Chairman, thank you, and ranking member also. Mr. Secretary, thank you for the job that you do. I know it is a difficult job. On one side, my colleagues, the Republicans, say that you are deporting too many people, and on my side, the Democrats are saying you are deporting too many people, not enough, maybe too much.

So I understand your job is very difficult, and I appreciate the good job that you are doing. I also appreciate you were down there in Laredo this weekend. Mr. Chairman, he was there. He did the Washington Birthday celebration, walked the whole parade on the streets of Laredo. We just didn't have the music behind us, but he walked the streets of Laredo, and thank you. You were there to open the first preclearance of Mexican Customs being in the U.S. territory to preclear cargo, so we actually have Mexican Customs in our territory, first one. We started this 4½ years ago under President Calderone, and I am glad that you were able to finish this program, and we want to thank you so much for doing that.

The other part that I want to say is I do support the work that you are doing on deportation. It is hard. I support full immigration reform. But, again, if we don't enforce an immigration order after all the appeals have gone through, and they have had their day in court, then why do we need Border Patrol? Why do we need immigration judges and members? As you know we added moneys, 55 new immigration judges this last year. Why do we have detention centers? As you know, I added some language to have transparency to make sure that whoever is there is treated with respect and dignity and provided the care once they are in our hands. I just wanted to say that I know that is a very difficult issue. Some people attack you on one side, and the other side they will attack you. But, again, I appreciate your measured approach to this very difficult time.

I do have two questions: One has to do with the Cubans coming in, but I will save those for the next—I assume we are going to have another question on that. I will save that because, as you know, in the last 2 years out of the 67,000 Cubans that have come in, 47,000 have come through the Port of Laredo, but I will save that for the next one.

I want to talk to you about the letter that Governor Abbott and myself sent. I thank you for your response. I do want to follow up on this, but I know that on your statement, you put there that the unaccompanied kids and the families have gone down 65 percent from December of 2015 to January of 2016, a 1-month difference.

Again, that is always good news. The numbers I was actually looking at, Mr. Secretary, were 4 months, from 2015, October 1, 2015 to the end of January; and then compare it to the same 4 months of fiscal year 2016. Actually, the numbers are an increase

of 171 percent for family units, and for unaccompanied kids, it is 102 percent. Pure numbers, in fiscal year 2015, we had 9,000 families, and fiscal year 2016 it went up to 24,000. This is only those 4 months. And for unaccompanied kids for those 4 months, from 10,015 to 20,000-plus.

So, again, I appreciate the numbers you are using for 1-month difference, but I would like to look more at a trend, and, again, the trend that you pointed out it is important.

The question I have is the letter that Governor Abbott and I sent, and, again, we will follow-up at a different time, but we thought it was a 50 percent cut in National Guard aerial support. You're saying it is a 5 percent. I want to sit down and work this out with you and get this cleared up. But I do want to thank you, but do you have any thoughts on Operation Phalanx? And again, I appreciate your good work.

Secretary JOHNSON. Yes, sir. A couple of things. First, as Congressman Cuellar noted, I was at the 119-year-old International Bridge Ceremony in Laredo, Texas, last Saturday. It is a quite remarkable ceremony where two kids from the U.S. side and two children from the Mexican side walk across the bridge, meet midway at the bridge, and hug each other, followed by us grownups. And afterward, there is a huge parade in Laredo, Texas, and the Congressman and I participated in it. I said, Henry, why don't we walk? He said I haven't done that since I was 12 years old. We walked. We must have encountered probably 10,000 people that day. He said something to me that I still remember, which is "These people want immigration reform, but they also want the border kept under control." And I said, "Well, I am with them." So it was a great day. I can attest that Congressman Cuellar is extremely popular in Laredo, Texas. I was basking in his glow during that parade.

The numbers of migrants apprehended on our southern border, I look at every single day. First thing, along with my daily intelligence report, I get this report right here. And you are correct, Congressman, that compared to the fall of 2014, the fall of 2015 was much higher. That is absolutely correct. I drew the contrast between December 2015 and January 2016 because the numbers in the fall of 2015 were rising, and they fell off sharply at the beginning of the year as reflected in this chart right here, the blue line. That trend has continued in February 2016 on a daily basis. I look at this every single day, and I look at it 12 different ways. The numbers for January and February 2016 are almost exactly like they were in January and February 2015. That is a good thing.

But there is always the seasonal uptick. We can count on the seasonal increase in the spring, which we have to watch and we have to be prepared for. I am just glad that the numbers fell off sharply at the beginning of the year. No one wants to see, for humanitarian reasons and for resource reasons, another crisis like we had in the summer of 2014.

In terms of the flight hours, I do believe it is important to look at the big picture. Over the last 5, 10 years, CBP itself has added much to its own capability in terms of flight hours, in terms of other resources at the border, such that we were able to give back to DOD [the Department of Defense] about half of what they had

been giving to us over the last 6 years in flight hours. The overall decrease in flight hours was about 5 or 4 percent, but that is alongside a lot of other additions we have made to border security since Operation Phalanx started.

So I hope I have answered your question. I am happy to have a further discussion with you on that. I have more detailed numbers right here.

Mr. CUELLAR. Thank you.

Mr. CARTER. Dr. Harris.

H–2B VISA PROCESS

Mr. HARRIS. Thank you very much. Thank you, Mr. Secretary. Your plate is obviously full. Your Department has a tremendously important mission. And I am just going to focus on one of those little areas that is forgotten about. It is a follow-up actually, I think, to what we talked about last year, and that is the H–2B visa process. In my district, as I am sure in areas of New Jersey where you have a lot of seasonal employees, our businesses depend on these workers. I mean, they depend on them. They depend on the government working smoothly with them to enforce the law, and to provide those workers so critical to them. And as we know, each H–2B visa that is issued actually improves our economy. Now on page No. 1 of your budget submission, it says that the goal of the Department has wide-ranging operations that keep our Nation safe and prosperous. I am sure you agree with that?

Secretary JOHNSON. Yes, sir.

Mr. HARRIS. But part of the prosperity is try to get our GDP growth above 2 percent, and if our Federal bureaucracy is impeding that growth, making our employers, as they are in my district, suffer—look, part of the problem is not yours. It is that you are one of the three silos that affect H–2B visas. You have got the Department of Labor. You have got your Department. You have got State Department. And, you know, I criticized your Department last year when the Department of Labor decided on that court case that eventually was stayed. When they decided to stop taking applications, I criticized your Department for stopping to take applications, too, because I understand that silo isn't doing its job, but I criticized it.

Now this year—and you know what happened last year; inadequate number of first half-year visas were issued. Those are the people who are going to work in my district, whether it is processing seafood, whether it is a seasonal employment, tourism industry, whatever, and they were upset, and they were justifiably upset.

So let's fast forward. Omnibus bill gets passed. Clear language in the Omnibus bill. It can't get clearer. I mean, I am quoting from it: Workers who worked in the last 3 years shall not, again, be counted toward such limitation during fiscal year 2016. It doesn't say following enactment of this bill. It says during fiscal year 2016. And yet, the Department has issued the guidance that this only counts for applications pending after December 18, the signature of the bill.

Wow. You can't get clearer language of intent of Congress that this was going back to the policy back in the early 2000s. This is

a clear parallel, and the Department decided that they were going to—pardon my expression—screw the employers who applied before December 18 or those people in the first half of the year, by disregarding any recurring applicant during that time from counting toward—removing them from counting toward the cap.

So I have got to ask you, does the Department intend on not counting those applicants who are returning workers with pending applications for December 18 toward the cap? What is the deal? I mean, the intent of Congress seems clear.

Secretary JOHNSON. Congressman, you asked me a very precise, specific question that sitting here right now, I can't give you an informed answer to.

Mr. HARRIS. Thank you, and I appreciate your honesty. Look, we are talking about all the immigration things and Homeland Security. I don't expect you honestly, Mr. Secretary, to know that, but could you get back to me about that?

Secretary JOHNSON. Yes. You are asking a very legitimate, informed, intelligent question, so I do want to give you, or try to give you a legitimate answer.

[The information follows:]

Representative HARRIS. Thank you, and I appreciate your honesty. Look, we are talking about all the immigration things and Homeland Security. I don't expect you honestly, Mr. Secretary, to know that, but could you get back to me about that?

Secretary JOHNSON. Yeah. You are asking a very legitimate, informed, intelligent question, so I do want to give you, or try to give you a legitimate answer.

RESPONSE: Changes to the law generally are applied to cases pending on or after the date of enactment, unless Congress expressly provides a retroactive or a delayed effective date. The previously enacted returning worker provisions expressly made them retroactive to the start of the fiscal year, although they were enacted after that date, and were implemented accordingly. See sec. 402(b) of Div. B, Title IV of P.L. 109–13 and sec. 1074(c) of Div. A, Title X of P.L. 109–364. There is no such effective date language, however, in the Consolidated Appropriations Act, 2016 (P.L. 114–113). Therefore, the returning worker provision is not applied retroactively to H–2B petitions adjudicated before the December 18, 2015, date of enactment.

Further, 402(a) of Div. B, Title IV of P.L. 109–13 provided a waiver of the certification requirement in INA 214(g)(9)(B)(iii). The Consolidated Appropriations Act, 2016, did not contain any provision that would allow petitioners seeking returning workers to forego the statutorily mandated certification requirement.

United States Citizenship and Immigration Services (USCIS) has created a process to assist employers who had petitions pending or approved on or after December 18, 2015, but did not certify H–2B beneficiaries as returning workers. This process allows H–2B employers to redesignate certain H–2B beneficiaries as returning workers until March 4, 2016, and enables USCIS to deduct numbers that had already been "charged" against the H–2B cap.

Mr. HARRIS. Thank you. I would appreciate it if you would get back to me because on page 71 in the U.S. CIS section of your budget, it says that the service to the public of this is to provide accurate and useful information to its customers. I am going to ask you in your perception, who is the customer of the H2B program?

Secretary JOHNSON. The users of the visas, but I suspect also probably their employers.

Mr. HARRIS. Their employers. So I would ask you because if you go to your Web site right now, it seems to indicate that the cap has been reached by numbers this first half of the year, and yet, you don't have the data about returning workers yet. That is not useful and accurate information to your customers, and I understand how

it is hard because you have got to depend upon State to get back to you and all the rest.

But, Mr. Secretary, I just beg you, please, respect the intent of Congress here. Reverse the devastation to these industries that occurred last year because of this. And Congress is clear. We think that the returning workers should not count toward these. I will just ask you to get back to me on whether or not this December 18 guideline is true, that you are not going to count returning workers if their applications were pending then, and whether or not when the employers submit their certifications about returning workers on March 4, whether you are going to just allow all those returning worker certifications for the whole fiscal year to do that, to not count.

And then finally, has the management of the cap estimation—and, again, I understand we are working three silos. You depend upon something downstream to give you feedback. You have got to improve that process somehow. Tell us if there is anything we can do to improve it so that we just follow the letter of the law. I mean, it is just that simple. My employers, they are willing to do whatever it takes to follow the letter of the law, but they are incredibly frustrated by a moving target.

And what we are providing, as you can understand when you estimate that, for instance, your estimate of caps appears for this first—not to have taken into account any returning. And the estimates on returning is it could be up to 70, 80 percent of these applications are from people who are returning. This is a significant problem if you stop accepting applications or discourage applications because you haven't discounted the returning workers. So please work with us. Again, I understand safety is big, but prosperity should be big, too. And I yield back.

Secretary JOHNSON. Thank you for that. I am going to look into this, sir.

[The information follows:]

Representative HARRIS: . . . And what we are providing, as you can understand when you estimate that, for instance, your estimate of caps appears for this first—not to have taken into account any returning. And the estimates on returning is it could be up to 70, 80 percent of these applications are from the people who are returning. This is a significant problem if you stop accepting applications or discourage applications because you haven't discounted the returning workers. So please work with us. Again, I understand safety is big, but prosperity should be big, too. And I yield back.

Secretary JOHNSON. Thank you for that. I am going to look into this sir.

RESPONSE: 8 C.F.R. 214.2(h)(8)(ii)(B) provides that USCIS will make projections of the number of petitions necessary to achieve the H–2B cap, taking into account historical data related to approvals, denials, revocations, and other relevant factors. These other relevant factors include:

- The number of H–2B petitions received;
- The number of H–2B beneficiaries covered on each petition;
- The number of H–2B petitions pending adjudication, and
- Department of State (DOS) visa refusal and visa issuance rates for H–2B visa applicants.

In order to fulfill the statutory responsibility for managing the H–2B cap, USCIS monitors this information and refines its projections based on changes in the program and the factors listed above. Relevant factors, such as yearly data on the visa issuance rates, may change according to the number of petitioners seeking H–2B workers, among other things.

Through continued collaboration with DOS, USCIS receives more detailed and more current visa issuance data than in previous years. This additional information has been a new and valuable improvement to the H–2B cap analysis. We wish to

emphasize, however, that it is not possible, at the time that USCIS approves a petition, to know whether a given beneficiary or beneficiaries - who are in most cases unnamed persons outside of the United States—ultimately will be determined eligible for H–2B visa issuance and/or admitted to the United States.

Note that, effective December 18, 2015, H–2B workers identified as returning workers are exempted from the Fiscal Year 2016 annual H–2B cap of 66,000 visas. As another example of the ongoing refinement of USCIS projections, we recently have incorporated this exemption into our H–2B cap analysis.

To provide H–2B petitioners with current information regarding cap numbers, USCIS maintains the H–2B cap count Web page with regular updates.

Mr. CARTER. Ms. Kaptur.

COUNTERDRUG INTERDICTION: COAST GUARD

Ms. KAPTUR. Thank you very much, Mr. Secretary. Welcome. Thank you for the very constructive efforts you are putting forward at one of the largest departments in our Federal Government. Congressman Bennie Thompson of Mississippi and I were just singing your praises yesterday, so thank you for all your effort.

In your budget request, you are asking for an additional $381,250,000 this year. That is a lot of money. That is more money than some smaller agencies operate on. Meanwhile, in the region that I represent, which is exactly the other end of the country from Congressman Cuellar, my neighbor here, at the Canadian border, Lake Erie, from Cleveland to Toledo, with the 8th largest amount of road miles, paved roadways in the country, we have a massive heroin and opioid epidemic. It is crippling. I just left earlier in the week a meeting with the Cleveland region, the Cuyahoga County Northeastern Ohio Heroin and Opioid Task Force. We have a similar one on the western side of the State. The failures to deal with the Sinaloa cartel have crept far, far north from the border. 10 percent of the deaths in the region are now responsible, are due to opioid and heroin addiction.

In your budget, you state, beginning in the fall of this year, the Coast Guard will convert eight of its Great Lakes boat stations to seasonal summertime units, and these stations will suspend operations prior to winter and resume in the spring when boaters return. What I would really like to request of you, if possible, would be to send some brilliant person from your Department to our northern border. On page 3 of the submission, we have gotten for your testimony, you have a section called Secure and Manage Our Borders, but it focuses on the southern border, and in that region, you have set up, you say, for the first time, joint task forces involving the Border Patrol, ICE, Citizenship and Immigration Service, Coast Guard. I would like to add to that all of our local sheriffs in our region, our U.S. attorney, our U.S. marshals.

We really need to meet with you. I have made a request 1 year ago during your budget, during your submission to this subcommittee, to have someone visit. No one ever has, and the situation has gotten worse. To have cuts in our region in any part of your Department is troubling to me. I would like to help you focus those activities to where they would do some greater good for the people of our region.

So it appears as though the Coast Guard, in your request, will spend $2 billion on counterdrug interdiction operations. I would hope that some of that could be targeted to our area, but not just

through the Coast Guard. I think we need a more streamlined task force for our region. Can you help me with that?

Secretary JOHNSON. Yes, ma'am, and I know that in addition to the Coast Guard interdictions at sea, a large part of Homeland Security investigations is part of our interagency task force to deal with the heroin epidemic, but there is always more we can do with adequate funding from Congress. We are very aware of the heroin epidemics that are stretching across multiple regions of this country, and so HSI [Homeland Security Investigations], and the Coast Guard have been working with DEA [Drug Enforcement Administration] and Department of Justice, in a very focused way, to try to address this problem. I have been very pleased by the Coast Guard's interdiction efforts at sea just over the last year, but there is always more we can do.

Ms. KAPTUR. I guess I would say, you know, I have the largest coast line in the southern Great Lakes, and it is important to deal with the water, but to cut Coast Guard in this region right now without having a broader discussion about stopping the contraband trade, which, by the way, blends into labor trafficking and human trafficking, in a region like ours where we have turnpikes and major interstates, it is a big problem, and I would really beg you to send some top-level person from your Department. I have waited over a year now, and I know it is a big country, and there are 435 congressional districts, but if you look at the maps of the heroin and opioid trade, our region lights up bright red. And, so, I think there is a priority here, and I am just asking if you could help me?

Secretary JOHNSON. I am actually planning to visit Cleveland this year.

Ms. KAPTUR. That it really good news. We will work with you on every level, but I would ask you to involve all of the counties in the north. And, quite frankly, I see Border Patrol sitting out there on our roadways looking for those who are here, the undocumented, but we need an emphasis on this drug trade.

So, I think I have made my point, and I really would appreciate either you, or if you could send a deputy before your arrival, so we could meet with all of our sheriffs and so forth. The connection between the sheriffs and the Federal departments is not so perfect.

TEMPORARY PROTECTED STATUS: EL SALVADOR, HONDURAS, GUATEMALA

Ms. KAPTUR. And we need to work at that. So if there is an individual, with your budget, you have a gigantic budget, surely there is someone in your Department you can send to our region. And I hope someone from your staff will get back to me after this hearing on that.

The other question I wanted to ask very briefly is, we have gotten, Mr. Chairman, this will be really short, we have gotten academic studies showing, local news reports from El Salvador, Guatemala, and Honduras, that 83 people were killed in 2014 after being deported by our Government to those three countries. A human rights request has been made to provide temporary protected status for people who are arriving from El Salvador, Guatemala, and Honduras. Can you provide any insight on the acceptance of this request and what our Government is doing to provide safe havens,

perhaps with other countries, so that these people are not killed when they return back home?

Secretary JOHNSON. Well, there is currently TPS for Honduras and El Salvador based upon events years ago. There is a pending request for TPS from Guatemala. I saw the same report you referred to about the 83 individuals. I don't know the accuracy of it. I don't know when those individuals were deported. But, as you know, Congress last year, for this year, appropriated $750 million for aid to Central America, which we have been urging and advocating. So that is very much going to, I think, contribute to the overall improvement of the region.

The president of Guatemala is going to visit here in a couple of days. We will continue the conversation that we began with him on his inauguration day about working together to address the poverty and violence in Guatemala, Honduras, and El Salvador. That is a push factor that results in the illegal migration that we see on our southern border. And it is a powerful push factor that motivates young children to want to come here all by themselves.

So as long as those conditions and push factors exist in Central America, we are going to continue to deal with this problem irrespective of the number of Border Patrol agents we authorize and appropriate every year.

Ms. KAPTUR. Thank you very much. Thank you, Mr. Chairman.

Mr. CARTER. Once again, we are trying to stick to the 5-minute rule so that we can give everybody a chance. I will now recognize Mr. Young last in this round. And we will have another round.

CYBER ATTACKS: INFORMATION-SHARING WITH STATE GOVERNMENTS

Mr. YOUNG. Thank you, Mr. Chairman. And I want to thank my colleagues. Here we go again, right? Ranking Member Roybal-Allard, good to see you.

Secretary Johnson, welcome. Thanks for what you do. Thank you for your service. You got a big job. And I respect you deeply for what you do. I know you get a lot of requests from Congress. I and my colleagues, we sent a letter to you on December 4, haven't received a response yet. I am hoping that is in the works. If you need a copy of that letter, we will get it to you. If the reply is sensitive information, we request a brief on that. So just a point of note there.

Secretary JOHNSON. I don't recall the nature of the letter.

Mr. YOUNG. We'll share it with you before we leave here today to make sure you have it. It regards refugees. Iowa Homeland Security Emergency Management recently expressed concerns, and maybe you have heard from some other State emergency management agencies as well, just about information sharing, should there be a cyber attack, and when there are cyber attacks. What information is shared with State officials regarding national cyber threats? And in the event of a national cyber attack, what role would the States play in countering or recovering from such an attack?

And when States are attacked, cyber attacked, what kind of information and role do they play in sharing that information with you?

Secretary JOHNSON. Congressman, thank you for that question. First of all, the cyber threat directed at State governments is very

real. And it is not just a threat. It is an ongoing problem. I just had this exact conversation with a number of Governors, about 10 Governors. With regard to greater information sharing between the Department of Homeland Security and State governments, we have a subcommittee of our Homeland Security Advisory Committee, tasked to develop a comprehensive plan right now. There is already a dialogue that exists.

There is a dialogue that exists through a not-for-profit agency, the name of which I have forgotten at the moment. And there is technology available, something called the Albert system available, to pass information from the Federal Government to the State government; 39 of 50 States, as I recall, are online. And I am encouraging all 50 States to be online in that. I do believe that State governments have a role and have a need for cyber threat and cybersecurity information, particularly as it regards critical infrastructure in your State.

So this is a conversation I had just, I think, Monday with Governors. And I think it is an important topic. And we are continuing to make efforts to improve the information sharing.

BIOWATCH GEN–2

Mr. YOUNG. Thank you very much, Secretary. A final point, in November, there was an article in the Washington Post and it regarded the BioWatch Gen–2. It detailed a GAO report which stated the Government lacks reliable information about whether the current generation, Gen–2 of the BioWatch program, is capable of detecting a biological attack.

Following the GAO report on the BioWatch program, what steps is DHS taking to implement the GAO's recommendations, and is there any need, does Congress need to do something as well on this to put something into law? What can we do to help?

Secretary JOHNSON. I know that we have taken very seriously that GAO report. I know our Science and Technology Directorate is focused on addressing the concerns by GAO. With regard to potential help from Congress, I would like to consult my staff and get back to you in an informed way.

[The information follows:]

Representative Young: Thank you very much, Secretary. A final point, in November, there was an article in the Washington Post and it regarded the BioWatch Gen-2. It detailed a GAO report which stated the Government lacks reliable information about whether the current generation, Gen-2 of the BioWatch program, is capable of detecting a biological attack.

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Secretary Johnson: I know that we have taken very seriously that GAO report. I know our Science and Technology directorate is focused on addressing the concerns by GAO. With regard to potential help from Congress, I'd like to consult my staff and get back to you in an informed way.

RESPONSE: Although the Government Accountability Office's (GAO) recommendations are directed to DHS's Office of Health Affairs (OHA), the DHS Science and Technology Directorate (S&T) has been closely assisting and coordinating with OHA to implement GAO's report recommendations. A number of tests have been conducted to determine if the BioWatch system is capable of detecting airborne pathogens, the source of a potential bioterror attack. Using simulants, the BioWatch system has shown its ability to detect the release of a bioagent, giving us confidence that if an actual attack were to occur, the deployed BioWatch collector and analysis system would operate as planned.

Prior to the release of the subject GAO report, S&T established the Biosurveillance Apex program with the goal of providing near-, mid- and far-term technology support and options to BioWatch and the National Biosurveillance Integration Center programs. When the GAO report was issued, S&T reevaluated the program and decided to restructure several tasks within its Apex task portfolio to deliver enhanced capability earlier than planned. We have no additional requests for Congressional support.

The following narrative provides the four recommendations, with which the Department concurred, from GAO's report, GAO-16-99, "BIOSURVEILLANCE: DHS Should Not Pursue Bio Watch Upgrades or Enhancements Until System Capabilities Are Established" and DHS's progress to address the four recommendations. Portions of this response have been taken directly from DHS Office of Legislative Affairs' January 22, 2016, 60-day letter to Congress.

The report stated: To help ensure that biosurveillance-related funding is directed to programs that can demonstrate their intended capabilities, and to help ensure sufficient information is known about the current Gen-2 system to make informed cost-benefit decisions about possible upgrades and enhancements to the system, the Secretary of Homeland Security should direct the Assistant Secretary for Health Affairs and other relevant officials within the Department to not pursue upgrades or enhancements to the current BioWatch system until OHA:

Recommendation 1: Establishes technical performance requirements, including limits of detection, necessary for a biodetection system to meet a clearly defined operational objective

for the BioWatch Program by detecting attacks of defined types and sizes with specified probabilities.

September 2015 Response: Concur. The BioWatch Program has already completed a series of tests and evaluations that establish the performance and capabilities of currently deployed technologies. These tests include chamber testing against killed agents and an operational demonstration against live simulants. Results of these tests provide the baseline performance requirements for any future technological improvements. The BioWatch Program will also consider, pending available resources, including additional system performance measures, such as the *Probability of Detection* that the draft report references, to augment and validate the system's ability to detect attacks. Estimated Completion Date (ECD): To Be Determined (TBD).

January 2016 Update: The BioWatch Program held a kick-off meeting with the experts from Sandia, Argonne, and Los Alamos National Laboratories in December 2015 to outline a strategy and tasks for comparing performance estimates derived from models using estimated limits of detection with the same models using data observed from test and evaluation events described above. If experimental results prove to be significantly different for estimated limits of detection, then the BioWatch Program will reassess performance measures. ECD: April 30, 2016.

March 2016 Update: At the request of the BioWatch Program Office, DHS S&T's Test and Evaluation Office initiated a detailed review of all the previous BioWatch test events. Estimated completion date for this review is April 2016. Recommendations from this review will be provided to the BioWatch office for coordination with ongoing program evaluations and acquisition activities.

Recommendation 2: Assesses the Gen-2 system against these performance requirements to reliably establish its capabilities.

September 2015 Response: Concur. The results of testing and evaluation events referred to in the response to Recommendation 1 above have already been incorporated into existing modeling and simulation studies. However, should a significant difference between *Fraction of Population Covered* and *Probability of Detection* be observed, the BioWatch Program will consider additional modeling and simulation studies to determine the performance capabilities of the operationally deployed Gen-2 BioWatch System relative to the new operational objective in specific BioWatch jurisdictions. ECD: TBD.

January 2016 Update: The BioWatch Program is working with the national laboratories to assess the performance of current models using limits of detection derived from test and evaluation events. Initial modeling efforts will focus on jurisdictions that are representative of small, medium, and large jurisdictions. The Program will review the results from these modeling efforts and determine if modeling of additional jurisdictions is warranted. Current and alternative results from modeling using current and estimated performance measures will be compared, and if found significantly different, models will be calculated for each jurisdiction using experimentally derived limits of detection. ECD: April 30, 2016.

March 2016 Update: DHS S&T's Biosurveillance Apex Program is involved with this assessment and will adjust ongoing and planned technology development tasks and acquisition strategies per the National Lab's recommendations to meet program requirements.

Recommendation 3: Produces a full accounting of statistical and other uncertainties and limitations in what is known about the system's capability to meet its operational objectives.

September 2015 Response: Concur. The BioWatch Program believes it already sufficiently understands the statistical uncertainties and limitations associated with fully testing and documenting the system capabilities, as described in test plans and guidance documents that have been provided to the GAO. However, the Program agrees that there is value in consolidating this information into a single, comprehensive document, which it will do. It is important to recognize levels of uncertainty and limitations are inherent in any complex technical system and the BioWatch system has undergone extensive testing and evaluation during the last decade and achieved proven operational success in the detection of airborne biological organisms of public concern, which can speed response to and recovery from a bioterrorism event. ECD: April 30, 2016.

January 2016 Update: The BioWatch Program is working with the national laboratories to develop a single, consolidated report documenting the assumptions made during testing, as well as statistical and other uncertainties and limitations of the BioWatch system's capability to meet its operational objective.

The BioWatch Program has developed a "BioWatch System Performance" briefing that describes the test and evaluation strategy used to measure BioWatch system performance. This briefing includes a high-level description of the test and evaluation constraints and limitations and the strategy to address those limitations, as well as the sensitivity and specificity of the BioWatch System. ECD: April 30, 2016.

March 2016 Update: DHS S&T is supporting this effort, as needed.

In addition, GAO recommended that the Secretary of Homeland Security direct the Assistant Secretary for Health Affairs, in coordination with the Under Secretary for Science and Technology, to:

Recommendation 4: Use the best practices outlined in this report to inform test and evaluation actions for any future upgrades or changes to technology for BioWatch.

September 2015 Response: Concur. Any future upgrades or changes to BioWatch technology will adhere to the new acquisition management guidance provided by the DHS Office of Program Accountability and Risk Management (PARM), which incorporates best practice elements outlined in this report. ECD: TBD.

January 2016 Update: In support of the proposed BioWatch technology enhancement effort, the program is adhering to acquisition management guidance provided by PARM. The program

is also incorporating the recommended best practices into its approach and documentation. Specifically, BioWatch is implementing a comprehensive approach to the test and evaluation efforts by: 1) selecting mature technologies based on available independent test data, 2) assessing performance of these technologies against realistic requirements during test and evaluation, and 3) thoroughly engaging the BioWatch stakeholder community in the acquisition process. BioWatch is conducting risk analysis and management early in the acquisition process and developing realistic requirements that are linked to the BioWatch mission and capability gaps. BioWatch will implement maturity assessments and design reviews in conjunction with the appropriate milestone events. BioWatch is currently working with DHS leadership to plan for Acquisition Decision Event (ADE) 1, planned for Fiscal Year 2016.

All future test and evaluation of the BioWatch technology enhancement effort will consist of System Level Technical Tests and Operational Tests, and will adhere to the recommended best practices as identified in the report. ECD: TBD.

March 2016 Update: S&T's Test and Evaluation Office is reviewing all the previous BioWatch test events; estimated completion date for this review is April 2016. Recommendations from this review will be provided to the BioWatch Program Office for coordination with ongoing program evaluations and acquisition activities. In addition, the Biosurveillance Apex program personnel are working closely with the BioWatch Program Office in the execution of the technology roadmap for near-, mid- and far-term improvements to the BioWatch system. The near-term improvements are represented in the first phase of a disciplined acquisition program that will deliver products beginning in FY 2018. If future changes to the existing plan are needed as new technology developments occur in the commercial marketplace, the program will adjust its acquisition strategy in mid- and far-term procurements.

CYBER ATTACKS: ELECTROMAGNETIC PULSES

Mr. YOUNG. Great. Thank you. And then one final thought, science fiction can become reality sometimes. And we hear about electromagnetic pulses. Is this a serious threat? And what are we doing about it, if it is? Electromagnetic pulses taking out grids, it is somewhat of a cyber attack in a way. I just wanted your thoughts on it.

Secretary JOHNSON. Well, actually I haven't, I am not sure I am prepared to give you an informed answer at the moment. We are concerned about cybersecurity threats to critical infrastructure and the grid. Let me think about that one and get back to you, sir.

[The information follows:]

Representative Young: Great. Thank you. And then one final thought, science fiction can become reality sometimes. And we hear about electromagnetic pulses. Is this a serious threat? And what are we doing about it, if it is? Electromagnetic pulses taking out grids, it is somewhat of a cyber attack in a way. I just wanted your thoughts on it.

Secretary Johnson: Well, actually I haven't, I am not sure I am prepared to give you an informed answer at the moment. We are concerned about cybersecurity threats to critical infrastructure and the grid. Let me think about that one and get back to you, sir.

RESPONSE: The Department of Homeland Security's (DHS) National Protection and Programs Directorate (NPPD) is working with the Department of Energy (DOE) National Laboratories to provide an analysis of the hazard environments, impacts, and consequences of different sources of electromagnetic pulse and geomagnetic disturbance on the U.S. electric power and communications infrastructures. The focus will be on major regional impacts and not on localized impacts to individual assets, unless those impacts can be shown to result in major regional impacts. The purpose is to screen out those electromagnetic pulse and geomagnetic disturbance sources and events whose impacts do not pose a significant risk. The analysis then will be focused on those sources and events that do pose a significant risk or those whose impacts are unacceptably uncertain. NPPD will collaborate with DHS's Federal Emergency Management Agency (FEMA) Emergency Response Capability and DOE to identify critical electrical infrastructure assets, beginning with an evaluation of FEMA Emergency Response Capability-identified critical substations. NPPD will explore additional elements of criticality that might not have been previously considered by FEMA Emergency Response Capability. This may include a more detailed analysis to assess black-start power generating units. These generating units are small diesel generators local to the power station used to restart a power station's operations when power from an external transmission network is unavailable. NPPD also is coordinating closely with industry efforts related to electromagnetic pulse and geomagnetic disturbance. Electric power industry organizations are working on several projects intended to support resilience, including improving the standards for protection and mitigation of electromagnetic pulse and geomagnetic disturbance events.

According to FEMA, the greatest potential threats to the power grid are from a high-altitude electromagnetic pulse attack or extreme space weather impacting high-voltage transformers. The term "space weather" includes solar flares, solar energetic particles, and coronal mass ejections. Unlike a cyberattack, a high-altitude electromagnetic pulse attack would require significant resources (i.e., access to nuclear weapons and their delivery systems). FEMA coordinated the development of Goal #2 (Enhance Response and Recovery Capabilities) of the National Space Weather Strategy, published in October 2015, to improve the Nation's preparedness for space weather. FEMA and DOE are co-leading the effort to develop the Power Outage Incident Annex to the Response and Recovery Federal Interagency Operations Plans. The Power Outage Incident Annex will describe the processes and organizational constructs that the Federal Government will utilize to facilitate response and recovery efforts resulting from a disruption to the power grid, whether resulting from deliberate acts of terrorism or crime, accidents, or natural disasters.

Moreover, according to FEMA, electromagnetic pulses are high-impact, low-frequency threats. The probability of occurrence is uncertain relative to other threats; but electromagnetic pulse events could cause significant impacts if they occurred. These events can be caused by a variety of scenarios, with the highest impact involving the high-altitude detonation of a nuclear weapon (high-altitude electromagnetic pulse) and the similar natural phenomena of extreme solar weather. Most of what is known about high-altitude electromagnetic pulses is based on testing done in the 1960s (e.g., STARFISH PRIME). Space weather events are naturally occurring phenomena that have the potential to negatively affect technology and energy infrastructure.

Mr. YOUNG. Okay. Is my time up, sir? Mr. Chairman?

Mr. CARTER. Pretty much. You got about 30 seconds.

Mr. YOUNG. What keeps you up at night?

Secretary JOHNSON. A lot of things. Preparing for congressional testimony, how is that?

Mr. YOUNG. I yield back, Mr. Chairman.

Secretary JOHNSON. A lot of things, sir.

Mr. YOUNG. Good answer.

Mr. CARTER. All right. We are going to start a second round. And then after I ask my question, I am going to have to be excused because I have got the Attorney General at CJS that I need to go ask a few questions.

Secretary JOHNSON. I have heard that you prefer the Attorney General over me.

IMMIGRATION ENFORCEMENT: INTERIOR ENFORCEMENT EFFORTS, DETENTION BEDS

Mr. CARTER. You know that is not right. Okay. You know that is not right. But I haven't been able to ask her a question yet. I have had a chance to ask you a few.

Okay. A question that we have talked about before: Why is DHS proposing to reduce the detention capacity so dramatically when the current trend for adult detention remains above 33,000, will likely increase significantly with potential court decisions, and increase in ICE's fugitive operations and Criminal Alien program? Please explain the assumptions used to develop this number and are they still valid today?

In addition, are you concerned that all related recent border crossings, priority one, for detention are being detained? Are they or aren't they? Will the cut in beds support detaining this population?

Finally, the targeted enforcement operation that you have just done contributed, I think, to the downward trend in the numbers that you gave us, as you discussed what has happened in the last month. Looking at a grid shown to me by my staff, it is a significant drop. And I believe you returned about 121 people as a part of your program. I commend you for it. It is a start. Will you do more to keep these numbers down? Those are all together on detention.

Secretary JOHNSON. Well, let me start with the last question. Our interior enforcement efforts have been ongoing. Our focused interior enforcement efforts have been ongoing since the beginning of the year. I made a point of publicly referring to the enforcement actions we took on January 2 and 3, but the enforcement actions have been ongoing against those who have been ordered removed by an immigration court, have no pending asylum claim, and their appeal time has run. I may have more to say about that at the beginning of next month with the February numbers. That is number one.

Number two, with regard to detention beds, we asked you for what we think we need. And I would note that the family detention beds and the adult single beds, they can be transferred back and forth depending on what we see on the border. At the time we submitted the request, we took note of the fact that on average in fis-

cal year 2015, we were at about 28,000 and change. Right now, I would have to say we are around 31,000 as we speak because of the increase in the fall. So we are asking for what we think we need. That includes family detention.

And you are correct, the case, Flores, involving family detention is in the 9th Circuit right now. They agreed to an expedited appeal. I think that they will hear the case shortly. I think we need added flexibility to deal with the crisis situation, which we don't have right now.

Ultimately, the appropriators in Congress will do what you think is appropriate. I do think that immigration detention is important. I do think that the ability to detain those who bring their kids with them is important. We are making improvements as you know, Judge, to the conditions in those centers. We have had some issues with the one in Pennsylvania. But I think that that is an important component of our border security. And our interior actions will continue, and they are continuing.

Mr. CARTER. When you really get down to it, though, 121 is a start. But, in reality, the numbers are astronomical as you compare that to the recent border crossings in the last, what, 4 months as raised by Mr. Cuellar. My wife is from Holland. And she says this is not really a Dutch story. But the little boy that stuck his finger in the dike is a story we tell our kids over here, you know, rescued the country by it. My wife says that is not a story in Holland. But, basically, that is what we have done is stuck our finger in the dike. But the dam is about to break. And continues about to break.

I commend you for doing it. I know you caught some heat above you for doing it. And I think heat is what sometimes people who take positions of importance have to carry. And I know you caught some. You handled it well. There is a different philosophy between groups up here about this whole issue. But the reality is you have to make consequences, acts deserve certain consequences. Without consequences, there is no clear pathway for people to understand what their acts really are.

So I am going to turn now over to Mr. Fleischmann and let him take over this hearing.

Secretary, I want to tell you that since I have been on this committee, which is over 10 years, I have worked with multiple secretaries. I want to thank you for the relationship you and I have developed, your willingness to always be there. I have called you at home almost in the middle of the night, and you have always been there to respond. And I thank you very much for our relationship. And we will be seeing you before you leave office. But I want to commend you. And I know you do the same with all of our members of our committee. And we are very grateful.

Secretary JOHNSON. Thank you, sir.

Mr. CARTER. Mr. Fleischmann, will you take the chair?

Mr. FLEISCHMANN [presiding]. Yes, sir. Thank you, Mr. Chairman. At this time, I would like to recognize the ranking member, Ms. Roybal-Allard.

IMMIGRATION ENFORCEMENT: PRIORITY ENFORCEMENT PROGRAM

Ms. ROYBAL-ALLARD. Mr. Secretary, I would like to go back to two of the issues that were raised by Congressman Price. As we

noted, you have had some success in convincing communities to participate in the PEP program. And one of the selling points of PEP is that, in most cases, ICE will issue notification requests in lieu of detainers. Is this borne out in practice? And can you characterize the percentage of time that ICE requests notifications in lieu of issuing a detainer?

Secretary JOHNSON. I am not sure I can quantify the answer to the question. It is my anticipation and expectation that in the overwhelming majority of cases in which there is a transfer, it will be by request for notification.

The new policy leaves open the possibility of detainers when there is probable cause. I think that, I have not seen any quantification of the distinction between the two. But under the prior program, detainers were leading to litigation in which sheriffs and local governments were losing because they were detaining people beyond the point at which they had the authority to detain them. So we replaced that, as you know, with requests for notification.

And I think in the jurisdictions where they have accepted the new program, it seems to be working well. I would like to see our people respond a little more promptly to requests for notification. That is a work in progress. But I am pleased that we have had additional counties that were not working with us before, working with us now on this.

Ms. ROYBAL-ALLARD. The November 2014 Secure Communities Memo established enforcement priorities for PEP. And these include some, but not all, of ICE's general enforcement priorities. For some jurisdictions, this too has been the selling point for the program. Given that ICE still has discretion to go beyond the more limited PEP enforcement priorities, is the agency tracking how frequently that happens and documenting the rationale for it?

Secretary JOHNSON. I believe the answer is yes.

Ms. ROYBAL-ALLARD. It is?

Secretary JOHNSON. I believe the answer is yes. If we don't know, it is something that we are developing so that we can track it.

IMMIGRATION ENFORCEMENT: U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT AGENTS

Ms. ROYBAL-ALLARD. Okay. That would be great. Mr. Price also mentioned allegations of misconduct by ICE agents. What are the limits on ICE? For example, can agents enter someone's home without permission? And can they lie about their intent to gain entrance?

Secretary JOHNSON. Well, I can't comment and know about every encounter across the country. With interior enforcement, our folks knock at the door. Very often, they can tell somebody is home. But if nobody answers, they don't enter the home. The only time a law enforcement agent would enter a home is with an arrest warrant or a search warrant.

Our civil immigration enforcement people don't have that. So they knock at the door. I have heard allegations that in making an arrest, our people will mislead or, you know, create a ruse situation. I simply don't know about that. And I really can't comment on it. But they don't forcibly enter a home. I want to make that clear.

Ms. ROYBAL-ALLARD. What about lying about their intent? Is that acceptable? Or is that also something that is not acceptable that may or may not be happening that you may not know about?

Secretary JOHNSON. Frankly, I think it depends on the circumstances. When I was a Federal prosecutor, I know that to enforce the law, sometimes law enforcement agents would in some way create a ruse for reasons of public safety. I simply, I can't make a broad categorical statement in this regard.

Ms. ROYBAL-ALLARD. So it is possible, then, that agents are allowed to enter without permission and it is acceptable to lie about their intent? In other words, there is nothing that says no, you can't do this?

Secretary JOHNSON. Well, as I said, ICE agents don't have arrest warrants. So they cannot enter someone's home against their will without consent. And, in fact, there are a lot of instances where we knock on the door, and we can hear somebody home, but they don't answer, so we go away. I can tell you that. I cannot categorically tell you yes or no with regard to all these different situations out there under which somebody is apprehended.

Ms. ROYBAL-ALLARD. No, I understand. I wasn't asking about whether or not those allegations were true or not. I was just trying to get clarification as to what was acceptable ICE behavior and what was not acceptable so that there would be a clear understanding in the public as to what ICE——

Secretary JOHNSON. Well, they are not supposed to, and they don't enter a home without consent. And there are sensitive locations where we don't go to make apprehensions except in emergency, exigent circumstances. In terms of what we tell people in order to gain access, or to apprehend somebody, I would have to give you a more defined statement of what the policy is. Sitting here right now, I can't give you a categorical red line, green line.

Ms. ROYBAL-ALLARD. Okay. Well, I understand—my time is up? Okay.

ICEBREAKER ACQUISITION

Mr. FLEISCHMANN. I want to thank the ranking member for her questions. Mr. Secretary, last September, sir, the President announced plans to accelerate the acquisition of a heavy icebreaker by 2 years to ensure that the United States can operate year round in the Arctic Ocean. The budget request includes $150 million to initiate the lengthy detailed design process that would lead to production in 2020. My first question is, can all $150 million be obligated in 2017? And my follow-up is why is a 2-year acceleration necessary, sir?

Secretary JOHNSON. I will give you the note that my CFO handed me after I heard Chairman Carter say that in his opening remarks. It is an aggressive acquisition schedule. We disagree and believe we can spend it in fiscal year 2017. It will be tough, but we believe we can do it. And I think the reason for that is the urgent need for another heavy icebreaker in the Arctic.

We have one heavy icebreaker right now that is operational. And given the national security and increasing commercial needs in the Arctic, we think it is important that we get a second one and get a second one very soon. And we think we can—we have asked for

$150 million for design, for the preliminary phase of this thing. And we believe that we can utilize those funds in fiscal year 2017.

Mr. FLEISCHMANN. Thank you, sir. The cost of a new heavy icebreaker is projected to be in excess of $1 billion. And a heavy icebreaker is truly a national asset since it is, and will be, a multi-missioned vessel supporting the missions of several agency, including the Department of Defense and the National Science Foundation. Given the Coast Guard's top line, can they afford the burden of acquiring this ship? If not, what is the plan?

And then my follow-up would be does the administration intend to announce a funding strategy for the vessel? And do you expect it will incorporate other governmental budgets? If not, why not limit the budget request to an amount that can be obligated this year rather than banking future funds for the future?

Secretary JOHNSON. I am sure there will be a funding strategy for the heavy icebreaker. And my answer to your first question is yes, with the support of Congress and the support of the appropriators, we do believe that a heavy icebreaker is affordable. And it is also necessary. We are also, as you know, recapitalizing the Coast Guard with regard to the off-shore patrol cutter and the fast response cutters. All these moving parts can be funded provided we have the funds from Congress to do so.

But we also believe that it is critical to have a second heavy icebreaker that is operational.

Mr. FLEISCHMANN. Thank you, Mr. Secretary. At this time, I would like to recognize Mr. Price.

IMMIGRATION ENFORCEMENT: DETENTION

Mr. PRICE. Thank you, Mr. Chairman. Mr. Secretary, I hope to get to a question about your research operations and the thrust of those operations as anticipated in the budget and, particularly, the treatment given to university work. So I hope we can get to that. I may have to ask you to respond for the record. Because I do think it is important to revisit a couple of points on this immigration enforcement issue.

It strikes me, in listening to your answer to a number of questions, that at issue here may be the criterion you defined in your executive action, of course, quite a while ago, of people who have been in this country for years. That is an important component of who we are attempting to remove from under the threat of deportation. And I know that that definition is important to the executive action and to the legal action surrounding the executive action.

It does raise the issue, though, with respect to these more recent migrants. And, you know, the priorities for removal are people convicted of serious crimes or who have recently been apprehended at the border. And those categories are, of course, disparate categories in terms of the threat they pose to the country. I wonder if, for the record, you could provide actually a breakdown of that 85 percent figure you cited, 85 percent of those at immigration detention are in top priority for removal, what percent of those are in that criminal category, what percent are simply recent arrivals?

But I realize that poses an issue. This deferred action category can't be too porous. On the other hand, as I think you have implied, it is very, very important that people who have arrived under

the circumstances they have, are mostly from Central America, that these people have access to a full hearing, full adjudication of their claims for asylum, and that rules be followed about where they might be apprehended, sensitive locations, and so forth.

So the treatment of this category of migrant is a vexing issue. It seems to me it is raising the possibility that the kind of reprioritization you undertook with respect to Secure Communities, it is almost leading to a situation where that kind of reprioritization might be again, there may be calls for that. But whatever it takes to get this effective focus on people who do pose a danger to the country, and making sure that that is a singular focus of our immigration enforcement efforts, strikes me that that is a continuing challenge.

By the way, the case that I mentioned is in adjacent community, not literally in my congressional district. But that and other cases, of course, do raise questions about what the overall policy is.

Secretary JOHNSON. With regard to your question about who is in detention right now, those data do exist. And I can get you that. The breakdown of those who are convicted criminals in detention, versus those apprehended at the border, and so forth, those data do exist. The one thing I will say about it is I believe it is a trending number.

When you have a border surge, the percentage of those who are Priority 1s in detention goes up. Ultimately, I would like to see an increased percentage of those in immigration detention who are Priority 1s be those who are the criminals.

[The information follows:]

Representative Price: ...It does raise the issue though, with respect to these more recent migrants. And, you know, the priorities for removal are people convicted of serious crimes, or who have recently been apprehended at the border. And those categories are, of course, disparate categories in terms of the threat they pose to the country. I wonder if, for the record, you could provide actually a breakdown of that 85 percent figure you cited, 85 percent of those at immigration detention are in top priority for removal, what percent of those are in that criminal category, what percent are simply recent arrivals?

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When you have a border surge, the percentage of those who are priority one's in detention goes up. Ultimately, I would like to see an increased percentage of those in immigration detention who are priority one's be those who are the criminals.

RESPONSE: According to U.S. Immigration and Customs Enforcement records, more than 99 percent of aliens currently detained as of February 20, 2016, fall within the DHS civil immigration enforcement priorities, with a breakdown as follows:

- Priority 1 (national security threats, convicted felons, active criminal gang participants, and illegal entrants apprehended at the border): 82.5 percent
    - Of these, more than half constituted Priority 1b (aliens apprehended at the border or ports of entry while attempting to unlawfully enter the United States)
- Priority 2 (significant or multiple misdemeanants, and interior apprehensions who entered or reentered this country unlawfully after January 1, 2014): 15.8 percent
    - Of these, nearly one-quarter constituted Priority 2c (aliens apprehended anywhere in the United States interior apprehensions who entered or reentered this country unlawfully after January 1, 2014)
- Priority 3 (individuals who have failed to abide by a final order of removal issued on or after January 1, 2014): 1.0 percent

Mr. PRICE. That is, of course, what I am getting at.

Secretary JOHNSON. That is where I want to see us make more progress on PEP. And with that, I believe we will have an increasing percentage of those in immigration detention. And we have seen that increase in percentage over the last year or 2. We have already seen that in place.

If you look at the numbers today, though, a lot of people in immigration detention are those apprehended at the border because of the numbers in the fall. That is the reality. It will trend one way or another depending upon the surges at the border.

SCIENCE AND TECHNOLOGY DIRECTORATE'S BUDGET

Mr. PRICE. Well, I would appreciate those numbers together with any interpretation you want to offer of this. But you see my point as someone long focused on making sure we are deporting the highest priority individuals. Not wanting to get back into a situation where we have to recalibrate once again in terms of where the focus of enforcement lies.

If I have another minute, I would like to just comment on the S&T budget. And you can give whatever response you can here. And maybe you want to offer this for the record. But there is a substantial decrease from the fiscal year 2015 enacted level of over $1.1 billion. The request this year is a couple hundred million less than that. And then within the S&T budget, the university research and development funds would lose nearly a quarter of last year's enacted level.

So it raises a couple of questions. First of all, what is the philosophy, the thrust of the S&T program as defined in this budget particularly given these substantial changes? And then what is going on with the university research and development, in particular, that would lead to this kind of proposed decrease?

Secretary JOHNSON. The overall thrust of it is, I think, reflective of the overall budget request, hard choices given the budget caps we have to live with. I will tell you that within S&T, I have directed we take a more integrated, centralized approach. So we have put together a team run by Dr. Brothers, of operational component leadership, to develop for us what we think our S&T R&D priorities should be in the near future in a consolidated, strategic way—not stovepiped component by component, not something that exists at headquarters at S&T.

So we have a component-level working group that is focused on where we think the priorities should be. I do agree with you that funding for colleges and universities in this area is particularly important. And we have programs right now in North Carolina that I know are working very well in this regard. So I regard this as an important area that we need to continue to support. We have also got to live within our funding caps.

Mr. PRICE. Thank you. I assume the subcommittee will look at this particular aspect of the request very carefully.

Thank you, Mr. Chairman.

NATIONAL SECURITY CUTTERS

Mr. FLEISCHMANN. Thank you, Mr. Price. Mr. Secretary, Secretary Johnson, Congress has appropriated almost $5 billion to ac-

quire nine national security cutters, one more than the program of records. While the capabilities in performance of the NSC has exceeded expectations, there is a significant cost beyond production to man, equip, and operate each NSC.

My first question, sir, is does the Coast Guard need any additional NSCs to accomplish any of their 11 statutory missions?

Secretary JOHNSON. No.

Mr. FLEISCHMANN. Thank you. What trade-offs have been made in the Coast Guard's cutter modernization program due to the unnecessary inclusion of a ninth NSC? And what will happen to the program should Congress add a tenth cutter, sir?

Secretary JOHNSON. No trade-offs that I know of at this point. We appreciate that Congress has also in 2016 provided funding for the off-shore patrol cutter, which is our medium-range cutter, and continues to fund the fast response cutter. We have also asked for remodeled, rebuilt aircraft for the Coast Guard in 2017, and the continuation of the OPC and FRC program.

So we haven't seen trade-offs. There will be a cost in the out-years to maintaining and all the things you would normally have for pay for when you build a new cutter, not just the cost of building the cutter. And we are hoping that if we have a ninth security cutter, as it looks we will, Congress will continue to support all the things you need to do after the thing is constructed. But we haven't seen, so far as I know, any trade-offs we have needed to make so far because we have the good support of Congress in this regard.

Mr. FLEISCHMANN. Thank you for your response, Mr. Secretary. What would happen, though, if there was a tenth cutter added, sir, in your opinion?

Secretary JOHNSON. Well, it all depends on how much you give me to pay for it. So you are right, the program of record called for eight. We were not expecting a ninth. We will support and build a ninth because that is what Congress has appropriated for us and asked us to do. But there are costs associated with maintaining a ninth, where do you dock it and so forth, that we will need that continued support from Congress to help us so that we don't have to make any trade-offs.

And recapitalizing the whole fleet is particularly important, along with building that new icebreaker. So we need that continued support from Congress right now. I have seen firsthand how old some of our cutters are getting. The medium endurance cutter, which the OPC is supposed to replace, is 50 years old.

Mr. FLEISCHMANN. Thank you, Mr. Secretary. At this time, I would like to recognize the gentleman from Texas, Mr. Cuellar.

IMMIGRATION ENFORCEMENT : DEPORTATIONS

Mr. CUELLAR. Thank you, Mr. Chairman. Mr. Secretary, when you were in Laredo, as you know, Laredo, percentage-wise, according to the U.S. Census, is the most Hispanic city in the country, 96 percent Hispanic. As you and I talked, you know, we, including myself, we support immigration reform. But we do want to have order and not have chaos at the border. And that is why your measured approach is well appreciated there at the border.

My question is, and one of the questions folks keep asking me is, how many people have been deported, let's say, you know, from

the unaccompanied kids or the families or other folks, and I know ICE had some numbers per, how many have been deported in the last year. And Mexico is always number one. But do you have any, in the last couple years, the folks we have been talking about, how many have been deported?

Secretary JOHNSON. There are actual numbers that are available. It depends on from what point you count. And it depends on exactly what class of people you are referring to. The numbers are available. We can get you that. But, as you know, we have made a renewed push with regard to those who have been ordered deported and have reached the end of the appeal process and their asylum claim——

Mr. CUELLAR. And the media made it sound like there was a mass deportation. I think that was the words that they used. How many people are we actually talking about? And these were the ones that finished their——

Secretary JOHNSON. That particular weekend, January 23, the number was 121 taken into custody. Those actually removed were a subset of that. Because once they were taken into custody, they got stays from removals. And so, presumably, those people are still here. But, again, I want to emphasize we didn't just do the one weekend and stop. Enforcement actions are continuing.

Mr. CUELLAR. And you are enforcing the Federal immigration judge, after they have had their day in court, and their appeal is over, that is what you are focusing on?

Secretary JOHNSON. Yes, sir.

Mr. CUELLAR. Let me ask you about Cubans.

Secretary JOHNSON. There you go.

IMMIGRATION ENFORCEMENT: CUBAN ADJUSTMENT ACT

Mr. CUELLAR. I need a copy of that. Thank you, Mr. Secretary. By the way, you had a great story last night, of the TV station, when you went up to them. Nobody has ever done that before right in the middle of the parade. So great story last night.

Let me ask you about Cubans. As you know, in my southern part of my district, I have unaccompanied kids from Central America coming in. My northern part of my district, in Laredo, I am talking about just the border area, we have Cubans, 67,000 in the last year, couple years, I said 2 years, 45,000 of them have come through the port of Laredo. And, as you know, because of the 1966 Cuban Adjustment Act, and that was during the cold war era, very different, Cubans, as you know, the moment they touch, they are in. It used to be or it is still called the wet foot/dry foot policy.

But now they have decided to go, instead of going through the waters and have Coast Guard try to push them back, they are coming in through Ecuador, they are coming in through Guatemala, Colombia, they go all the way up here until Nicaragua said hold on.

Now what they are doing is, at least the ones in Costa Rica, are flying in directly from Liberia, Costa Rica, straight to Nuevo Laredo, which is the city right across from Laredo. They take a bus, 45 minutes, I have been told 45 minutes, 1 hour they cross in. The moment they cross, they cross the street, the bridge, they cross the bridge, they go into a money exchange house, casa de cambio, they

start filling out their paperwork for the immediate benefits. And, as you know, they get immediate benefits the moment they come in.

In about 1 year, they become a legal resident. And then they are fast tracked to a naturalized citizen. My understanding is the moment they come across, if they commit a felony, they cannot be deported. Am I correct on that? And I don't know if you know that. My understanding is they cannot be deported the moment they are coming in.

Do you or the administration, it has been very quiet on this. And I have been talking about this issue because I know this has to be a law that we need to change. And I am talking to one of my colleagues in this committee, in the appropriations, about this issue to come in with some solution. But there is two parts of the law, the 1966 Cuban Adjustment Act, which allows them to touch and they are in, and then the other one is a 1980 law that deals with Cuban, I mean, with the refugee assistance.

So I say that because I am going to ask the committee to consider making some adjustments. But does the administration, I guess, until we change the law, do you all have any thoughts on that.

Secretary JOHNSON. Well, first of all, you are correct that the overwhelming majority of Cuban migrants who come to this country arrive at land ports of entry. Most Americans probably think that they come by sea on boats. The overwhelming majority have been coming to ports of entry and simply presenting themselves because of the Cuban Adjustment Act and because of our policies, our wet foot/dry foot policy.

The policy is reflected in, I think, a 1999 memorandum. It basically says that those who arrive here, we will—there is not, there is no absolute rule in support of parole, but it says something like—will be favorably inclined toward parole or something like that. So not everyone is automatically paroled. There are circumstances under which someone might not be paroled. Being convicted of a serious crime at the time, I would imagine, would be one of those circumstances. I don't have the policy in front of me. But those are the words along those lines.

We are in the process of normalizing relations with Cuba, as you know, sir. At some point, the topic of migration will have to be addressed.

Mr. CUELLAR. Yes sir. I'm sorry can I just ask, is that 1999 memorandum a Homeland——

Secretary JOHNSON. It was issued out of, I believe, it was issued out of INS [Immigration and Naturalization Service].

Mr. CUELLAR. INS?

Secretary JOHNSON. Yes.

Mr. CUELLAR. All right. Thank you so much. And, again, I appreciate your good work.

AIRPORT WAIT TIMES

Mr. FLEISCHMANN. Thank you, Mr. Cuellar. Mr. Secretary, we are rapidly approaching the busy spring break and summer travel season. As anyone who travels frequently by air knows, increased volumes of passengers correspond with increases in wait times at

airports. It is my understanding that over the December holiday travel season, there was a noticeable, quantifiable, and significant staffing breakdown which led to unnecessary delays for many travelers.

I have a two-part question. Since the busiest travel periods are easily predicted, and it is known when the largest volumes of flights are banked at large hub airports, why do we continue to see staffing levels at checkpoints based more on averages, sir, instead of volume spikes? And then my follow-up would be, does DHS or TSA have a plan to address this issue, sir?

Secretary JOHNSON. Both on the front end with TSA, and on the arrival end with CBP, we do try to anticipate travel surges. We do try to anticipate whether those are daily; you know, there are certain times of the day at airports when international flights will come and go. And we do try to anticipate holiday travel, spring break travel, and the like.

You are correct that there has been an increase in wait times at a lot of airports. That is due, in part, to increased travel volume. But it is also due, frankly, to the renewed focus on screening at airports by Administrator Neffenger and myself. Since he took office in July, his charge from me was to take a hard look at aviation security in light of the IG's [Inspector General's] test results, which were leaked to the press; less managed inclusion, as we call it, where you take somebody out of the longer line and put them into the shorter TSA line; more secondary screening; more thorough screening; a hard look at the technology; back-to-basics training for our TSOs [transportation security officers]; and a rewrite of the standard operating procedure.

The increased wait times, frankly, were anticipated. But I think that the American public understands that because it is for their own safety. And we have heard issues and concerns about increased wait times. I think it is necessary. Can it be administered in a more efficient way around holiday seasons? Probably. And so our efforts to do that are, you know, a work in progress. We continue at that.

But increased wait times are just something that are the result of increased volume and our efforts at increased security.

Mr. FLEISCHMANN. Thank you, sir. At this time, I would like to recognize the ranking member, Ms. Roybal-Allard for questions.

IMMIGRATION ENFORCEMENT: FAMILY DETENTION CENTERS

Ms. ROYBAL-ALLARD. I have two more issues that I would like to cover. I would like to go back to the detention of families by ICE. And I have three questions with regard to that. Under a district court ruling, the Department is now required to minimize the amount of time families spend in detention. And I understand that the current average detention time for families is around 17 days.

For fiscal year 2017, the Department is requesting funding for 960 family detention beds, which is well below the capacity funded for the current year. Does this lower funding request mean that ICE is planning to consolidate its family detention operations into one or two facilities instead of the current three?

Do you know what percentage of families would spend at least some time in detention given the shorter-length stays? And also it

is my understanding of the district court ruling that any prolonged detention of families can only occur in State-licensed facilities with a non secure setting. The State of Texas recently granted operational licenses to the two family detention centers located in that State, but both are secure facilities.

Does the Department have any plans to acquire the use of facilities in the future that would meet the district court standard for family detention.

Secretary JOHNSON. The answer to the last question is no. We are seeking a license for both Dilley and Karnes to be licensed as nonsecure licensed facilities as they exist. So the licensing authorities are looking at those facilities and will license them as such.

You are correct that the average wait time is around 17 days. Flores, the ruling, gives us some flexibility in times of an influx. We are in an influx right now. The judge referred to 20 days. We have tried to reduce it. We have reduced it. The average wait time now is about 17 days. But you are also correct that the way that court order reads, and it is on appeal, we can keep people longer in a licensed nonsecure facility. We are seeking a license for both places to be licensed nonsecure facilities.

Ms. ROYBAL-ALLARD. Just changing the name, I mean, what is going to change in those facilities to make it truly meet what the intent of the court is? Just changing the name from secure to nonsecure——

Secretary JOHNSON. Well, it is up to the State of Texas to determine that the facilities are as they are licensed to be. That is a matter for the State of Texas. That is what they are doing right now. In terms of the bed request, we are requesting what we believe we need. We can transfer beds back and forth depending on the circumstances.

So the total request is 31,000. The specific request for families is 960. But we need the flexibility to add more or less depending on the circumstances and the surges that we see.

Ms. ROYBAL-ALLARD. So basically we are just asking for a change in classification. Because nothing is really going to change in the facilities——

Secretary JOHNSON. We are always seeking to improve the conditions, to improve access to counsel. We are continually doing that. There is now a FACA [Federal Advisory Committee Act], a committee appointed to review and take a hard look at the conditions at these facilities. They are doing that. We are always seeking to improve them, ma'am.

JOINT TASK FORCES

Ms. ROYBAL-ALLARD. I would like to follow up with you on that. And my final question has to do with your joint task forces. I think that by most measures, the Department is making progress in securing the southern border. And I feel certain that the Unity of Effort initiative that you have led played a really important role, in particular the establishment of the joint task forces and the Southern Border and Approaches campaign.

Can you just discuss how you think the three task forces have contributed and how they have changed the Department's approach to the border security mission?

Secretary JOHNSON. We are seeking through the joint task forces to bring a more strategic, combined, consolidated approach, to border security that brings to bear the Border Patrol, Customs agents, Immigration and Customs Enforcement, NCIS [Naval Criminal Investigative Services], and the Coast Guard, and, where necessary, FEMA [Federal Emergency Management Agency]. It would be like trying to run a war by talking to only the Army at once, and only the Navy, and only the Air Force. You need a strategic, consolidated approach. The same is true of border security.

I have already seen that in a crisis, for example, I need to be able to have a strategic approach from a task force when it comes to all of our immigration components. I think this is the way of the future. I want to do more of this. At some point, we will get to the Northern border. We will get to the same thing when it comes to other missions. We are making strides in this regard with our counterterrorism mission and our cybersecurity mission.

So I think as part of Unity of Effort, this kind of approach is very much necessary.

Ms. ROYBAL-ALLARD. I have heard some positive feedback about it. That is why I wanted you to comment on it. Thank you.

Secretary JOHNSON. Thank you.

Mr. FLEISCHMANN. Thank you. It is my understanding that that concludes the questions that anyone would have.

Mr. Secretary, on behalf of the subcommittee, I want to thank you again today for appearing before our subcommittee. We all have an arduous task. You do. It is a very difficult mission. And I wish us all the best in our endeavors. And I thank you for answering the questions and being before us today, sir. I wish you well.

Secretary JOHNSON. I appreciate it. Thank you.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE John Carter

Jeh Johnson, Secretary
Department of Homeland Security
Committee on Appropriations
Subcommittee on Homeland Security
Department of Homeland Security
FY 2017 Budget Request
February 24, 2016

Unity of Effort

Question: Secretary Johnson, during your first year as Secretary you announced the DHS Unity of Effort, a Department-wide initiative to strengthen and more effectively execute your operations and missions. This subcommittee fully supports these efforts, especially those that support a more rigorous analysis of requirements and better budget justifications. In particular, we are pleased that you implemented common appropriations across most of DHS's components and look forward to more refinements as the processes mature.

- Mr. Secretary, what did you learn from moving to common appropriations? How difficult was it to implement the new structure across DHS's 23 components?

Answer: Let me first express appreciation for the Subcommittee's support on this project. I also want to acknowledge that we still have much work ahead of us to accomplish fully the transition to the Common Appropriations Structure that has been proposed as part of the Fiscal Year (FY) 2017 President's Budget.

We have learned that change can be hard, no matter how beneficial. The Department of Homeland Security (DHS) is a large organization, with many Components and many stakeholders, and it takes a significant amount of time and effort to shift course. We have worked since early 2014 to develop the basic principles of the Common Appropriations Structure and to build a consensus among our Components and stakeholders, which include the Office of Management and Budget and Congress. Along the way since, the need for a high level of communication, coordination, and outreach has been abundantly clear—and we have taken that to heart and are treading carefully.

As we formulated the FY 2017 President's Budget using the Common Appropriations Structure for the first time, we had candid conversations about what could be achieved

during this budget cycle, and whether the Department's financial systems are prepared for such a change. We consequently made the determination that the U.S. Coast Guard should delay its transition to FY 2018 to accommodate changes that must be made to its financial system. We also realized the vital need to ensure that a robust implementation and training plan is in place before the Department begins executing its budget under the Common Appropriations Structure, which we hope will be on October 1, 2016.

The DHS Office of the Chief Financial Officer, therefore, began preparing a comprehensive implementation plan in January. That effort since has been completed, and we have provided a copy to the Subcommittee pursuant to one of the requirements in Section 563 of the Department's FY 2016 appropriations act, Division F of Public Law 114-113. The document includes the following:

- an outline of how changes to our general financial management policies will be accomplished;
- an assessment of our financial systems and related connecting systems that may be affected by new accounting codes;
- a plan for outreach to the contracting, grants, and human resources communities that may be affected by changes to budget accounts; and,
- a training plan to ensure that the financial management community understands and is well prepared to function under the Common Appropriations Structure.

Although we have proposed the FY 2017 President's Budget using the Common Appropriations Structure and have prepared an implementation plan, we still are dependent on Congress to enact our appropriations bill using the new structure. The earliest date we can begin budget execution under the Common Appropriations Structure is October 1, 2016, pursuant to Section 563 of the Department's FY 2016 appropriations act, Division F of Public Law 114-113.

Formulating the FY 2017 President's Budget using the Common Appropriations Structure was a significant challenge that highlighted the need to ensure that our financial systems are prepared and capable of transitioning to the Common Appropriations Structure. We also transitioned to new budget exhibits in an effort to ensure that our budget request provides more justification and greater transparency. The combination of these changes required a much greater, labor-intensive effort of the Department's financial community than that of any budget submission in the recent past. I am pleased that we were able to complete the work that culminated in the timely submission of the FY 2017 President's Budget to Congress on February 9.

Additionally, I would be remiss if I did not identify the implementation challenges that lie ahead.

The change to the Common Appropriations Structure entails an unprecedented transition for the Department. DHS works hard to communicate its budget requirements accurately

to Congress and to execute appropriated resources as efficiently as possible each year. However, the transition to the Common Appropriations Structure could cause unforeseen issues in executing funds that in the past were categorized in a different account, or that have been bifurcated between programs, projects, and activities or new appropriations by mistake or through good intentions.

To address these potential challenges, the Department has proposed legislative changes to its ability to shift funding between and within appropriations, as follows:

1. **Increase in reprogramming threshold.** The Department proposes that its reprogramming authority be changed to whichever is the higher amount between $5 million or 10 percent of the PPA. As is current practice, any changes resulting from below-threshold reprogrammings would be reported in the Department's monthly budget execution and staffing report, and any reprogrammings above that threshold would continue to require notification to the Appropriations Committees. DHS believes that increasing the threshold would mitigate the potential need to submit many more reprogramming notifications to Congress than under current budget operations.

2. **Increase in congressional transfer authority.** DHS also proposes that the Appropriations Committees provide themselves with the authority to consider transfers without limitation. The Department would continue to provide a notification prior to the transfer of any funds, as is the current practice. However, by eliminating the five-percent transfer threshold, the Appropriations Committees would provide themselves with the flexibility to consider requests from DHS regardless of an arbitrary limitation, and as may become necessary pending unforeseen circumstances.

Enacting these changes would provide needed administrative flexibility to address low-cost funding requirements through reprogrammings. Further, removing the current transfer limit would provide flexibility that may be necessary not just as the Department transitions to the Common Appropriations Structure, but also during times of unforeseen crisis. The Department could propose larger transfers than currently proposed, and the Appropriations Committees would be empowered to consider approval of such transfers without being constrained by a statutory ceiling.

The Common Appropriations Structure project has been a significant undertaking and, if enacted, will be a tremendous step forward in the maturation of the Department.

- What new or altered initiatives can we expect from the Unity of Effort and the Joint Task Forces this year?

Answer: Among the Unity of Effort initiatives this year, we will mark the validation and approval of the Joint Task Forces' proposed operational priorities. These will represent the highest priority problems to be solved in the southern border and approaches, in accordance with the Southern Border and Approaches Campaign Plan. The operational priorities, validated by the Components and approved by the Secretary of Homeland Security, will enhance the Joint Task Forces' coordination of investigative (Joint Task Force-I) and operational (Joint Task Force-East and Joint Task Force-West) efforts over the next year. Additionally, with guidance and oversight from DHS headquarters, the Joint Task Forces will coordinate more international engagements, including operational, advisory, investigative, and training teams composed of personnel from multiple DHS Components.

- What advantages do you expect from joint commands in the short term and long term? What is being done differently today as compared to operations prior to the establishment of the JTF's?

Answer: The Joint Task Forces are improving Unity of Effort through the coordination of DHS-wide, cross-Component, unified operations. This approach enables the Secretary and all Components to assemble and apply Department-wide solutions to the homeland security mission. Additionally, the Joint Task Force approach enhances coordination across air, land, and maritime domains to address illicit flow and networks. In the short term, Joint Task Forces are improving the effectiveness of DHS operations by ensuring better coordination among the patrol, inspection, investigative, and regulatory elements of the Department at the operational and strategic levels. Joint operations improve the environment for greater flow of goods and commerce on the southern border and approaches. In the longer term, the Joint Task Forces will provide a means for ensuring that all elements of DHS are making optimal use of capabilities and knowledge. Coordinated decision-making at the local (tactical) and regional (operational) levels will avoid unnecessary duplication and overlap of activities and provide increased effectiveness and efficiency.

- What are the next steps, especially as it relates to future DHS budget formulations? Are the task forces looking at directing existing capabilities or potential new requirements? What about joint requirements and joint programs?

Answer: We will continue to refine and develop the operational concepts and plans for the Joint Task Forces. As we gain more operational experience, we will continue to adjust tactics, techniques, and procedures to continually improve the effectiveness and efficiency of the Joint Task Forces. As we move forward with this initiative, we will work with Congress to ensure that the resourcing and budgeting is transparent and that it provides the necessary accountability.

In their mission to identify, describe, prioritize, and better predict potential problems affecting homeland security, the Joint Task Forces will be expected to develop and advocate for new capabilities required to solve those problems. The Joint Task Forces already have established a direct line to the DHS Joint Requirements Council.

As we identify, describe, prioritize, and predict new challenges to the security of the homeland, it is likely that some of these challenges will be addressed best with joint solutions. As these solutions emerge, the Joint Task Forces will be active participants in the development of new capabilities required to solve those challenges.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE John Culberson

Jeh Johnson, Secretary
Department of Homeland Security
Committee on Appropriations
Subcommittee on Homeland Security
Department of Homeland Security
FY 2017 Budget Request
February 24, 2016

Priority Enforcement Program

Question: Sec. Johnson, in your oral testimony before this Subcommittee, you highlighted that there are a number of major U.S. cities where Law Enforcement officials are not sharing information related to immigration status with DHS through the Priority Enforcement Program.

- Which jurisdictions are not participating in the Priority Enforcement Program?

Answer: Law enforcement sensitive information relevant to this request will be provided to the Committee pursuant to its oversight authority under separate cover.

ICE Detention

Question: What was the average daily population of aliens in ICE detention for each month in FY2016?

Answer: The following table shows the average daily population at the end of each month of fiscal year (FY) 2016:

FY 2016 Month	Average Daily Population
October	33,006
November	33,096
December	33,597
January	33,602
February	33,323
March	33,090

Visa Overstays

Question: For a period covering the last 10 years, how many individuals who have overstayed their visas or have been admitted to the U.S. as refugees have been convicted of crimes related to national security or have suspected ties to terrorism? How many have been convicted of any felony?

Answer: DHS defers to the Federal Bureau of Investigation, which is the U.S. Government lead on the joint terrorism task forces, and which manages the Integrated Automated Fingerprint Identification System containing criminal history data.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE Rodney Frelinghuysen

Jeh Johnson, Secretary
Department of Homeland Security
Committee on Appropriations
Subcommittee on Homeland Security
Department of Homeland Security
FY 2017 Budget Request
February 24, 2016

New Jersey Task Force One

Question: I would also like to touch base on a New Jersey issue. As you know from my personal correspondence, I have been advocating, since after 9/11, for New Jersey Task Force One (NJ-TF1), the state's Urban Search and Rescue team, to become a federally designated member of the Federal Emergency Management Agency's (FEMA) Urban Search and Rescue system.

As you are aware, the team, after being unanimously recommended by the Urban Search and Rescue Strategic Group, is currently working with FEMA to become a member of the system.

I want to thank you for your work on this critical issue. NJ-TF1 is comprised of our states finest first responders and have effectively served both the state and the nation during numerous disasters, including being the first task force to respond to ground zero on 9/11.

Again, I want to express my support for New Jersey Task Force One and ask what steps your Department is taking to continue to support them through the ongoing process of becoming designated members of the Urban Search and Rescue system.

Answer: At the end of January, senior FEMA program staff met with the New Jersey State Police leadership, the New Jersey Attorney General, and other State homeland security officials to officially kick off the evaluation process of the State's team. New Jersey Task Force One is fully engaged and will be evaluated over the coming weeks and months, both with simulated exercises and also by demonstrating that the team and its members are administratively ready to join the system. An onsite administrative readiness evaluation of New Jersey Task Force One is scheduled to be conducted at its facility on May 24-25, 2016.

As part of this transition process, a formal technical assistance/mentoring team has been assigned to assist New Jersey Task Force One. The team consists of peers from other FEMA Urban Search and Rescue task forces as well as FEMA Urban Search and Rescue branch staff. New Jersey Task Force One, with the support of the technical assistance/ mentoring team, completed the first stage of the Readiness Assessment program–a task force self-evaluation report–on February 23, 2016. FEMA Urban Search and Rescue branch staff and the FEMA Office of Chief Counsel continue to work with New Jersey Task Force One's leadership team to review all administrative requirements and corresponding legal documents, and will assist in the execution process for those documents once New Jersey Task Force One completes the Readiness Evaluation process. We will continue to support New Jersey Task Force One as it completes the transition.

Flood Mapping

Question: Another issue that has a major impact in our back yard is the Federal Emergency Management Agency (FEMA) ongoing efforts to update our communities Flood Insurance Rate Maps.

As you well know, FIRMs are an important tool developed to quantify flood risk all around the country. They are used not only to determine flood insurance premiums but also to guide building codes and mitigation activities.

Consequently, these determinations have significant impacts on thousands of families and business owners. With the consequences of FIRMs being so broad and far-reaching, it is critically important that these maps be absolutely objective and correct!

Considering the importance of these maps in our communities, and the impact they have on municipalities, homeowners and businesses what is your Department doing to take into consideration all concerns and appeals regarding the formulation of these maps?

Answer: Flood maps communicate risk to a community and its citizens, inform local floodplain management regulations and building standards, inform disaster recovery and rebuilding decisions, and support community resiliency efforts. Flood maps are the foundation for mitigation decisions, and also inform response planning. FEMA actively engages and appreciates community involvement and input throughout the flood hazard mapping update process, from project initiation through the issuance of a letter of final determination. Community involvement is especially critical for an effective flood insurance study and the development and refinement of flood insurance rate maps. This collaboration and information helps to ensure that our studies and maps provide the most accurate flood hazard analysis possible.

During the study update process, FEMA provides a statutory 90-day appeal period for all new or modified flood hazard information shown on a flood insurance rate map, including additions or modifications of any base (one-percent annual chance) flood elevation, base flood depth, special flood hazard area boundary or zone designation, or regulatory floodway. Special flood hazard areas are areas subject to inundation by the base (one-percent annual chance) flood.

FEMA's Region II staff have engaged Passaic County communities frequently during their flood insurance study and flood insurance rate map updates. Currently, the regional staff is assessing data and information received from Wayne Township and the Borough of Pompton Lakes during the 90-day appeal period. FEMA is currently reviewing each submittal to ensure that the best available data is used to depict flood hazard information on those communities' flood insurance rate maps.

FEMA acknowledged receipt of the information to support the appeal of the updated flood hazard information for the Borough of Pompton Lakes and Wayne Township. FEMA has worked with local officials and other Passaic County community stakeholders as it evaluates the submitted data and the issues that were raised. If warranted, FEMA will revise the preliminary flood insurance rate map and flood insurance study report, and send copies to the affected communities for review. Once all submitted information has been reviewed and the consultation is complete, appellants will have 30 days to review the resolution and provide FEMA with any additional comments. An appellant is any owner or lessee of real property within the community where a proposed flood elevation has been made who believes their property rights to be adversely impacted by FEMA's proposed flood map determinations. The processing of the preliminary Passaic County flood insurance rate map and flood insurance study report will not move forward until this collaborative process is complete.

The flood insurance study and flood insurance rate map for Morris County, New Jersey, also is underway. Following completion of this study, FEMA will propose its new determinations and after providing statutorily required notice, the statutory 90-day appeal period is expected to begin later this year. FEMA Region II has met with Morris County officials throughout the study update, most recently on March 1, and will continue to work closely with Morris County communities to ensure that the flood insurance rate maps depict precise flood hazard information and will be supplemented with locally provided technical data if provided and appropriate.

Flood hazards change over time, as do the available technologies and methodologies for studying them. It is FEMA's goal to provide communities across the Nation with high-quality flood maps and other tools that they can use to identify and mitigate the risk and impact of flooding. Using more precise flood hazard mapping, residents and

businesses are better equipped to make informed decisions about their flood risk and take appropriate measures to protect themselves and their property.

Beyond the conclusion of the Passaic and Morris County flood insurance study and flood insurance rate map updates, community officials may submit scientific or technical data to FEMA at any time to support flood hazard map revisions through FEMA's Letter of Map Revision process. All requests for map revisions should be submitted through the Chief Executive Officer of the community, because the community must adopt any changes to the flood insurance rate map in order to maintain its participation in the National Flood Insurance Program. To help communities compile the data required to support map revision, or MT-2, requests, FEMA has developed step-by-step instructions and forms, which are available on the FEMA website at http://www.fema.gov/mt-2-application-forms-and-instructions.

Following a review of the community's map revision request and supporting data, FEMA will revise the flood insurance rate map and flood insurance study report, if appropriate, by issuing a letter of map revision or by republishing these mapping products through the Physical Map Revision process. To maximize the use of the limited funding available, FEMA uses the more cost-effective Letter of Map Revision process as much as possible. For questions about Letter of Map Amendment and Letter of Map Revision processes, your constituents may contact the FEMA Map Information eXchange at 1-877-336-2627.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE Andy Harris

Jeh Johnson, Secretary
Department of Homeland Security
Committee on Appropriations
Subcommittee on Homeland Security
Department of Homeland Security
FY 2017 Budget Request
February 24, 2016

Implementation of Returning Worker Exemption

Question: There is a statutory numerical limit, or "cap," on the total number of foreign nationals who may be issued an H-2B visa or otherwise granted H-2B status during a fiscal year. Currently, Congress has set the cap at 66,000 per fiscal year, with 33,000 for workers who begin employment in the first half of the fiscal year (October 1 - March 31) and 33,000 for workers who begin employment in the second half of the fiscal year (April 1 - September 30). This is shown in the returning worker provision in Consolidated Appropriations Act, 2016: "Section 214(g)(9)(A) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(9)(A)) is amended by striking "2004, 2005, or 2006 shall not again be counted toward such limitation during fiscal year 2007." and inserting "2013, 2014, or 2015 shall not again be counted toward such limitation during fiscal year 2016."" This means that returning workers issued an H-2B visa for FY2016 (Oct. 1, 2015-Sept. 30 2016) shall not count toward the H-2B visa cap.

According to USCIS guidance, "Under this legislation, the returning worker program only applies to petitions pending or approved on or after Dec. 18, 2015, requesting named H-2B workers with an employment start date beginning in FY2016." This means that DHS has decided that a returning worker who was issued an H-2B visa for FY2016 before Dec. 18, 2015 will still count toward the cap.

This created a 78 day period in FY16 (between Oct 1st and Dec 18th) where returning workers receiving H-2b visas for FY16 are still counted toward the FY16 cap. This is contrary to the intent of Congress as the law plainly says the returning worker exemption applies for visas issued to returning workers for all of FY2016 (not just those issued after Dec. 18th).

- Why is USCIS only exempting returning workers from the cap on petitions pending or approved after December 18, 2015? Shouldn't all returning workers from October 1, 2015 through September 30, 2016 be exempt from the cap?
  - Is this not simply another example of selective enforcement of the law by this administration?

- Are returning H-2B workers currently being counted against the cap?
  - If so, why?
  - If so, when will the cap count be adjusted to reflect the returning worker exemption?

- With regard to returning worker certifications submitted by employers on or before March 4th
  - Why doesn't this process go back to Oct. 1, 2015 instead of Dec. 18, 2015?
  - Because the certifications are not due until March 4, will USCIS continue processing petitions with unnamed beneficiaries until an accurate count can be made by removing returning workers?

Answer: Changes to the law generally are applied to cases pending on or after the date of enactment, unless Congress expressly provides a retroactive or a delayed effective date. The previously enacted "returning worker" provisions expressly made them retroactive back to the start of the fiscal year, although they were enacted after that date, and were implemented accordingly. See sec. 402(b) of Div. B, Title IV of P.L. 109-13 and sec. 1074(c) of Div. A, Title X of P.L. 109-364. There is no such effective date language, however, in the *Consolidated Appropriations Act, 2016*. Therefore, the returning worker provision is not applied retroactively to H-2B petitions adjudicated before the December 18, 2015, date of enactment.

Further, 402(a) of Div. B, Title IV of P.L. 109-13 provided a waiver of the certification requirement in INA 214(g)(9)(B)(iii). The *Consolidated Appropriations Act, 2016*, however, did not contain any provision that would allow petitioners seeking returning workers to forgo the statutorily mandated certification requirement.

U.S. Citizenship and Immigration Services (USCIS) therefore created a process to assist employers who had petitions pending or approved on or after December 18, 2015, but who did not certify H-2B beneficiaries as "returning workers." This process allowed H-2B employers to re-designate certain H-2B beneficiaries as returning workers until March 4, 2016, and enabled USCIS to deduct numbers that had already been "charged" against the H-2B cap.

Generally, certified H-2B workers who meet the definition of a returning worker and who otherwise fulfill the program requirements for the H-2B Returning Worker Program will be exempt from the H-2B cap for fiscal year 2016 subject to confirmation from

Department of State (DOS). The returning worker provision is not applied retroactively to H-2B petitions adjudicated prior to the December 18, 2015, date of enactment.

This is not selective enforcement of the law. USCIS has a responsibility to manage the H-2B cap within the statutory mandate and existing regulations. The management of the current version of the returning worker program is consistent with the language found in the *Consolidated Appropriations Act, 2016,* as described above.

USCIS actively monitors the H-2B cap and makes appropriate adjustments to the count to ensure that a sufficient number of beneficiaries is accepted to fully fill, but not exceed, the cap. Those beneficiaries that are not subject to the cap, such as certified H-2B workers who meet the definition of a returning worker, are excluded from the fiscal year 2016 cap count. On March 15, 2016, USCIS determined that it had received a sufficient number of petitions to reach the congressionally mandated H-2B cap for the first half of fiscal year 2016, having taken into account all returning workers identified up to that point.

Management of Cap Estimation

Question: The H2B cap is set at 66k per year, 33k for the first half of the year and 33k for the second half of the year. Any unused numbers from the first half of the fiscal year will be available for employers seeking to hire H-2B workers during the second half of the fiscal year. However, unused H-2B numbers from one fiscal year do not carry over into the next. Since USCIS processes applications for visas before State actually issues visas, it must estimate the cap count based on the number of petitions that it needs to receive to get to 33,0000 workers for each half of the fiscal year. And, the Department of State keeps track of the number of H2B visas issued to returning worker, but it does not get the actual information about visas until later from State. And we know the USCIS counting is not always accurate. From USCIS Website Re: 2015 estimation errors resulting in a suspension of processing:

- "It can be difficult to estimate in advance how many beneficiaries of an H-2B petition approved by USCIS will actually seek H-2B status or eventually be issued an H-2B visa by the Department of State (DOS)."

- "A recent analysis of DOS H-2B visa issuance and USCIS petition data reveals that the number of actual H-2B visas issued by DOS is substantially less than the number of H-2B beneficiaries seeking consular notification listed on cap-subject H-2B petitions approved by USCIS.

According to the USCIS website, the cap for the first half of the year has been met with 34,995 visa applications approved/pending as of 2/15/16.

USCIS has not officially announced that the first-half cap has been met.

- Has the first-half Cap been met or not?
- Is USCIS still processing H-2b visa applications despite the numbers reflected by the website?
- Do the numbers on the website reflect input from the Department of State as to how many returning worker visas have actually been issued to date?
- What steps has USCIS in place to assure that it does not inadvertently stop processing new worker applications sooner than necessary because of poor estimates about when the cap is reached?
- What communications procedures have been put in place so that USCIS receives timely feedback from the State Department about the actual number of new and returning worker H-2B visas issues so that USCIS can adjust its cap count accordingly?

Answer: The first half of the Fiscal Year 2016 cap was reached on March 15, 2016.

USCIS still is processing H-2B visa applications. Although the first half of the Fiscal Year 2016 cap has been reached, USCIS continues to accept and adjudicate H-2B petitions that are not subject to the cap, such as returning workers and those that are requesting an employment start date in the second half of the fiscal year. The count of total beneficiaries published on the USCIS website will exceed 33,000 to allow for approvals, denials, and other petitions for which no visa is issued. USCIS makes such allowances within its projections in accordance with 8 C.F.R. 214.2(h)(8)(ii)(B).

Upon receipt by USCIS, each Petition for Nonimmigrant Worker (Form I-129) for the H-2B visa classification is reviewed to determine whether it is subject to the H-2B cap and, if so, for which half of the fiscal year it should be considered. Through this initial determination, USCIS can make projections for the total number of pending and approved H-2B beneficiaries who are subject to the cap at any time. This determination is reviewed, affirmed, or corrected, if necessary, by an officer at the time of the H-2B petition's adjudication.

Subject to confirmation by DOS that persons are returning workers, USCIS will exempt H-2B beneficiaries certified by employers as returning workers from the fiscal year 2016 H-2B cap. USCIS may adjust the number of visas counted toward the H-2B cap if DOS cannot confirm that a beneficiary certified as an H-2B returning worker is, in fact, a returning worker.

In managing the annual cap, USCIS seeks to ensure that the total sum of approved Petitions for Nonimmigrant Workers (Form I-129) for the H-2B visa classification includes a sufficient number of beneficiaries to fully fill, but not exceed, the cap each year. This approach is consistent with the statutory mandate [INA 214(g)(1)] and existing regulations [8 C.F.R. 214.2(h)(8)(ii)(B)] that the annual cap of 66,000 visas is not exceeded and that it is evenly allocated between the two halves of each fiscal year. Notwithstanding the inherent difficulty in implementing the statutory mandate, USCIS strives to reasonably estimate the number of petitions and beneficiaries that may be approved before the annual cap will be reached.

In accordance with 8 C.F.R. 214.2(h)(8)(ii)(B), USCIS makes projections on the number of petitions necessary to achieve the H-2B cap, taking into account historical data related to approvals, denials, revocations, and other relevant factors.
These other relevant factors include:

- the number of H-2B petitions received;
- the number of H-2B beneficiaries covered on each petition;
- the number of H-2B petitions pending adjudication; and,
- DOS visa refusal and visa issuance rates for H-2B visa applicants.

In order to fulfill the statutory responsibility for managing the H-2B cap, USCIS monitors this information and refines its projections based on changes in the program and the factors listed above. Relevant factors, such as yearly data on the visa issuance rates, may change according to the number of petitioners seeking H-2B workers, among other things.

Through continued collaboration with DOS, USCIS receives more detailed and more current visa issuance data than in previous years. This additional information has been a new and valuable improvement to the H-2B cap analysis.

USCIS and DOS have worked together to develop a process to share necessary data on H-2B returning workers. Because it is not possible at the time that USCIS approves a petition to know whether a given beneficiary or beneficiaries ultimately will be determined eligible for H-2B visa issuance and/or admitted to the United States, continued collaboration with DOS is necessary to ensure the integrity of the H-2B Returning Worker program and to properly manage the H-2B cap.

USCIS will exempt H-2B beneficiaries certified by employers as returning workers from the Fiscal Year 2016 H-2B cap. USCIS may adjust the number of visas counted toward the H-2B cap if DOS cannot confirm that a beneficiary certified as an H-2B returning worker is, in fact, a returning worker.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE David Young

Jeh Johnson, Secretary
Department of Homeland Security
Committee on Appropriations
Subcommittee on Homeland Security
Department of Homeland Security
FY 2017 Budget Request
February 24, 2016

Agroterrorism and the DHS Office of Health's Role

Question: After the spread of H1N5 last year throughout the Midwest, we've seen how the spread of disease can impact our food supply. This event has also highlighted the real threats posed by potential agroterrorism.

- What steps is the Department of Homeland Security (DHS) taking to mitigate agroterrorism and is this reflected in the DHS FY17 budget?

Answer: DHS has several projects and programs reflected in the Fiscal Year 2017 President's Budget aimed at supporting the mitigation of agroterrorism.

The National Protection and Programs Directorate (NPPD) continues to support the U.S. Food and Agriculture Sector Government Coordinating Council/Sector Coordinating Council in collaboration with the Department of Health and Human Services and the Department of Agriculture (USDA).

The Science and Technology Directorate (S&T) continues to support the development of the National Bio and Agro-Defense Facility, and to maintain Plum Island Animal Disease Center for the prevention, detection, and diagnosis of Foreign Animal Disease in collaboration with USDA. In FY 2017, DHS will have continued access to the Centers of Excellence at the University of Minnesota (the Food Protection and Defense Institute), and Texas A&M University and Kansas State University for foreign animal and zoonotic disease-related research.

Within S&T's Chemical and Biological Defense Division, the Foreign Animal Disease Vaccines and Diagnostic program in collaboration with Plum Island Animal Disease Center Science Branch (Office of National Labs) has and continues to provide next-

generation vaccines to the commercial market for high-consequence foreign animal diseases for which less desirable vaccines or no vaccines exist. In the event of a foot-and-mouth disease outbreak without the use of vaccination, losses for producers and consumers are estimated at approximately $188 billion and costs to the government are estimated at $11 billion. These programs developed the first molecular foot-and-mouth disease vaccine conditionally licensed for cattle in May 2012, which was the first-ever foot-and-mouth disease vaccine licensed in the United States. This vaccine was the result of a public-private partnership between DHS, USDA, and private industry.

In addition, since 2012, S&T has supported the development of improved animal disease surveillance tools at one of the DHS Centers of Excellence, the Zoonotic and Animal Disease Defense Center co-led by Texas A&M University. The tools developed as a part of this project allow animal health observations collected on the farm to be centralized and aggregated confidentially for rapid assessment of unexpected changes to the health status of herds on a local, regional, and national scale. This system was first rolled out to volunteer farms in the swine industry in mid-2015, following earlier pilot studies. Although still early, real-time information now is being generated regarding health changes in a small set of herds. As this project scales up, decision-makers in industry and governmental roles can document significant changes in animal health, leading to a more rapid disease response, as appropriate. Participating animal health providers now can receive diagnostic laboratory results through application, providing rapid access to diagnostic test results and connecting national diagnostic labs to providers on the ground.

U.S. Customs and Border Protection (CBP) continues to inspect persons and cargo for potential threats to the U.S. food and agriculture sector. The Office of Health Affairs (OHA) is working with CBP to improve the health of its working animals.

OHA continues to support the Federal Emergency Management Agency in the development of foreign animal disease exercises and the improvement programs that follow. The Food and Agriculture Incident Annex to the federal response plan under development is an example of such follow-on enhancements. The Food, Agriculture, and Veterinary Defense branch within OHA continues to develop, maintain, and enhance tools for practitioners and community preparedness. Recent and planned future work includes development of additional tools for training and certification documentation to assist states in sharing human capital in a food or agricultural incident. In response to the 2014 outbreak of highly pathogenic avian influenza and the associated after-action reports, the animal agriculture system is a priority. To focus efforts better, the Food Protection and Defense Institute is holding several stakeholder meetings to take inventory of state, local, and tribal responders' needs, as well as what new tools they would like to see developed.

- Is the Office of Health within DHS working with other agencies on this issue?

Answer: OHA works with many agencies on various levels. At the Food and Agriculture Government Coordinating Council and Sector Specific Council, the office works at the strategic level with senior leaders of USDA, the Food and Drug Administration (FDA), and organizations that represent state and local agencies. OHA partners with USDA on exercises for response to foreign animal diseases, and the office is working with FDA on Food Safety Modernization Act implementation, Rapid Response Teams, the Integrated Food Safety System, and the National Food Protection Program. OHA works with organizations representing stakeholders such as the Association of Food and Drug Officials, the Council on State and Territorial Epidemiologists, and the National Association of State Departments of Agriculture. The organizations assist national preparedness and response actions by posting the model response plans on their Web sites and by notifying their members of new information and programs as they are developed.

Furthermore, since 2009, the Agriculture Defense Branch of S&T has co-chaired the Food and Agriculture Sub-Integrated Process Team with OHA and NPPD. CBP also is represented. This large interagency group has members from USDA (Food Safety Inspection Service, Animal & Plant Health Inspection Service, and Agricultural Research Service), FDA, the Federal Bureau of Investigation, and the Environmental Protection Agency, and meets routinely to brief the interagency on DHS projects and to participate in requirement generation and prioritization.

- What role does the National Biosurveillance Integration Center have in our preventative efforts?

Answer: The National Biosurveillance Integration Center has a unique role in biosurveillance. The Center integrates biosurveillance information derived from multiple sources, in multiple languages, and across the span of human health, animal health, plant health, and food supply safety every day. The National Biosurveillance Integration Center serves to identify and disseminate rapidly information about events of potential national significance. The Center shares information across the interagency, alerting agencies of events that are occurring globally and convening the biosurveillance community when necessary to explore specific incidents and issues. The Center serves as a network hub for members of the federal biosurveillance community to improve coordination and response when needed and to develop an atmosphere of teamwork and collaboration prior to an event. In recent years, the National Biosurveillance Integration Center has become a valuable source of information aimed at state and local partners through established platforms such as the Fusion Center Program, the Homeland Security Information Network, and direct distribution. Future work at the Center will foster development of more advanced analytic processes and the sharing of tools through collaborative virtual environments, leveraging the work of partners at S&T, the Department of Defense, and the Department of Veterans' Affairs to maximize the Center's investments in this area.

Refugee/Asylee Information Sharing with State and Local Officials

Question: More than half of the nation's governors – Iowa included – have stated they will not accept Syrian refugees. In December, the Department of Health and Human Services said states cannot pick and choose which refugees they accept and warned they could lose all refugee resettlement funding. This issue, as well as the issue of tracking refugees after they enter the U.S., has raised questions about what information exactly is being provided to state and local officials, and regional federal intelligence field offices.

- Are state and local law enforcement officials, including those at state homeland security offices, and regional federal offices, including the Joint Terrorism Task Force in Omaha, able to access information about refugees and asylees?

- Can you describe the partnership DHS has with our state and local officials to address threats posed by those entering our country under humanitarian assumptions?

- Additionally, do the following Memorandums of Agreement provide guidance to DHS and states regarding information sharing and where can states access these MOAs? Memorandum from Secretary Chertoff, Disclosure of Asylum-Related Information to U.S. Intelligence and Counterterrorism Agencies (Apr. 18, 2007); Memorandum from Secretary Napolitano, Disclosure of Asylum and Refugee-Related Information to U.S. Intelligence and Counterterrorism Agencies Pursuant to 8 C.F.R. § 208.6 Addendum to 2007 Secretary Chertoff Memo (Aug. 25, 2011); Memorandum from Secretary Napolitano, Policy Statement Regarding the Disclosure of Asylum and Refugee-Related Information to United States Intelligence and Counterterrorism Agencies ([Date TBD]).

Answer: U.S. Citizenship and Immigration Services (USCIS) Fraud Detection and National Security Immigration Officers represent USCIS and DHS on the National Joint Terrorism Taskforce and on Joint Terrorism Taskforces across the country, including in Omaha, in order to coordinate with federal, state, and local law enforcement officers in ongoing counterterrorism investigations. Consistent with USCIS and DHS authorities, these officers share information with law enforcement to support new and ongoing counterterrorism investigations, including cases where a person has received asylum or refugee status.

USCIS policy requires contact with investigating law enforcement agencies anytime USCIS becomes aware that an applicant has a connection to terrorism or other national security concerns. This coordination ensures that adjudicative activities will not impact

ongoing investigations, and that USCIS is aware of the nature of the law enforcement interest prior to making adjudication decisions.

DHS has issued several memoranda, including those cited above, outlining DHS and USCIS responsibilities for sharing information about individuals whose information is subject to various confidentiality provisions with federal, state, and local law enforcement, to ensure cooperation with ongoing investigations to the fullest extent of the law. More information about asylum and refugee confidentiality is available to law enforcement through a fact sheet on USCIS's public website: https://www.uscis.gov/sites/default/files/USCIS/Outreach/Notes%20from%20Previous%20Engagements/2012/December%202012/Asylum-ConfidentialityFactSheet.pdf.

Additionally, DHS Intelligence and Analysis, DHS Office of Operations Coordination and Planning, and the National Operations Center maintain the DHS Single Point of Service to provide a centralized DHS Headquarters location to receive, facilitate, process, and, in some circumstances, respond to operational or intelligence related requests for information that originate from federal, state, local, tribal, and territorial entities. The Single Point of Service coordinates responses to requests for information with each DHS operational component with potentially relevant information, as well as with oversight offices, as appropriate, to ensure a coordinated, comprehensive response.

Cuts to State Homeland Security Grant Program

Question: The State Homeland Security Grant Program (HSGP) provides critical funding for the state of Iowa. This funding has helped establish specialty response teams including the Incident Management Team which played a huge role during the avian influenza outbreak last year. Funding for the HSGP is cut in half in the President's FY17 budget request and states are now left wondering what funding would be available to ensure response capabilities continue. The State Homeland Security Grant Program provides needed funding for my state of Iowa and our ability to maintain critical core response capabilities. Through specialty teams stood-up through this program, Iowa has been able to be more responsive to local requests and ultimately has minimized the need for federal resources.

- Why does the administration's budget request include a drastic cut in funding for this program, and how does the Department of Homeland Security (DHS) anticipate ensuring states can sustain response capabilities?

- How does DHS plan on communicating with state officials about where to find needed funding should this program be cut?

Answer: In the context of governmentwide limits on discretionary spending imposed by the *Budget Control Act* and the *Bipartisan Budget Act of 2015*, the President's Fiscal Year (FY) 2017 budget proposal reflects difficult decisions among competing priorities across the DHS portfolio. As funding for grant programs began to decline in FY 2012, the Department emphasized that state and local governments should use their grant funding to sustain the capabilities that they built over the past 15 years with federal grant funding rather than invest in new capabilities that will be difficult to sustain in the future.

The Threat and Hazard Identification and Risk Assessment process, including the systematic evaluation of the core capabilities described in the National Preparedness Goal and the identification of capability gaps, is a planning tool that states should be using to identify and prioritize their capability needs and to develop strategies to address those needs.

This planning effort should inform not just allocation decisions for federal grant dollars, but a holistic understanding of how capability gaps can be filled and sustained most effectively and efficiently. Delivering the core capabilities described in the National Preparedness Goal requires the combined effort of the whole community and is not the exclusive domain or responsibility of any single organization or level of governments. As such, when determining how to build and sustain those capabilities, state and local officials should not rely solely on the financial assistance provided through federal grant programs such as the State Homeland Security Grant Program but also should consider using state and local financial resources, developing mutual aid agreements with surrounding jurisdictions, and forming partnerships with the private and nonprofit sectors. Moreover, the FY 2017 President's Budget maintains investments in the fire service through the Assistance to Fire Fighters Grants and the Staffing for Adequate Fire and Emergency Response grants, as well as state and local emergency management agencies through the Emergency Management Performance Grants.

This message has been conveyed consistently to state and local officials and other preparedness partners by Department officials in public fora and private meetings; in the National Preparedness Goal; in planning guidance documents, such as the Comprehensive Preparedness Guide 201; and in the annual Notice of Funding Opportunity for the Homeland Security Grant Program.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE Marcy Kaptur

Jeh Johnson, Secretary
Department of Homeland Security
Committee on Appropriations
Subcommittee on Homeland Security
Department of Homeland Security
FY 2017 Budget Request
February 24, 2016

Border Security

Question: I represent the region along the Northern Border. There is a massive heroin and opioid epidemic. The failures to deal effectively with the Sinaloa Cartel on the southern border have crept far north to our region.

Please send, as soon as possible, a senior official from the Department to assist our region to "secure and manage our borders." DHS's efforts on the southern border to establish joint taskforces between CBP, U.S. Immigration and Customs Enforcement (ICE), Citizenship and Immigration services, and the Coast Guard are great opportunities for cooperation. I would like to replicate and add to these efforts in my own region engaging our local sheriffs, chiefs of police, our US attorneys and US marshals. Your assistance on how best to organize and move forward on this request is greatly appreciated.

How can we focus the efforts of a joint taskforce to do better to meet the law enforcement challenges across our region?

Answer: The Department of Homeland Security (DHS) appreciates your endorsement of the Southern Border and Approaches Campaign and Joint Task Forces. The initial Joint Task Forces have come a long way since their inception in February 2015. Joint Task Force-West has been coordinating the DHS response to the migration flows along the U.S. southern land border, and Joint Task Force-East and Joint Task Force-Investigations are making other important operational and organizational strides in their areas of responsibility.

As part of the DHS responsibility to secure the homeland, the Department regularly reviews how it conducts operations to meet the threats and challenges that the Nation faces. One of these challenges is facilitating lawful trade and travel while effectively securing our Nation's northern border. We are currently reviewing our Northern Border Strategy, and have a number of ongoing or planned initiatives aimed at substantially increasing the operational coordination within DHS and with its interagency and international partners along the Northern Border. One of these activities is the Cross-Border Law Enforcement Advisory Committee (the Committee). The Committee is an effort designed by its members (U.S. Customs and Border Protection, Canada Border Service Agency, U.S. Immigration and Customs Enforcement (ICE), Royal Canadian Mounted Police, and U.S. Coast Guard) to provide executive-level guidance to cross-border law enforcement initiatives involving partnerships between U.S. and Canadian law enforcement agencies. The Department is committed to continuing to find ways, like creation of the Committee, to increase its collaboration with mission partners and its operational effectiveness along our Nation's air, land, and sea borders.

Sex and Labor Trafficking

Question: Sex trafficking and labor trafficking are closely tied to drug trafficking, all of which our region suffers from greatly.

What are the best practices DHS has implemented across the country to collaborate with local officials to better address these challenges?

Answer: The Blue Campaign is the Department's unified voice for combatting human trafficking. Through the Blue Campaign, DHS component agencies collaborate to share information on human trafficking training and awareness, investigations, prosecutions, victim support services, and immigration assistance.

Working alongside the Blue Campaign, ICE Homeland Security Investigations (HSI) has delivered specialized anti-human trafficking awareness presentations to approximately 500 representatives of state, local, and tribal law enforcement in Alabama, California, Indiana, Maryland, North Dakota, and Washington, D.C. These presentations are in addition to the Blue Campaign toolkit materials, which outline best practices for recognizing human trafficking indicators specific to an industry/location, (i.e. hospitality, finance). These proactive training and outreach engagements, combined with ICE HSI participation in approximately 91 human trafficking task forces, have strengthened DHS's multidisciplinary collaboration efforts with state, local, and tribal authorities by increasing participants' ability to identify victims, enhancing delivery of services to all victims, identifying best practices, supporting the victim-centered investigation approach, and building stronger prosecution strategies through increased forensic interviews.

In addition to human trafficking-based task forces, ICE HSI addresses these investigative areas through Operation Community Shield. Operation Community Shield is ICE HSI's national anti-gang initiative that combines ICE's expansive statutory and administrative enforcement authorities. This operation combats the growth and proliferation of transnational street gangs, prison gangs, and motorcycle gangs throughout the world, in cooperation with federal, state, local, tribal, and foreign law enforcement partners. Criminal organizations engaged in human trafficking often engage in other crimes, such as narcotics and weapons trafficking. Criminal gangs traditionally known for narcotics distribution have been found to engage in forced prostitution. As such, ICE HSI investigates and combats these criminal organizations by working with state and local law enforcement in communities throughout the United States. This is accomplished through formal and informal task forces and gang suppression operations with our federal, state, and local law enforcement partners.

This year, the ICE-led Human Smuggling and Trafficking Center, an interagency center with participation from DHS, the Department of State, and the Department of Justice, began an initiative with state and local fusion centers to share human trafficking information. By sharing human trafficking intelligence data and analyzing it with existing federal data sources, such as the Uniform Crime Report, a more comprehensive picture of human trafficking trends and prevalence may be revealed and best practices established. In February, the Human Smuggling and Trafficking Center presented a proposal to the Fusion Center Human Trafficking Analysts Conference to create a site on the Homeland Security Information Network to allow for a centralized location for state, local, and federal analysts to share human trafficking information. Conference attendees included human trafficking fusion center analysts from the Federal Bureau of Investigation and nongovernmental victim advocacy groups. Topics included litigating labor trafficking cases, financial indicators of human trafficking, human trafficking in prisons, the role of gangs, and advanced analytic methods and tools.

pennsylvania
OFFICE OF THE STATE FIRE COMMISSIONER

March 2, 2016

The Honorable Harold Rogers
Chairman, House Appropriations Committee
H-305, The Capitol Building
Washington, DC 20515

The Honorable Nita Lowey
Ranking Member, House Appropriations Committee
1016 Longworth House Office Building
Washington, DC 20515

The Honorable John Carter
Chair, House Appropriations Subcommittee on Homeland Security
B-307 Rayburn House Office Building
Washington, DC 20515

The Honorable Lucille Roybal-Allard
Ranking Member, House Appropriations Subcommittee on Homeland Security
2330 Rayburn House Office Building
Washington, DC 20515

Dear Representatives Rogers, Lowey, Carter and Roybal-Allard:

On behalf of the nation's fire and emergency services, we write to urge your continued support for critical programs that enhance our nation's readiness and emergency response capabilities: the Assistance to Firefighters (FIRE) Grant Program and the Staffing for Adequate Fire and Emergency Response (SAFER) Grant Program, the U.S. Fire Administration (USFA) and the Urban Search and Rescue Response System (US&R).

The FIRE and SAFER grant programs are imperative to addressing the needs of more than one million fire and emergency services personnel, while providing an economic stimulus to American businesses. As you begin work on the Fiscal Year (FY) 2017 appropriations process, we encourage you to fund these programs at $810 million evenly divided between the two programs. This funding level represents a restoration to the Fiscal Year 2011 funding levels and will assist local fire departments in meeting the increasing costs of equipment and labor.

Congress created FIRE and SAFER to address the baseline needs of our nation's fire and emergency services. These two highly successful programs help ensure that our nation's 30,000 fire departments have the necessary training, equipment, and staffing to respond to over 30 million emergency calls annually and to continue to reduce community risk. Every community across the country relies on our firefighters to respond to a variety of emergency situations, including structure fires, emergency medical services, hazardous materials response, technical rescue, and wildland/urban interface fires. Both the FIRE and SAFER grant programs improve the response capabilities in each of these emergency response areas, and provide funding for crucial fire prevention and safety programs targeted toward high-risk populations.

Office of the State Fire Commissioner | 2605 Interstate Drive | Harrisburg, PA 17110 | 800-670-3473 or 717-651-2200 | Fax 717-651-2210
State Fire Academy | 1150 Riverside Drive | Lewistown, PA 17044 | 800-459-4096 or 717-248-1115 | Fax 717-248-3580
www.osfc.state.pa.us

areas, and provide funding for crucial fire prevention and safety programs targeted toward high-risk populations.

The FIRE and SAFER programs have been extremely effective. According to the Third Needs Assessment of the U.S Fire Service, published by the National Fire Protection Association (NFPA), significant progress has been made in the readiness of fire departments across the country since the creation of the FIRE and SAFER programs. The NFPA study found:

- 51% of all fire departments lack enough portable radios to equip all responders on a shift (down from 77% in 2001);
- 51% of all fire departments cannot equip all firefighters on a shift with self-contained breathing apparatus (down from 70% in 2001);
- 46% of all fire departments have not formally trained all their personnel involved in structural firefighting (down from 55% in 2001);
- 48% of all fire departments responsible for emergency medical service (EMS) have not formally trained all their personnel (down from 54% in 2001);
- 20% of fire departments protecting populations of at least 500,000 have fewer than four firefighters assigned to an engine (down from 30% in 2001);
- 26% of departments protecting populations between 250,000 and 499,999 have fewer than four firefighters assigned to an engine (down from 41% in 2001).
- 35% of departments do not provide a school fire safety education program based on a national model curriculum (down from 47% in 2001).
- 52% of departments do not provide a free smoke alarm distribution program (down from 69% in 2001).

Summarizing the report, NFPA stated, "In all areas emphasized by the FIRE and SAFER grants, there is ample evidence of impact from the grants **but also considerable residual need still to be addressed**, even for needs that have seen considerable need reduction in the past decade."

Unfortunately, the past five years have seen a steep increase in the cost of some of the most common and sought-after firefighting equipment. An analysis by industry experts estimates that from 2011 to present, the cost of protective clothing has increased by an estimated 11.4%. During the same time period, the cost of self-contained breathing apparatus (SCBA) increased by an estimated 15%. These cost increases were due in part to the increased costs of raw materials and to necessary changes to equipment standards that improved firefighter safety.

Since 2011, there has also been a sharp increase in the cost of firefighting apparatus. The cost of pumper trucks, which make up approximately 60% of the apparatus market, has increased by an estimated 14.6% increase due in large part to price increases for materials and labor.

The FIRE and SAFER grant programs provide the means to enhance preparedness and response capabilities nationwide to all types of hazards, as well as support fire prevention and education

programs. These capabilities are squarely in the federal interest and justify continued federal investments.

Another issue we bring to your attention is funding for the U.S. Fire Administration (USFA). USFA plays an important role at the national level, ensuring that the fire service is prepared to respond to all hazards. Each year, USFA provides training to approximately one million fire and emergency service personnel through the National Fire Academy (NFA). It also collects important data and conducts research to reduce the threat of fire and other dangers in local communities. Unfortunately, over the past decade, USFA's budget has been reduced by approximately 25% percent. This trend needs to stop. Continued cuts to USFA's budget will eliminate assistance for state fire training systems, reduce technical support for the data collection, and end support for the National Fallen Firefighters Memorial Weekend. We ask that Congress appropriate $45.6 million for USFA, restoring funding for the agency to the Fiscal Year 2011 level.

Lastly, we request your support for the Urban Search and Rescue Response System (US&R). As the nation's only self-sufficient, all-hazards, ready-response force, US&R is essential to our nation's homeland security. Given its crucial importance, we are extremely concerned with recent cuts to the program. The average cost to maintain a US&R team exceeds $2 million. Although Congress funded US&R at $35.18 million in FY 2016, this amount only covers a portion of the necessary costs, leaving local governments responsible for filling the gap and, thus, impairing local public safety. At a minimum, we urge Congress to fund the program at $50 million for Fiscal Year 2017.

We remain grateful for your continued leadership in ensuring that America's fire and emergency services are prepared to protect the public from all hazards – both natural and manmade. As you continue developing legislation to fund these programs for Fiscal Year 2017, we urge you to consider our recommendations to ensure that our nation's first responders can continue to protect and serve their communities safely and effectively.

Sincerely,

Timothy Solobay
Pennsylvania Fire Commissioner

MICHAEL P. MELANIPHY
PRESIDENT & CEO
AMERICAN PUBLIC TRANSPORTATION ASSOCIATION (APTA)
SUBMITTED TO
THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON HOMELAND SECURITY
On Transit and Rail Security Grants, the FEMA State and Local Grant Program, and TSA Surface Transportation Security, within the Fiscal Year 2017 Appropriations for the Department of Homeland Security
April 1, 2016

INTRODUCTION

Mr. Chairman and members of the Subcommittee, thank you for this opportunity to submit written testimony on the FY 2017 funding needs for public transportation security programs within the Department of Homeland Security (DHS). Since 9/11, APTA has advocated for increases in federal funding to address the security needs of the nation's public transportation systems.

Recent attacks in the Brussels subway station confirm that public transportation systems continue to be high-value targets for terrorists. We have specifically urged Congress to substantially increase appropriations for transportation security programs within the Federal Emergency Management Agency (FEMA), as appropriations in recent years have been far less than the levels authorized under the Implementing Recommendations of the 9/11 Commission Act of 2007 (Public Law 110-53). Additionally, we strongly urge the Subcommittee to continue funding within the Transportation Security Administration (TSA) to support national transportation security information sharing and analysis and the development of transit security standards.

ABOUT APTA

The American Public Transportation Association (APTA) is a nonprofit, international association of nearly 1,500 public and private member organizations, including transit systems and commuter, intercity and high-speed rail operators; planning, design, construction, and finance firms; product and service providers; academic institutions; transit associations and state departments of transportation. APTA members serve the public interest by providing safe, efficient, and economical public transportation services and products. In accordance with the National Infrastructure Protection Plan, APTA has been recognized by the Department of Homeland Security as serving in the capacity of the Mass Transit Sector Coordinating Council.

Public Transportation Systems Continue to Be Terrorist Targets

The federally-charted, Mineta Transportation Institute (MTI) has documented terrorist attacks on surface transportation vehicles and facilities dating back to the 1970s. MTI studies report that there have been 2,665 worldwide attacks on public transportation targets (i.e. subways, commuter trains, intercity trains, subways, subway stations, subway/train tracks, busses, bus stations, bus stops, ferries, and ferry terminals) through 2014 – this horrific statistic has recently increased as it has been reported that more than half of the 35 fatalities from the recent Brussels attack were victims in the Maalbeek Metro (subway) Station. Several other authoritative sources have continued to acknowledge that the risk to public transportation systems for a terrorist attack is high and has not diminished. The U.S. Government Accountability Office (GAO) has testified and reported to Congress that public transportation systems remain vulnerable to terrorist attack.

We have been very fortunate to date in not having a successful terrorist attack committed on a U.S. transit system. However, several attacks have been foiled and conspiring terrorists have been arrested who intended to attack some of our largest systems in New York City, Washington, DC, Los Angeles, and New Jersey. A 2012 MTI report analyzes thirteen terrorist plots against public surface transportation that were uncovered and thwarted by law enforcement between 1997 and 2010 – seven of the thirteen plots were against U.S. systems. Our U.S. public transportation systems continue to be at risk of attack.

Increased Investments in Transit Security are Required

Since 2006, annual public transportation ridership in the United States has surpassed 10 billion trips with 10.8 billion trips recorded in 2014 – the highest annual total in 58 years. As ridership continues to grow, public transportation security risk exposure and security needs also increase. However, increased ridership and risks have been met with sharply reduced federal investment in transit security. In FY 2009 the Transit Security Grant Program (TSGP) made $348.6 million dollars available for transit systems and an additional $150 million was made available for transit security through the American Recovery and Reinvestment Act (P.L. 111-5) – a total of $498.6 million in FY 2009. In stark contrast, the current FY 2016 TSGP allocates $87 million for transit security – an 83% decrease in funding from FY 2009 levels. More troubling, for FY 2017, the Administration proposed an additional 15% cut to the TSGP. APTA opposes any funding reduction as we remain concerned with the existing underinvestment in the security of our nation's transit systems.

We recognize that pressures on our federal budget are severe, with many important national funding priorities, however the trend of decreasing investment in transit security puts many lives, billions of dollars of infrastructure, and billions of dollars of regional and national commerce at risk. Transit agencies across the country have identified more than $6 billion of capital and operational security needs. Despite significant spending on security by state and local government, the TSGP is the primary source of federal funding for security needs of public transportation agencies; APTA urges Congress to acknowledge the risk that our transit systems continue to face and restore appropriations for the TSGP in this and subsequent appropriation bills to levels closer to those authorized under the 9/11 Commission Act.

Lastly, APTA concurs with the intent of the 9/11 Commission Act, calling for a transit security program that aims to primarily address capital needs, however, we also believe that operational needs should continue to be eligible for a limited portion of transit security funding. Both capital and operating programs can help protect our riders.

Transportation Security Administration (TSA) Surface Transportation Security

APTA and the public transportation industry have maintained a strong and beneficial working relationship with the Transportation Security Administration (TSA) in recent years, in particular, in the areas of information and intelligence sharing and analysis and security standards development.

Public Transit & Over the Road Bus Information–Sharing and Analysis Centers (ISAC)

In 2002, the Secretary of Transportation designated APTA as the sector lead for creating and operating the Public Transportation–Information Sharing and Analysis Center (PT–ISAC); in turn, the Federal Transit Administration (FTA) funded the center's start-up, then its operations for several years thereafter. In 2012, the center's funding shifted from the FTA to the TSA. APTA, TSA, and the FTA

have collaborated for years through the Mass Transit Sector Coordinating Council to streamline the information sharing environment within the public transit industry and eliminate redundancy.

The APTA/TSA/FTA partnership led to the formation of an industry/government "Security Information Sharing Working Group" that incorporated the Association of American Railroads (AAR) as a partner. The working group subsequently developed the *Transit and Rail Intelligence Awareness Daily (TRIAD)* report as a concise, daily security notification platform made available through the PT–ISAC and the freight–rail focused, Surface Transportation (ST)–ISAC. The *TRIAD* provides ISAC members with a quick, web–based, functional synopsis in three fundamental areas: suspicious activities, terrorism, and counterterrorism analysis. The ISACs also offer a Daily Open Source Cyber Report that serves as a reliable vehicle for TSA to distribute their critical industry updates. The APTA–TSA partnership was further strengthened in 2012 when TSA requested that APTA create the Highway ISAC (now called the Over the Road Bus–ISAC or OTRB–ISAC), and within the new ISAC implement an "incident call center".

The PT–ISAC and now the OTRB–ISAC have proven to be essential resources within the public transit and motor–coach industries. The PT–ISAC is the single most important and effective national information and intelligence sharing resource that public transit systems can access to protect their agencies from physical and cyber–attacks. The PT–ISAC delivers comprehensive national intelligence information with additional analysis and recommendations from government intelligence reports. The efficiency, responsiveness, and critical commentary provided through the PT, OTRB, and ST–ISACs are critical to national transportation security efforts. Continued federal support for our ISACs is vital.

Transit Security Standards Development

The APTA Transit Security Standards Program allows for capturing lessons learned and industry best practices of transit systems that have implemented successful security strategies, so that other systems have program standards and models to build upon or replicate. The standards program also allows DHS/TSA to vet security ideas with the industry rather than implementing untested mandates/regulations on transit agencies that might have significantly different operating environments.

The program continues to develop a substantial workload of standards and recommend practices that are reviewed by five security working groups:

1) Fixed Infrastructure
2) Security Risk Management
3) Emergency Management
4) Enterprise Cyber Security
5) Control and Communications Cyber Security

Cyber security is an increasing global concern and a particular area of focus within the Standards Program. IT systems are central components in the operations and administration of small, medium, and large transit agencies. A cyber-attack or IT system breach of a transit agency can pose increased levels of concern as cyber threats may not only compromise administrative/business systems (i.e. employee records, inventory data, etc.), but can lead to the malfunction of critical control, GPS, and communications systems in vehicles or track infrastructure.

The Transit Security Standards Development program paired with the contributions of the PT-ISAC, is an invaluable tool for the industry and greatly enhances the safety, security, and operational efficiency of public transportation systems across the country.

Conclusion

Mr. Chairman and members of the Subcommittee, I thank you for this opportunity to share our industry's views on the need to increase federal investment on public transportation security. There is no greater priority for public transportation systems than the safety and security of passengers and workers. As our public transportation systems continue to deal with the risk of attack, increased investments for enhanced security are an immediate necessity. We also reiterate the need for continued federal support for the operation of the Public Transportation (PT) and Over the Road Bus (OTRB)–ISACs and the Transit Security Standards Development program.

The Nature Conservancy
Protecting nature. Preserving life.
Sarah W. Murdock
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617-532-8368

March 31, 2016

Testimony for the House of Representatives Appropriations Subcommittee on Homeland Security on the FY 2017 Appropriations for the Federal Emergency Management Agency Submitted by The Nature Conservancy

Mr. Chairman and Members of the Subcommittee,

Thank you for the opportunity to present The Nature Conservancy's support for the FY 2017 President's Budget for the Department of Homeland Security, Federal Emergency Management Agency. The Nature Conservancy is an international, non-profit, conservation organization working to protect ecologically important lands and waters for nature and people. Our mission is to conserve the lands and waters upon which all life depends.

The Department of Homeland Security notes the challenge of building capacity for society to be resilient in future disasters and directs funds in the FY 2017 budget toward meeting this goal. We strongly support the agency's efforts to build capacity, specifically in pre-disaster mitigation actions. The Conservancy believes that significant mitigation actions must include planning and natural infrastructure. We are implementing projects across the United States to maintain and restore the connectivity of rivers, along with sufficient area of floodplain, and to conserve and restore coastal natural infrastructure such as wetlands, reefs, dunes, and barrier beaches and islands. In addition to flood risk reduction, these projects provide many other benefits that support and protect humans and nature such as filtering pollutants, flood and erosion protection, and production of fish and shellfish.

We support the explicit inclusion of resilience funding in the FY 2017 appropriations, in particular, the budget requests of three programs key to effective risk mitigation.

Flood Hazard Mapping and Risk Analysis Program
Flood maps are critical to provide accurate information that feeds into essential community level planning, yielding enhanced resilience. Up-to-date, scientifically sound, and environmentally and socio-economically indicative flood maps inform risk and vulnerability and drive and inform land use decisions. Flood maps are the essential underpinning to drive wise land use including decisions on where not to develop and where to conserve lands that might aid in flood risk reduction. The Nature Conservancy has extensive experience in providing flood and land use data to inform strategies that reduce risk through the development of our Coastal Resilience Tool.

According to the Association of State Floodplain Managers, it will cost $4.5B-$7.5B to produce updated flood maps for the nation and another $116M-$275M annually to keep the maps

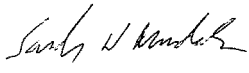
updated. The funding proposed this year is far from sufficient to address the deficit of flood mapping resources, especially following the level enacted last year. **The Conservancy requests funding be restored to the FY 2016 enacted level of $190M for Flood Hazard Mapping and Risk Analysis Program.**

Pre-Disaster Mitigation Fund
Taking action before any specific disaster promotes and facilitates planning and measures that increase resilience and reduce risk, as compared to the reactive, immediate actions needed following a disaster. With nearly all federal investments in mitigation occurring after a disaster, the importance of the National Pre-Disaster Mitigation Fund, the only program dedicated to funding mitigation actions before a disaster strikes and not tied to a specific event, is central to building capacity in states and local communities. This program was highlighted as a need in the 2014 recommendations of the State, Local and Tribal Leaders Task Force on Climate Preparedness and Resilience. **We are disappointed in the reduced request to Congress for this program this year and urge funding be restored to the FY 2016 enacted level of $100M for the National Pre-Disaster Mitigation Fund.**

National Flood Insurance Program Mitigation Grants
Much of the National Flood Insurance Program Mitigation Grant funds are targeted and directed at mitigating losses to structures that incur repeat flooding. Addressing the select structures that incur the greatest cost from repeated damage is the fiscally responsible option. There are known strategies, both structural and nonstructural, that are proven to reduce or eliminate flood damage and thus, this funding ultimately saves costs by reducing or eliminating that future risk. The funds pay for flood proofing measures, such as elevating structures, and is used to permanently remove structures from areas of repeat flooding. **The Conservancy supports the President's Budget request of $175M for the National Flood Insurance Program Mitigation Grants.**

Overall, The Nature Conservancy lauds FEMA's efforts to seek ways to build capacity and enhance resilience to natural disasters in communities throughout this nation. We would like to thank the Subcommittee for this chance to voice our support and your consideration in the appropriations process.

Sincerely,



Sarah W. Murdock
Director, U.S. Climate Resilience and Water Policy
The Nature Conservancy

Outside Witness Testimony

House Appropriations Committee
Subcommittee on Homeland Security
April 22, 2016

Comments on the Fiscal Year 2017 Budget Request for the Federal Emergency Management Agency
Submitted by:
Association of State Floodplain Managers
Chad Berginnis, Executive Director

The Association of State Floodplain Managers appreciates this opportunity to comment on aspects of the Fiscal Year 2017 FEMA Budget Request. Our members strongly urge the Committee to provide funding for Flood Risk Mapping and Pre-Disaster Mitigation (PDM) at no less than the FY 2016 enacted levels and to provide the budget request of $175 million for Flood Mitigation Assistance (FMA) From the National Flood Insurance Fund.

The Association of State Floodplain Managers and its 36 State Chapters represent more than 16,000 state and local officials and other professionals who are engaged in all aspects of floodplain management and hazard mitigation, including implementation of aspects of the National Flood Insurance Program, mapping, engineering, planning, permitting, hydrology, forecasting and management of floodplain areas. All ASFPM members are concerned with reducing loss of life and property due to flooding. Our website is: www.floods.org.

ASFPM members wish to thank the Subcommittee for its prior support of mitigation/risk reduction and of risk identification. Disaster related costs to the nation continue to rise. Flooding is the most frequent and most predictably costly type of natural disaster that can affect every part of the country. To reduce the losses and associated costs, hazard mitigation is key. Risk identification (mapping) is essential to guide and direct hazard mitigation activities.

Flood Risk Mapping
Floodplain mapping provides not only the regulatory tool necessary for implementation of the National Flood Insurance Program, but also identifies areas of risk to guide mitigation activities as well as community and economic development decisions.

FEMA's mapping program, RiskMAP, is funded both by appropriated funds and by fees paid by flood insurance policyholders. This dual source of funding is appropriate since the benefits of risk identification accrue to the NFIP and its policyholders as well as to all taxpayers. The nation has invested $4.3 billion in

digitizing most old paper maps and in updating a portion of the maps through new engineering studies since the effort to modernize flood maps was initiated. Much of that engineering study work remains to be done; many less populated areas of the country have no maps at all and many areas still have outdated maps that do not reflect current conditions.

A study of mapping needs produced by ASFPM entitled, "Flood Mapping for the Nation" estimated that producing maps with updated engineering, providing the additional mapping components called for in Biggert-Waters 2012, and mapping areas that have not yet been mapped would require funding at about the authorized level of $400 million in appropriated funds for 10 years. A subsequent steady-state cost to then maintain accurate and up-to-date maps would range from $116 million to $275 million annually.

The Administration's budget request for FY '17 is $178 million. That is $12 million below the FY '16 enacted level of $190 million. The Administration assumes an additional $12 million in revenue from policy fees due to an increase which took effect on April 1, 2016. Because the policies in force have significantly declined, probably largely due to rate increases and surcharges brought about by the 2012 and 2014 reform bills, ASFPM is not confident that the increased policy fee income will be realized.

ASFPM members would very much like to see mapping funded at the authorized level of $400 million in order to get the basic mapping done in a reasonable period of time. However, at the very least, we strongly urge the Subcommittee to fund mapping at the FY '16 enacted level of $190 million.

Pre-Disaster Mitigation

The Pre-Disaster Mitigation program (PDM) is the primary funding source for hazard mitigation projects for states without a current disaster declaration. Demand has historically been high for PDM – the program usually takes in applications that exceed three times available funding. Reform of the National Flood Insurance Program is driving interest in risk reduction actions and the increasing need for PDM resources. Both the reform acts in 2012 and 2014 result in flood insurance premium increasing toward full risk rates, which has driven and will drive an unprecedented interest in flood mitigation options to lower those premiums and risk. This is an appropriate reaction to better information about the true risk. However, the availability of PDM funds is key to taking advantage of this interest in mitigation, particularly in areas where there is not a declared disaster which would make Hazard Mitigation Grant Program funds available.

We were very pleased that the Congress was able to fund PDM at $100 million for FY '16 . Despite earlier efforts by the Administration to eliminate this program, this Subcommittee understood the importance of reducing the vulnerability of flood-prone properties before a disaster occurs – saving the federal taxpayer an estimated $5 for every $1 invested to reduce flood losses. ASFPM members have gratefully

appreciated the Subcommittee's repeated inclusion of funds to keep the program functioning – albeit at a minimum level of $25 million. That was sufficient to maintain state capacity to support mitigation activities and planning.

With funding of $100 million for FY '16, PDM has been reinvigorated and can return to a program of nationwide competitive grants. Unfortunately, the budget request for FY '17 is $54 million. To restore stability and predictability to the program, it is important that it be funded at the FY '16 enacted level of $100 million.

Flood Mitigation Assistance
Flood Mitigation Assistance (FMA) is funded by flood insurance policy holders through the National Flood Insurance Fund (NFIF). FMA funds a variety of methods of flood mitigation and a significant component of its funding is directed to mitigation of Severe Repetitive Loss properties. These properties, which make numerous flood insurance claims, sometimes even cumulatively exceeding the value of the property, constitute a significant unnecessary drain on the NFIF.

The budget request asks the Subcommittee to provide funding of $175 million from the NFIF. We urge the Subcommittee to approve this request. Much of this money will be wisely spent to very clearly reduce claims on the NFIF. Additionally it is an important source of grant funds for those seeking to reduce their flood insurance premiums by mitigating their risk.

Report Language
ASFPM members hope that the Subcommittee will again this year include language supporting a "more robust and timely Community Rating System" and encouraging technical assistance to assist with participation. We would also appreciate language noting the great value of the Community Assistance Program (CAP) which provides technical assistance to communities participating in the NFIP in managing their floodplains.

We also are hopeful that the Subcommittee could note the benefits of the Cooperating Technical Partners (CTPs) element of the flood risk mapping program. This mechanism promotes state and local engagement in the mapping effort – thereby improving map quality and local confidence in map accuracy.

Last year, the omnibus appropriations bill included language directing that no funds be used to implement the Administration's then proposed Flood Risk Management Standard (FFRMS) "until such time as the administration can demonstrate to the Committee that all concerns have been addressed." Now that final guidance pursuant to Executive Order 13690 has been issued, ASFPM very much hopes that such language will not be included in the FY '17 bill and report.

The changing nature of flood risk, including increased risks due to sea level rise, demands competent standards that will withstand the test of time and the forces of

nature. We think the new EO and the FFRMS represent an important step in that direction. In fact, some states have already adopted statewide standards that meet or exceed the new proposed federal standard and many, many communities and counties have done so.

The new FFRMS would not have any effect on local ordinances and would only apply where federal funds are involved. This would only apply to new construction or substantial repair or improvement involving federal dollars, thereby protecting federal investment. In some instances, federally funded facilities have been built at levels below the local ordinance, so in effect, this FFRMS would ensure that the federal investments respect local ordinances and state requirements.

Thank you very much for the opportunity to make these recommendations about FEMA's budget for FY '17 and to offer additional comments. If you have any questions, please contact ASFPM Executive Director, Chad Berginnis, at (608) 828-3000 or cberginnis@floods.org.

CONGRESSIONAL FIRE SERVICES INSTITUTE / FIRE APPARATUS MANUFACTURERS' ASSOCIATION / FIRE AND EMERGENCY MANUFACTURERS AND SERVICES ASSOCIATION / INTERNATIONAL ASSOCIATION OF ARSON INVESTIGATORS / INTERNATIONAL ASSOCIATION OF FIRE CHIEFS / INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS / INTERNATIONAL FIRE SERVICE TRAINING ASSOCIATION / INTERNATIONAL SOCIETY OF FIRE SERVICE INSTRUCTORS / NATIONAL ASSOCIATION OF STATE FIRE MARSHALS / NATIONAL FIRE PROTECTION ASSOCIATION / NATIONAL VOLUNTEER FIRE COUNCIL / NORTH AMERICAN FIRE TRAINING DIRECTORS

February 25, 2016

The Honorable Harold Rogers
Chairman, House Appropriations Committee
H-305, The Capitol Building
Washington, DC 20515

The Honorable Nita Lowey
Ranking Member, House Appropriations Committee
1016 Longworth House Office Building
Washington, DC 20515

The Honorable John Carter
Chair, House Appropriations Subcommittee
on Homeland Security
B-307 Rayburn House Office Building
Washington, DC 20515

The Honorable Lucille Roybal-Allard
Ranking Member, House Appropriations
Subcommittee on Homeland Security
2330 Rayburn House Office Building
Washington, DC 20515

Dear Representatives Rogers, Lowey, Carter and Roybal-Allard:

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(202) 371-1277 phone (202) 682-3471 fax www.cfsi.org

areas, and provide funding for crucial fire prevention and safety programs targeted toward high-risk populations.

The FIRE and SAFER programs have been extremely effective. According to the Third Needs Assessment of the U.S Fire Service, published by the National Fire Protection Association (NFPA), significant progress has been made in the readiness of fire departments across the country since the creation of the FIRE and SAFER programs. The NFPA study found:

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Unfortunately, the past five years have seen a steep increase in the cost of some of the most common and sought-after firefighting equipment. An analysis by industry experts estimates that from 2011 to present, the cost of protective clothing has increased by an estimated 11.4%. During the same time period, the cost of self-contained breathing apparatus (SCBA) increased by an estimated 15%. These cost increases were due in part to the increased costs of raw materials and to necessary changes to equipment standards that improved firefighter safety.

Since 2011, there has also been a sharp increase in the cost of firefighting apparatus. The cost of pumper trucks, which make up approximately 60% of the apparatus market, has increased by an estimated 14.6% increase due in large part to price increases for materials and labor.

The FIRE and SAFER grant programs provide the means to enhance preparedness and response capabilities nationwide to all types of hazards, as well as support fire prevention and education programs. These capabilities are squarely in the federal interest and justify continued federal investments.

Another issue we bring to your attention is funding for the U.S. Fire Administration (USFA). USFA plays an important role at the national level, ensuring that the fire service is prepared to respond to all hazards. Each year, USFA provides training to approximately one million fire and emergency service personnel through the National Fire Academy (NFA). It also collects important data and conducts research to reduce the threat of fire and other dangers in local communities. Unfortunately, over the past decade, USFA's budget has been reduced by approximately 25% percent. This trend needs to stop. Continued cuts to USFA's budget will eliminate assistance for state fire training systems, reduce technical support for the data collection, and end support for the National Fallen Firefighters Memorial Weekend. We ask that Congress appropriate $45.6 million for USFA, restoring funding for the agency to the Fiscal Year 2011 level.

Lastly, we request your support for the Urban Search and Rescue Response System (US&R). As the nation's only self-sufficient, all-hazards, ready-response force, US&R is essential to our nation's homeland security. Given its crucial importance, we are extremely concerned with recent cuts to the program. The average cost to maintain a US&R team exceeds $2 million. Although Congress funded US&R at $35.18 million in FY 2016, this amount only covers a portion of the necessary costs, leaving local governments responsible for filling the gap and, thus, impairing local public safety. At a minimum, we urge Congress to fund the program at $50 million for Fiscal Year 2017.

We remain grateful for your continued leadership in ensuring that America's fire and emergency services are prepared to protect the public from all hazards – both natural and manmade. As you continue developing legislation to fund these programs for Fiscal Year 2017, we urge you to consider our recommendations to ensure that our nation's first responders can continue to protect and serve their communities safely and effectively.

Sincerely,

Congressional Fire Services Institute
Fire Apparatus Manufacturers' Association
Fire and Emergency Manufacturers and Services Association
International Association of Arson Investigators
International Association of Fire Chiefs
International Association of Fire Fighters
International Fire Service Training Association
International Society of Fire Service Instructors
National Association of State Fire Marshals
National Fire Protection Association
National Volunteer Fire Council
North American Fire Training Directors

City of Miami, Florida

TOMÁS P. REGALADO
MAYOR

3500 PAN AMERICAN DRIVE
MIAMI, FLORIDA 33133
(305) 250-5300
FAX (305) 854-4001

March 7, 2016

The Honorable Thad Cochran, Chairman
The Honorable Barbara Mikulski, Vice Chairwoman
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable John Hoeven, Chairman
The Honorable Jean Shaheen, Ranking Member
Subcommittee on Homeland Security
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Hal Rogers, Chairman
The Honorable Nita Lowey, Ranking Member
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable John Carter, Chairman
The Honorable Lucille Roybal-Allard, Ranking Member
Subcommittee on Homeland Security
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

Dear Senators Cochran, Mikulski, Hoeven, and Shaheen:

We write on behalf of cities across the nation that would be significantly impacted by the deep funding cuts to the Urban Area Security Initiative (UASI) as proposed in the President's FY 17 budget. As Mayors, we share the strong belief that severe cuts to key homeland security grant programs directly jeopardize the safety of the citizens we represent. As the threat continues to grow, we ask Congress to restore these funds that are essential for cities to adapt and remain nimble in responding to evolving threats.

We are alarmed that the proposed cuts would translate into reductions across the spectrum of security. The UASI program is facing an almost 50 percent cut, from $600 million this year to $330 million next year. This funding is essential to many ongoing counterterrorism operations, investments in public safety communications, core competency training for police and fire, public health readiness and overall emergency preparedness.

These proposed reductions are particularly alarming in the wake of mounting global attacks in major cities like Paris and here at home in San Bernardino. In New York City, which continues to be the Nation's number one terror target, twenty plots have been thwarted since 2001 alone. To date, the only explanation provided for the recommended funding decrease is the need for hard choices in the current budget environment. This statement is not reflective of the need we see in the distinct communities we represent across the nation. Rather the equipment, training, system development and best practices that have resulted from access to UASI funds provide far reaching region wide benefits.

Reducing UASI funding destabilizes ongoing security and intelligence gathering efforts that protect our citizens, commuters and businesses. Law enforcement requires this funding to continue to procure the necessary equipment to detect potential chemical, biological, and radiological weapons. First responders utilize funds to train and develop innovative best practices to improve response and save lives. These investments in security preparedness are crucial for both the safety and security of our residents, as well as the countless tourists who visit our cities. Tourism is vital to our economy and the loss of which would be devastating to the nation.

We are united in urging you to reject these proposed cuts and fully fund UASI. Heightened concern over terrorism and violent extremism at home makes adequate funding more critical than ever. It is in the interest of the security of our cities, an indeed the nation, to do everything possible to prevent any potential attacks. When UASI is fully funded, local governments across the nation are empowered to better protect the people that call our cities home.

Sincerely,

Tomas Regalado
City of Miami Mayor

March 18, 2016

The Honorable Harold Rogers, Chairman
The Honorable Nita Lowey, Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable John Carter, Chairman
The Honorable Lucille Roybal-Allard,
Ranking Member
Subcommittee on Homeland Security
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Rogers, Ms. Lowey, Mr. Carter, and Ms. Roybal-Allard:

As members of the governing body of the Regional Disaster Preparedness Organization of the Portland, Oregon metropolitan region, we write to register our deep concern with the severe cuts to four key homeland security grant programs in the President's Fiscal Year 2017 budget.

The Regional Disaster Preparedness Organization (RDPO) is a bi-state partnership of local and regional government agencies, non-governmental organizations, and private-sector stakeholders representing the Portland Metropolitan Region collaborating to increase the region's resiliency to disasters. The RDPO serves as the Urban Area Work Group for the execution of the Urban Areas Security Initiative grant program, which has been a vital resource in helping the RDPO develop counter-terrorism and other regional all-hazards capabilities.

The RDPO's concerns lie in cuts contained in the President's FY 2017 budget request that include:

- The Urban Areas Security Initiative Grant Program: a 45% cut, from $600 million this year to $330 million next year.
- The State Homeland Security Grant Program: a 57% cut, from $467 million this year to $200 million next year.
- Public Transportation Security Assistance: a 15%cut to $85,000 next year, and
- Port Security Grants: a 7% percent to $93 million next year.

These cuts are surprising in the wake of terrorist attacks not just in cities abroad but at home, including in Chattanooga, San Bernardino, and Philadelphia. Last year in Oregon, several of our region's UASI-funded specialty teams and equipment were deployed to support the Umpqua Community College shooting response and recovery operations in Roseburg, Oregon.

Regional Disaster Preparedness Organization
9911 SE Bush Street, Portland, OR 97266
(503) 823-5386 • denise.barrett@portlandoregon.gov

Especially troubling about the proposed cuts is that they come with no clear justification and contradict the value these programs have had, as highlighted in the Department of Homeland Security's FY 2017 Budget-in-Brief:

> "As a result of [HSGP] grants, states and localities across the country reported capability increases in 12 of the 31 core capabilities compared to 2014. **The federal investment in those capabilities pays off each day in communities across the country during incidents large and small**. For example, much of the training and equipment used in response to the May 2015 AMTRAK derailment in Philadelphia, including lighting, tourniquets, and technical rescue capabilities, were paid for with grants provided by FEMA."

As you begin development of FY 2017 appropriations legislation, we urge you to reject these proposed cuts and to fund these critical programs to at least FY 2016 funding levels. At a time of heightened concern about terrorism and violent extremism at home, increased funding for them would certainly be justified. They play a vital role in ensuring that state and local governments are prepared to respond to future terrorist attacks and have the necessary resources to protect their communities and their residents.

Sincerely,

The Regional Disaster Preparedness Policy Committee

City of Portland, Oregon
Clackamas County, Oregon
Clark County, Washington
Columbia County, Oregon
Washington County, Oregon
Metro Regional Government
Port of Portland
Tri-County Metropolitan Transportation District of Oregon (TriMet)
City of Fairview, Oregon
City of Gresham, Oregon
Vancouver, Washington

Cc: Senator Ron Wyden
Senator Jeff Merkley
Senator Patty Smith
Senator Maria Cantwell
Congresswoman Suzanne Bonamici
Congressman Earl Blumenauer
Congressman Kurt Schrader
Congresswoman Herrera-Butler

Regional Disaster Preparedness Organization
9911 SE Bush Street, Portland, OR 97266
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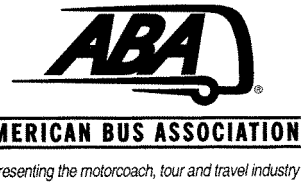

March 31, 2016

The Honorable John Carter
Chairman
House Appropriations Subcommittee on
Homeland Security
B-307 Rayburn House Office Building
Washington, DC 20515

The Honorable Lucille Roybal-Allard
Ranking Member
House Appropriations Subcommittee on
Homeland Security
1016 Longworth House Office Building
Washington, DC 20515

Dear Chairman Carter and Ranking Member Roybal-Allard:

As you prepare fiscal year (FY) 2017 appropriations legislation for the Department of Homeland Security (DHS), we ask that you consider an increase to the authorized level of $10 million for the Intercity Bus Security Grant Program (IBSGP).

Since the horrific events of September 11, 2001, security of the nation's transportation systems continues to be a national concern. In 2010, the Transportation Security Administration (TSA) conducted and issued a Motorcoach Threat Vulnerability Analysis. The Analysis concluded it was in the interest of national security to maintain a distinct security program for the intercity bus industry; and that an independent program, namely IBSGP, was the best way to assist in the protection of the traveling public. Although the U.S. is fortunate not to have experienced fatal security incidents involving motorcoaches, to date, incidents in other countries have exposed the vulnerabilities of the industry.

One need to look no farther than the tragic events that took place recently in Belgium and in Pakistan to see the significant impact and paralyzing fear that such terrorist attacks can have on mass transportation systems. With more than 660 million passengers being carried by the private motorcoach industry each year, we would hope not to leave a vulnerability exposed due to funding concerns.

While the motorcoach industry continues to spend its own funds on security measures, the IBSGP provides additional resources for bus operators to use for training, planning and security resources in response to potential threats for the protection of passengers. The program also supports hardening of facilities, and provides equipment to screen passengers and protect drivers. In FY 2016, the IBSGP received $3 million, far short of the $10 million authorized for the program as well as the $30 million in grant applications submitted to DHS from the motorcoach industry in FY 2015.

We understand the current budget climate makes funding choices difficult. However, a serious attack on the motorcoach industry would not only be tragic, but would create major disruptions in service and put billions of dollars in economic activity at risk. We ask that the full authorized amount of $10 million be included for the IBSGP in the FY 2017 appropriations bill for DHS. Thank you for your consideration of this request.

Sincerely,

Peter J. Pantuso

Peter J. Pantuso
President & CEO

111 K Street NE · 9th Floor · Washington, DC 20002-8110
(202) 842-1645 · (800) 283-2877 · Fax: (202) 842-0850 · abainfo@buses.org · www.buses.org

CoCal Landscape
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303-531-6900 fax

April 19, 2016

The Honorable John Carter
Chairman
House Subcommittee on Homeland
Security Appropriations
B-307
Rayburn House Office Building
Washington, DC 20510

The Honorable Lucille Roybal-Allard
Ranking Member
House Subcommittee on Homeland
Security Appropriations
B-307
Rayburn House Office Building
Washington, DC 20510

Dear Chairman Carter and Ranking Member Roybal-Allard:

We write to ask for your support to include key H-2B provisions included in the Fiscal Year 2016 Consolidated Appropriations Act (P.L. 114-113) once again in the Department of Homeland Security Appropriations FY 2017 proposal.

The H-2B program is essential to employers who cannot find American workers to fill temporary jobs in seafood processing, horse training, hospitality and amusement parks, forestry, landscaping, circuses, carnivals, and other seasonal industries. These workers are not immigrants. They provide an opportunity for businesses to operate at a greater capacity, retain their full-time workers and contribute to their local economies. The H-2B Program actually helps to sustain American jobs. In fact, every H-2B visa issued helps sustain 4.6 American jobs on average.

Unfortunately, the program's annual 66,000 cap (33,000 for each half of the fiscal year) is not adequate to meet the demands of a growing economy. The cap for the first half of the fiscal 2016 was already reached on March 15, 2016, leaving many seasonal employers shut out of the program with no access to legal seasonal laborers. We urge you to include the same language Congress included in P.L. 114-113 exempting H-2B workers who participated in the program during one of the previous three fiscal years, obeyed the law and complied with all past visa terms, from the current year's cap, in the FY 2017 Department of Homeland Security Appropriations Act.

Many businesses will be severely impacted, and some may be unable to operate, without this cap relief. It is imperative that the Returning Worker provisions are included as a part of any FY 2017 spending bill for the sake of small and seasonal businesses across the country, specifically in our districts. Failure to enact this exemption will decimate seasonal businesses across the country. Thank you for your consideration of this crucial issue.

Sincerely,

Margie Rodriguez Reyna
HR Director

Servicing the Colorado Front Range

100%

April 19, 2016

The Honorable John Carter
Chairman
House Subcommittee on Homeland Security Appropriations
B-307
Rayburn House Office Building
Washington, DC 20510

The Honorable Lucille Roybal-Allard
Ranking Member
House Subcommittee on Homeland Security Appropriations
B-307
Rayburn House Office Building
Washington, DC 20510

Dear Chairman Carter and Ranking Member Roybal-Allard:

We write to ask for your support to include key H-2B provisions included in the Fiscal Year 2016 Consolidated Appropriations Act (P.L. 114-113) once again in the Department of Homeland Security Appropriations FY 2017 proposal.

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Unfortunately, the program's annual 66,000 cap (33,000 for each half of the fiscal year) is not adequate to meet the demands of a growing economy. The cap for the first half of the fiscal 2016 was already reached on March 15, 2016, leaving many seasonal employers shut out of the program with no access to legal seasonal laborers. We urge you to include the same language Congress included in P.L. 114-113 exempting H-2B workers who participated in the program during one of the previous three fiscal years, obeyed the law and complied with all past visa terms, from the current year's cap, in the FY 2017 Department of Homeland Security Appropriations Act.

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Sincerely,

Mark Becker

Owner/President
Complete Lawn Care, Inc.
St. Louis, MO

Consolidated Divisions, Inc.
5585 W. Airport Rd
Sedalia, Colorado 80135
Main phone: 303.471.1522
Confidential HR fax number: 303.468.4204

April 21, 2016

The Honorable John Carter
Chairman
House Subcommittee on Homeland
Security Appropriations
B-307
Rayburn House Office Building
Washington, DC 20510

Dear Chairman Carter:

As a representative of small and seasonal employers throughout the country, I urge your support to include key H-2B provisions included in the Fiscal Year 2016 Consolidated Appropriations Act (P.L. 114-113) once again in the Department of Homeland Security Appropriations FY17 proposal.

The H-2B program is essential to employers who cannot find local temporary workers to fill jobs in seafood processing, horse training, hospitality and amusement parks, forestry, landscaping, circuses, carnivals, food concessionaires, swimming pool maintenance, stone quarries and other seasonal industries.

The program relies on returning workers who come to the U.S. for seasonal employment and then go home. These workers are not immigrants. They provide an opportunity for businesses to operate at a greater capacity, retain their full-time workers and contribute to their local economies. Seasonal workers help support many upstream and downstream jobs. Every H-2B worker is estimated to create and sustain 4.64 American jobs.

Unfortunately, the program's annual 66,000 cap (33,000 for each half of the fiscal year) is not adequate to meet the demands of a growing economy. The cap for the first half of the fiscal 2016 was reached on March 15, 2016. **I urge you to include the same language Congress included in P.L. 114-113 exempting H-2B workers who participated in the program during one of the previous three fiscal years, obeyed the law and complied with all past visa terms, from the current year's cap, in the FY 2017 Department of Homeland Security Appropriations Act.**

Without this cap relief, many companies are looking at closing their businesses, laying off American workers or turning away customers. This provision is essential to the survival of small and seasonal businesses across the country.

Relief for seasonal businesses that use the H-2B program is needed urgently. Please ensure that the Returning Worker provisions are included as a part of any FY 2017 spending bill so that small and seasonal employers can remain in business, provide local jobs, and continue to contribute to the economy.

Sincerely,

James Corsey
Division Manager
Consolidated Divisions, Inc.

Colorado Drain Systems
11300 Jersey Cir. Thornton, CO 80233
303-862-9309

The Honorable John Carter
Chairman
House Subcommittee on Homeland
Security Appropriations
B-307
Rayburn House Office Building
Washington, DC 20510

The Honorable Lucille Roybal- Allard
Ranking Member
House Subcommittee on Homeland
Security Appropriations
B-307
Rayburn House Office Building
Washington, DC 20510

Dear Chairman Carter and Ranking Member Roybal- Allard:

As a representative of small and seasonal employers throughout the country, I urge your support to include key H-2B provisions included in the Fiscal Year 2016 Consolidated Appropriations Act (P.L. 114-113) once again in the Department of Homeland Security Appropriations FY17 proposal.

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Unfortunately, the program's annual 66,000 cap (33,000 for each half of the fiscal year) is not adequate to meet the demands of a growing economy. The cap for the first half of the fiscal 2016 was reached on March 15, 2016. I **urge you to include the same language Congress included in P.L. 114-113 exempting H-2B workers who participated in the program during one of the previous three fiscal years, obeyed the law and complied with all past visa terms, from the current year's cap, in the FY 2017 Department of Homeland Security Appropriations Act.**

Without this cap relief, many companies are looking at closing their businesses, laying off American workers or turning away customers. This provision is essential to the survival of small and seasonal businesses across the country.

Relief for seasonal businesses that use the H-2B program is needed urgently. Please ensure that the Returning Worker provisions are included as a part of any FY 2017 spending bill so that small and seasonal employers can remain in business, provide local jobs, and continue to contribute to the economy.

Sincerely,

Jose Casillas, President
Colorado Drain Systems, Inc.

TUESDAY, MARCH 1, 2016.

UNITED STATES CUSTOMS AND BORDER PROTECTION

WITNESS

R. GIL KERLIKOWSKE, COMMISSIONER, UNITED STATES CUSTOMS AND BORDER PROTECTION

Mr. CARTER [presiding]. Today we welcome Gil Kerlikowske in his third appearance before the subcommittee.

Commissioner, welcome.

Mr. KERLIKOWSKE. Thank you.

OPENING STATEMENT: CHAIRMAN CARTER

Mr. CARTER. We appreciate you being here and your service to DHS and the nation. We thank you for that.

The fiscal year 2017 budget for Customs and Border Protection is $13.9 billion, an increase of $686 million above fiscal year 2016. Unfortunately, gimmicks in the department-wide budget have created a $2 billion gap that requires this subcommittee to make hard choices. Therefore, the increase to CBP may not be affordable as it is evaluated by the totality of this budget. And we discussed this between the two of us yesterday or the other day.

Commissioner, as you know, I discussed this with you. We are really concerned about CBP's hiring problems that have to be fixed. To secure and expedite trade, the budget requests funds for 23,861 CBP officers, which includes 2,000 officers funded in 2014.

Commissioner, taking 4 years to hire 2,000 CBP officers is way too long. I know you plan to send the request to the authorizers, asking them to pass legislation increasing the number of CBP officers. But why would they increase passenger costs knowing that wait times won't decrease because CBP isn't likely to have these officers onboard for years, 2014 and look where we are now.

Likewise, the Border Patrol is losing more agents than it can hire. Currently, CBP is 1,268 agents below the mandated floor. The budget takes advantage of this by decreasing the mandate for agents by 300. Unfortunately, the reduction isn't supported by any analysis proving that border security won't be compromised as a result.

Commissioner, you understand the important national security role these agents play, but we are concerned that CBP isn't able to sustain the existing workforce, let alone the mandated floor levels of the agents.

These are urgent problems which must be fixed. Now, we will have to discuss how you plan to correct this spiral.

This request also includes a contingency fund for potential surge in unaccompanied children. We look forward to an update on the current estimates of the UACs.

Other increases include $55 million for tactical communications, $47 million for vehicles, $26 million for aerostats and relocatable towers, and many other smaller increases.

I look forward to working with you over the next few weeks to determine the priority of these programs.

The request proposes a realignment for appropriation structures to be more mission-focused. While I know it was challenging, it is an effort that I have supported for several years. I want to commend you and your team for making the effort.

Lastly, Commissioner, sovereign nations control and manage their borders and sustain the integrity of their immigration systems. These objectives are your duty and I expect nothing less from you and the men and women of CBP.

Now let me turn to my distinguished member, Ms. Roybal-Allard, for remarks she may wish to make.

[The information follows:]

Chairman John Carter
Subcommittee on Homeland Security
House Committee on Appropriations

FY 2017 U.S. Customs and Border Protection Budget Request
March 1, 2016
Opening Statement As Prepared

Hearing is called to order –

Today we welcome Gil Kerlikowske, in his third appearance before the subcommittee. Commissioner, welcome…we appreciate you being here and your service to DHS and the Nation.

The fiscal year 2017 budget for Customs and Border Protection (CBP) is $13.9 billion, an increase of $686 million above fiscal year 2016. Unfortunately, gimmicks in the department-wide budget have created a $2 billion gap that requires this subcommittee to make hard choices. Therefore, the increase to CBP may not be affordable when evaluated in the totality of the budget request.

Commissioner, as you and I discussed last week, CBP has a hiring problem that must be fixed. To secure and expedite trade, the budget requests funds for 23,861 CBP Officers, which includes the 2,000 officers funded in fiscal year 2014. Commissioner, taking four years to hire 2,000 CBP officers is too long. I know you plan to send a request to the authorizers asking them to pass legislation increasing the number of CBP officers. But why would they increase passenger costs knowing that wait times won't decrease because CBP isn't likely to have these officers on board for years?

Likewise, Border Patrol is losing more agents than it can hire. Currently, CBP is 1,268 agents below the mandated floor. The budget takes advantage of this by decreasing the mandate for agents by 300. Unfortunately, the reduction isn't supported by any analysis proving that border security won't be compromised as a result.

Commissioner, you understand the important national security role these agents play. But we're concerned that CBP isn't able to sustain the existing work force; let alone the mandated floor level of agents. These are urgent problems which must be fixed. How do you plan to correct this spiral?

The request also includes a contingency fund for a potential surge in unaccompanied children. We look forward to an update on the current estimate of UACs.

Other increases include: $55 million for tactical communications; $47 million for vehicles; $26 million for aerostats and relocatable towers; and many other smaller increases. I look forward to working with you over the next several weeks to determine the priority of each of these programs.

The request proposes a realignment of the appropriations structure to be more mission focused. While I know it was challenging it is an effort that I have supported for several years, and I want to commend you and your team on their efforts.

Lastly, Commissioner, sovereign nations control and manage their borders and sustain the integrity of their immigration systems. These objectives are your duty, and I expect nothing less from you, and from the men and women of CBP.

Now, let me turn to our distinguished Ranking Member for any remarks she wishes to make.

#####

Ms. ROYBAL-ALLARD. Thank you, Mr. Chairman.

OPENING STATEMENT: RANKING MEMBER ROYBAL-ALLARD

And good morning, Commissioner. And welcome.

The discretionary budget request for U.S. Customs and Border Protection in fiscal year 2017 is $11.3 billion which is an increase of $609 million above the fiscal year 2016 level.

About half of that increase, however, is attributable to the proposed transfer of the Office of Biometric Identity Management from NPPD to CBP.

You have served as commissioner now for nearly 2 years and CBP has made good progress in a number of areas under your leadership. And I would like to highlight some of those. This includes the establishment of a Task Force West to support the Southern Border and Approaches Campaign; the assumption of criminal investigative authority for allegations of misconduct and use-of-force incidents involving CBP personnel; the expansion of the preclearance program which helps address threats before they reach our borders; a new use-of-force policy and the establishment of a use-of-force center of excellence; business transformation efforts that are reducing wait times for passengers and expediting the flow of commerce; good progress toward a more rigorous, technologically based methodology for determining situational awareness at the border; a more risk-based approach to border security; and enhanced capacity to target high-risk individuals and cargo, including a new counter-network program focused on disrupting transnational criminal organizations.

So I think there is a lot that you can be proud of, even if there are still significant challenges that still remain.

One of those challenges has been the struggle to hire new agents and officers and manage attrition, particularly for Border Patrol agents. As a result, the number of Border Patrol agents and CBP officers are significantly below the target levels, as the chairman mentioned.

Other ongoing challenges include humanely managing the influx of unaccompanied children and families fleeing violence in the Northern Triangle.

So I look forward to a productive conversation on these and other issues. And once again, I appreciate your joining us.

[The information follows:]

Congresswoman Lucille Roybal-Allard (CA-40), Ranking Member
Subcommittee on Homeland Security, House Committee on Appropriations

Hearing on U.S. Customs and Border Protection FY 2017 Budget Request
Opening Statement as Prepared
March 1, 2016

Good morning, Commissioner Kerlikowske, and welcome.

The discretionary budget request for U.S. Customs and Border Protection in fiscal year 2017 is $11.3 billion, an increase of $609 million above the fiscal year 2016 level. About half of that increase, however, is attributable to the proposed transfer of the Office of Biometric Identity Management from NPPD to CBP.

You have served as commissioner now for nearly two years, and CBP has made good progress in a number of areas under your leadership, including:
• The establishment of Joint Task Force-West to support the Southern Border and Approaches campaign;
• The assumption of criminal investigative authority for allegations of misconduct and use of force incidents involving CBP personnel;
• The expansion of the Preclearance program, which helps address threats before they reach our borders;
• A new use of force policy and the establishment of a Use of Force Center of Excellence;
• Business transformation efforts that are reducing wait times for passengers and expediting the flow of commerce;
• Good progress toward a more rigorous, technology-based methodology for determining situational awareness at the border;
• A more risk-based approach to border security; and
• Enhanced capacity to target high-risk individuals and cargo, including a new Counter Network Program focused on disrupting transnational criminal organizations.

I think you have a lot to be proud of, even if there are still significant challenges that remain.

One of those challenges has been the struggle to hire new agents and officers and manage attrition, particularly for Border Patrol agents. As a result, the numbers of Border Patrol Agents and CBP officers are significantly below the target levels.

Other ongoing challenges include humanely managing the influx of unaccompanied children and families fleeing violence in the Northern Triangle.

I look forward to a productive conversation on these and other issues. Once again, I appreciate your joining us.

###

Mr. CARTER. All right. Commissioner, we will hear from you and what your comments are. We all have copies of what you submitted to us and, of course, they are entered for the record.

You may proceed.

OPENING STATEMENT: COMMISSIONER KERLIKOWSKE

Mr. KERLIKOWSKE. Good. Well, Chairman Carter, Ranking Member Roybal-Allard and members of the subcommittee, good morning. During this past year I have certainly had the firsthand opportunity to travel not only throughout the country and visit with thousands of our personnel, but also to meet with our international partners in customs and border protection, particularly in South America, Mexico and Canada, and these are countries we share common goals with, and strengthening both our countries' security, but also our economic growth.

I highlight this because with all of our responsibilities to protect the United States from the entry of dangerous people and materials, we also have to facilitate the flow of lawful international travel and commerce.

And these goals are the same for many other countries while I am reminded of the diversity of our operational environments, the complexity of our mission and the commitment of our dedicated personnel.

And thanks to the critical resources that this committee has given to CBP, we have not only enhanced border operations, we have also laid the foundation for the changes that will increase CBP to be more operationally agile, effective and efficient.

Many of these changes are focused on—the budget request of $13.9 billion reflects some of the progress that we have made and supports our continued investments in personnel and technology and in initiatives that are going to strengthen our security and streamline our business process.

Detecting and preventing travel to the United States by a foreign terrorist fighter is our highest priority. We recently made additional enhancements to the Electronic System for Travel Authorization. We started immediately enforcing the restrictions in accordance with the Visa Waiver Improvement and Terrorist Travel Prevention Act of 2015, and we canceled 17,000 travel approvals immediately.

We are expanding preclearance operations. I would like to express my thanks to the subcommittee for the statutory changes that significantly improve the reimbursement mechanism to fund CBP's preclearance operations. It is a critical capability for detecting and addressing threats long before they ever arrive at our borders.

Furthermore, with the funding provided by the committee and the Consolidated Appropriations Act of 2016, we are initiating counter-network operations in our National Targeting Center.

This capability enhances our comprehensive understanding of emerging threats, not only for foreign fighters, but also for drugs and human trafficking, and it advances our ability to disrupt the networks from that Targeting Center many of you have visited.

Along the Southwest border, we monitor and respond to the flow of unaccompanied children and families. The numbers in fiscal year

2015 declined from their spike in 2014, but we did see an increase in the numbers this past fall and we remain concerned about seasonal increases later this year and in fiscal year 2017.

The budget requests a $12.5 million increase in resources for CBP to provide for the safety and security of children and families who are temporarily in our custody, in addition to a contingency fund of up to $23 million to support up to 75,000 children to ensure that we can respond to that potential surge.

Along with all of the border environments, our land, air and sea, continued investments in technology, surveillance technology, other operational assets really increase our situational awareness.

And the cornerstone of our approach to identify, disrupt and interdict illegal activities is key.

And recapitalizing some of the most essential equipment that was mentioned, radios and vehicles, increases our ability to respond quickly and to keep our front line officers and agents safe.

And we continue to improve the secure and efficient lawful movement of people and goods through the ports of entry. And that is a function critical to our economic competitiveness.

The budget request enables us to continue front line hiring efforts, incorporate new technologies into our travel and trade processes, including biometric exit, and expand our public/private partnerships, key components of our efforts to optimize resources, ease the flow of low-risk, lawful trade and travel and free agents and officers to focus on high-risk cargo and high-risk people.

In all our operations across the nation and the globe, we continue to instill the highest levels of transparency and accountability. In this past year, we implemented new use-of-force policies, we continued to test camera technologies to find solutions that can meet the wide variety of operational terrains and climates where our agents and officers work.

Well, thank you for the opportunity to testify. Thank you for your support. And I am happy to answer your questions.

[The information follows:]

TESTIMONY OF

R. GIL KERLIKOWSKE
Commissioner

U.S. Customs and Border Protection
Department of Homeland Security

BEFORE

House Appropriations Committee
Subcommittee on Homeland Security

ON

"Fiscal Year 2017 Budget Request"

March 1, 2016
Washington, DC

Introduction

Chairman Carter, Ranking Member Roybal-Allard, Members of the Subcommittee, it is an honor to appear before you today. As America's unified border agency, U.S. Customs and Border Protection (CBP) protects the United States against terrorist threats and prevents the illegal entry of inadmissible persons and contraband, while facilitating lawful travel and trade. CBP works tirelessly to deter illicit trafficking in people, drugs, illegal weapons, and money, while promoting the flow of cross-border commerce and tourism. CBP achieves its complex mission using a combination of talented and dedicated personnel, intelligence-driven and risk-based strategies, advanced technology, and collaborative partnerships.

The border environment in which CBP works is dynamic and requires continual adaptation to respond to emerging threats and rapidly changing conditions. I am proud of CBP's dedicated men and women, who have advanced CBP's situational awareness of the border environment, and who continue to meet these challenges with integrity and commitment.

Last year I announced the *CBP Vision and Strategy 2020,* CBP's first comprehensive strategic plan for our agency in nearly a decade. The plan acknowledges the complexity of the CBP mission in an increasingly global border environment and provides a roadmap for the way forward by focusing efforts on collaboration, innovation, and integration in meeting our mission goals to:

- combat terrorism and transnational crime;
- advance comprehensive border security and border management;
- enhance U.S. economic competitiveness by enabling trade and travel; and
- promote organizational integration, innovation, and agility.

The last mission goal listed above – promote organizational integration, innovation, and agility – applies throughout the broad scope of CBP's mission, programs, and operations. To this end, we have made multiple changes and much progress in the last year as we restructure our fiscal, operational, and institutional management to better align our resources with our missions.

We have been a key participant in Secretary Johnson's Unity of Effort initiative, which aims to change the way the Department of Homeland Security (DHS) makes decisions within the Department and conducts operations. As part of this initiative, CBP is the sponsoring component for DHS Joint Task Force (JTF)-West and a participating component in JTF-East and JTF-Investigations. The JTFs, launched by DHS in early 2015, are strategically guided by the Southern Border and Approaches Campaign Plan, which enhances the Department's operational approach to addressing comprehensive threat environments in a unified, integrated way. CBP has also been an active participant in the Joint Requirements Council. The Council consists of senior leaders from DHS components, and is organized in order to identify and recommend investments to maximize efficiency and enhance mission capabilities.

To promote organizational efficiencies within CBP, last fall I announced that CBP would be realigning the agency's headquarters structure to better support our personnel in fulfilling CBP's critical mission. We look forward to working with this Subcommittee on these changes, which will emphasize delegation of authority, more defined and accountable decision-making, and improved span of control for management. While CBP's operational offices – Office of Field Operations (OFO), U.S. Border Patrol (USBP), Air and Marine Operations (AMO), and the Office of International Trade (OT) – will remain as they are today, the new structure will identify and

address our most critical infrastructure and support issues and challenges. We will measure the success of this effort by our ability to support the front lines—our ability to identify requirements and acquire solutions, to hire personnel, and to manage resources effectively. CBP's realignment will allow us to streamline process flows and create efficiencies for the agency.

The dedicated men and women of CBP are truly our greatest resource and I am pleased to share with you some of our progress in addressing frontline recruitment and hiring challenges. We've recently established a National Frontline and Hiring Program Management Office to implement specific actions that address frontline challenges. This includes a National Frontline Recruitment Command (NFRC), comprised of uniformed agents and officers as well as Human Resources Management (HRM) personnel to provide support and expertise to OFO, USBP, and AMO field recruitment offices. We have started traditional and military hiring hub pilots to expedite groups of applicants through the hiring process by compressing multiple process steps in one location over the course of two days. The hiring hub pilots are demonstrating a time reduction of over 60 percent by consolidating the interview, polygraph, and provisional clearance adjudication steps. We have also enhanced our engagement with the Department of Defense (DoD) to increase our efforts to hire transitioning service members and veterans. Recruitment and hiring process improvements, such as opening multiple job opportunity announcements for vacancies, have proven to be effective in increasing the number of applications received for CBP frontline positions. In FY 2015, CBP's recruitment efforts resulted in over 100,000 new applicants for frontline positions. We also made several improvements to our processes that have reduced our time-to-hire. For example, in FY 2015, we added additional nurses and streamlined the medical forms to reduce the pre-employment medical processing time by an average of 43 days. These initiatives focus on making the hiring process more efficient and effective by streamlining the process and ensuring CBP attracts the talented and diverse workforce required to accomplish our mission now and in the future.

We also recognize the importance of retaining our law enforcement personnel. Over the last year, we have made significant progress in compensation reform with Congress' passage of the *Border Patrol Agent Pay Reform Act of 2014* (Pub. L. 113-227), which provides stability to agent pay. The new Border Patrol overtime system was implemented in January 2016, as required by the law. Additionally, we are pursuing legislative changes to Law Enforcement Availability Pay (LEAP) for our Air and Marine interdiction agents to ensure equitable compensation for all of AMO law enforcement personnel.

In moving forward with these important initiatives, as with all of CBP's daily activities, the American people place enormous trust and confidence in CBP to keep them safe. To ensure this trust, I am committed to the highest levels of transparency and accountability in all our programs, activities, and operations.

Today, I will discuss how CBP is using the resources provided by Congress efficiently and effectively, and demonstrate how the President's Fiscal Year (FY) 2017 Budget Request supports CBP's continued commitment to keeping terrorists and their weapons out of the United States, securing the border, and facilitating lawful international trade and travel. The FY 2017 Budget Request commits resources to maintain the right balance of people, technology, and infrastructure in each of our mission areas.

Securing America's Borders

Along the over 5,000 miles of border with Canada, 1,900 miles of border with Mexico, and approximately 95,000 miles of shoreline, CBP is responsible for preventing the illegal movement of people and contraband at and in between the Ports of Entry (POEs). CBP's Border Patrol and Air and Marine agents patrol our Nation's borders and associated airspace and maritime approaches to prevent illegal entry of people and goods into the United States. CBP officers (CBPOs) and agriculture specialists are multi-disciplined and perform the full range of inspection, intelligence analysis, examination, and law enforcement activities relating to the arrival and departure of persons, conveyances, and merchandise at air, land, and sea POEs.

Thanks to this Subcommittee's support, the Nation's long-term investment in border security has produced significant and positive results in FY 2015. Border Patrol apprehensions – which are an indicator of total attempts to cross the border illegally - totaled 337,117 nationwide in FY 2015, compared to 486,651 in FY 2014. This represents a 30 percent decline in the last year and almost 80 percent below its most recent peak in FY 2000. However, this is not the only way we are quantifying an overall decline in illegal entries. CBP is supporting a DHS-wide effort to develop outcome-based border security metrics, which will help us improve management of operations and investment decisions. CBP officers and agents also played a critical counter-narcotics role, resulting in the seizure or disruption of more than 3.3 million pounds of narcotics in FY 2015. In addition, the agency seized more than $129 million in unreported currency through targeted enforcement operations.

CBP secures our borders through the coordinated use of integrated assets to detect, interdict, and prevent acts of terrorism and the unlawful movement of people, illegal drugs, and contraband toward or across the borders of the United States. CBP continues to implement intelligence-driven strategies focused on areas of greatest risk. CBP deploys its capabilities to align with threats along the border and adapt to threats as they change.

Response to Unaccompanied Children

During FY 2014, the U.S. Government experienced an unprecedented increase in the number of unaccompanied children (UC) crossing the Southwest border, compared to previous years. The surge created a resource challenge for CBP and other Federal partners responsible for responding to the urgent humanitarian situation. For FY 2016, through January 31, 2016, USBP has apprehended over 20,000 UC crossing the Southwest border, compared to approximately 10,000 UC apprehensions during the same time period in FY 2015.

Although the numbers have recently declined, UC flows are fluctuating and CBP anticipates seasonal increases throughout FY 2016 and into FY 2017. For FY 2017, CBP requests resources to support a revised baseline of 75,000 UC apprehensions as well as a contingency fund should arrivals exceed prior year levels. This program increase will allow CBP personnel to continue focusing on border strategies and provide for the health and safety of higher volumes of UC crossing the Southwest border. Working closely with our DHS and Department of Health and Human Services (HHS) partners, CBP continues to ensure the safe detection, care, and transfer of this unique and vulnerable population in accordance with the *William Wilberforce Trafficking Victims Protection Reauthorization Act* (Pub. L. No. 110-457) and other legal obligations.

Investments in Mobile Tactical Equipment

CBP's border security mission regularly requires agents and officers to operate in diverse and remote locations where tactical communication, transportation, and surveillance capabilities are essential to coordinating mission activities and protecting the safety of CBP law enforcement agents and officers. For agents and officers operating in remote areas, their radio is often their only means of communication to coordinate activities or request assistance. For the USBP, radios are the single most essential piece of equipment for frontline agents – an agent may not deploy to the field without a functioning radio.

CBP operates and maintains a tactical radio inventory of over 70,000 personal and vehicle units. However, because some of CBP's radios were purchased as far back as 1992, the manufacturers no longer make parts and many do not have adequate security voice encryption. CBP's Budget Request seeks $54.6 million for the acquisition of modern and secure radio and satellite communication technology that would provide communication reliability and security for CBP frontline law enforcement and flexibility for agents and officers to communicate with State and local law enforcement agencies as well as Mexican authorities.

Vehicles are another essential tool for frontline agent operations and safety. By 2017, over half of the USBP vehicle fleet will be at least five years old.[1] Recapitalizing the fleet will not only help agents operate in remote and rugged locations by improving reliability and safety, but it will save on maintenance and fuel costs. CBP requests a total of $60.3 million to maintain and operate the Border Patrol fleet, which would replace 1,599 vehicles, or approximately 10 percent of the USBP vehicle fleet.

CBP's frontline personnel are, and will continue to be, our greatest resource in our mission to secure our Nation's borders. The budget requests authority to achieve an onboard Border Patrol agent target of 21,070 agents in FY 2017. This target reflects realistic agent hiring expectations for FY 2017 and will allow CBP to invest in critical mission readiness tactical equipment for existing frontline agents and officers. These investments, to include recapitalizing aging radios and vehicles, will enable agents to respond to and resolve incidents and incursions more efficiently, effectively and safely.

Technology Investments between Ports of Entry

The FY 2017 Budget Request will also enable the continued deployment of proven, effective technology to strengthen border security operations between the ports – in the land, air, and maritime environments. With the deployment of fixed and mobile surveillance capabilities, CBP can gain situational awareness remotely, direct a response team to the best interdiction location, and warn them of any additional danger otherwise unknown along the way. Technology investments are critical to CBP's risk-based operational strategy. Thanks to this Subcommittee's support of CBP's technology investments, CBP gains greater situational awareness, can determine activity levels along the borders, monitor evolving threat patterns, and strategically deploy assets.

CBP's Tactical Aerostats and Re-locatable Towers program, originally part of the Department of Defense (DoD) Re-use program, uses a mix of aerostats, towers, cameras, and radars to provide USBP with advanced surveillance capability over a wide area. This capability has proven to be a vital asset in increasing CBP's ability to detect, identify, classify, and track illegal activity. As of

[1] The General Services Administration recommended vehicle replacement standard is five years.

December 2015, USBP agents, with the assistance of existing aerostats and re-locatable towers, seized 122 tons of narcotics, and caught over 50,000 illegal border crossers detected in aerostat locations. CBP's Budget Request includes a total of $33.5 million, which includes an increase of $25.7 million above the Tactical Aerostats baseline of $7.8 million to fund continued operations and maintenance costs for this capability, which significantly enhances USBP situational awareness in the operational environment.

Another proven border security technology, Integrated Fixed Towers (IFT) assists USBP agents in detecting, tracking, identifying, and classifying items of interest along our Nation's borders through a series of fixed surveillance towers and equipment that display information on workstations in command and control centers. Thanks to the support of this Subcommittee, the *Consolidated Appropriations Act of 2016* (Pub. L. No. 114-113) provided development and deployment funding to begin expanding IFT coverage beyond the Nogales Area of Responsibility to the Douglas and Sonoita Areas of Responsibility. CBP's FY 2017 Budget Request includes a total of $52.1 million to support the replacement of Block 1 systems with IFT in the Tucson/Casa Grande and Ajo Areas of Responsibility along the U.S. border with Arizona. Replacing Block 1 with IFT will increase USBP's situational awareness of cross-border activity, replace obsolete technology, decrease operations and maintenance costs, and mitigate the concurrent operation of numerous systems.

Investments in Air and Marine Capabilities

CBP's comprehensive border security operations include the use of coordinated and integrated air and marine capabilities to detect, interdict, and prevent acts of terrorism and the unlawful movement of people, illegal drugs, and other contraband toward or across the borders of the United States. During FY 2015, CBP's Air and Marine Operations contributed to 4,485 arrests and the apprehension of 51,130 individuals, as well as the interdiction of 213,000 pounds of cocaine in the transit zone.

CBP's layered approach to border security relies on a variety of resources, including fixed wing, rotary, and unmanned aircraft systems in the air domain, and patrol and interdiction vessels in the maritime environment. These assets provide critical aerial and maritime surveillance, interdiction, and operational assistance to our ground personnel and multi-domain awareness for the Department of Homeland Security.

CBP's FY 2017 Budget Request seeks $14.8 million to support the UH-60 Black Hawk helicopter procurement program that takes a more cost-efficient approach to recapitalization, using the Army's hospital variant of the UH-60L. Black Hawks are critical to border security operations, being the only helicopters that are capable of carrying eight agents with full gear and are rugged enough to support interdiction and life-saving operations in diverse and harsh environments — including those at high altitudes in the desert, over open water, and in extreme cold — and in dangerous situations.

The King Air (KA)-350CER Multi-role Enforcement Aircraft (MEA) is another highly capable and adaptable air asset in CBP's fleet of tactical aircraft. CBP's FY 2017 Budget Request includes $51.0 million to procure two MEA. Unlike older single-mission assets, these aircraft provide increased flight endurance, marine search radar, an infrared camera system, and a satellite communications system contributing to apprehensions and seizures along the border from both the land and sea. Among other benefits, this aircraft allows CBP to respond to go-fast vessels that are

attempting to reach the southern coast of California and deposit bulk cocaine for distribution inland.

As we continue to deploy border surveillance technology and other operational assets, particularly along the Southwest border, the Subcommittee's support of these investments allows CBP the flexibility to shift more officers and agents from detection duties to interdiction of illegal activities on our borders. The FY 2017 budget supports CBP's border security mission by increasing and enhancing border security technology including mobile assets, air and marine capabilities, and initiatives to increase efficiency and effectiveness.

Securing and Expediting Trade and Travel

At our Nation's 328 land, air, and sea POEs, CBP prevents dangerous people and contraband from entering the United States, while facilitating the legal flow of international trade and travel by using a combination of personnel, technology, intelligence, risk information, targeting, and international cooperation. CBP extends the U.S. zone of security beyond our physical borders through bilateral cooperation with other nations, private-sector partnerships, expanded targeting, and advance scrutiny of information on people and goods seeking to enter this country.

CBP also has the responsibility to enhance the Nation's economic competitiveness and security by efficiently and effectively processing goods and people across U.S. borders. This is crucial to promoting job growth and helping the private sector remain globally competitive today and in the future. With the support of this Subcommittee and through the deployment of critical frontline resources, enhanced business processes, and advanced technologies, CBP is streamlining the processing of lawful trade and travel, and promoting the growth of the U.S. economy.

Securing Travel and Trade

At POEs in FY 2015, CBPOs arrested 8,246 individuals wanted for serious crimes and stopped 225,342 inadmissible aliens from entering the United States through POEs, an increase of 14 percent from FY 2014. Grounds for inadmissibility include immigration violations, criminal violations, and national security concerns. Also, protecting the economy and America's food and agricultural production and industry, CBP's agriculture specialists seized 1.6 million prohibited plant materials, meat, and animal byproducts, and intercepted more than 171,000 dangerous pests such as the khapra beetle, one of the world's most destructive pests of grain products and seeds.

CBP is continually refining our risk-based strategy and layered approach to security, extending our borders outward, and focusing our resources on the greatest risks to interdict threats before they reach the United States. In response to the potential threat posed by the Islamic State of Iraq and the Levant (ISIL), other terrorist groups, foreign fighters, and their supporters, DHS is continually evaluating and strengthening travel security operations and programs – such as the Visa Waiver Program (VWP) – to increase our ability to identify, and prevent the international travel of, those individuals or groups that wish to do us harm.

On December 18, 2015, the President signed into law the *Consolidated Appropriations Act of 2016* (Pub. L. No. 114-113), which includes the *Visa Waiver Program Improvement and Terrorist Travel Prevention Act of 2015* (the Act). The Act codifies new VWP requirements, including provisions that require individuals who have traveled to certain countries to apply for a visa. CBP, in coordination with DHS, has taken several steps to implement the changes required by the December legislation. Individuals seeking to travel under the VWP must submit applications to

the Electronic System for Travel Authorization (ESTA). On January 21, 2016, CBP began denying new Electronic System for Travel Authorization (ESTA) applications and revoking valid ESTAs for individuals who indicated holding dual nationality with Iran, Iraq, Sudan, or Syria. More than 17,000 ESTAs have been denied or revoked to date. Beginning January 13, 2016, CBP also initiated a protocol to identify ESTA holders with travel to one of the four countries,[2] to conduct secondary screening, and revoke ESTAs for future travel if travel is confirmed and the government and military exceptions do not apply. Finally, CBP began notifying VWP travelers of the e-passport change[3] in November 2015 and will enforce the mandatory use of e-passports for all VWP travel by the legislative deadline of April 2016.

Thanks to the work of this committee, CBP was appropriated start-up funding in FY 2015 and FY 2016 for the Electronic Visa Update System (EVUS) – a pilot intended to collect biographic information from designated nonimmigrant visa holders, before he or she initiates travel to the United States, during the life of the visa validity. The system will reassess the traveler's information and continue to determine if they remain admissible to the United States. EVUS will operate similarly to the ESTA system and will assist CBP in determining whether such travel poses a law enforcement or security risk by validation through selected law enforcement databases. We will be working with Congress throughout the year to secure the authority to spend the fees we collect from this system. The fees collected will be used to further the support of the system development, network and network security, fee collection and processing, the EVUS Information Call Center, and EVUS staffing. The fee associated with the program is intended to maintain the program in future years.

CBP's travel and trade security operations use a risk-based approach, applying rigorous information analysis and targeting to identify the greatest threats and risks. CBP's FY 2017 Budget Request includes an increase of $4.5 million to expand staffing at CBP's National Targeting Center (NTC). The NTC operates 24 hours a day with the mission of collaborating with Federal, state, local, and international partners to effectively identify, target, screen, and interdict inbound and outbound passengers and cargo across all international modes of transportation that pose a threat to national security, public safety, agriculture, lawful trade, and safe travel. Effective targeting and interdiction prevents inadmissible high-risk passengers, cargo, and agriculture/bioterrorism threats from actually reaching U.S. POEs, thereby extending our border security initiatives outward and making our borders the last line of defense rather than the first line of defense.

Thanks to the support of this Subcommittee, the *Consolidated Appropriations Act of 2016* (Pub. L. No. 114-113) provided necessary funds for CBP to initiate counter network operations within the NTC. The newly-established Counter Network Division's (CND) mission is to support CBP, DHS, and the interagency law enforcement and intelligence communities in developing an interoperable counter network process that provides a comprehensive understanding of emerging threats. This analysis will enhance our understanding of illicit networks (terrorism, human

[2] On February 18, 2016, DHS announced the addition of Libya, Somalia, and Yemen to the list of countries of concern, limiting VWP travel for certain individuals who have traveled to these countries since March 1, 2011. The three additional countries designated join Iran, Iraq, Sudan and Syria as countries subject to restrictions for VWP travel for certain individuals.

[3] On August 6, 2015, DHS introduced a number of additional security enhancements to the VWP, including enhanced traveler vetting, information sharing, and other security requirements for VWP countries to further address any potential threat. The August 2015 enhancements also introduced a requirement for all VWP travelers to use electronic passports (e-passports) for travel to the United States. Currently, citizens of the 27 countries designated into the VWP before 2007 may use a machine-readable non-biometric passport if that passport was issued before October 26, 2006 and is still valid.

smuggling, narcotics, and illicit trade/finance) and illuminate opportunities for CBP or partners to disrupt their operating environments and ultimately dismantle them.

Focusing on securing the global supply chain and leveraging NTC and CND capabilities, CBP's Budget Request includes $1.0 million to expand trade targeting through the Trade Intelligence and Counter Networks Initiative. This initiative would enhance CBP's strategic trade targeting capabilities to quickly detect, deter, and disrupt high-risk financial and illicit trade networks and combat criminal organizations that illegally exploit American trade. This initiative is critical to ensuring a level playing field for American industry and hard-working Americans everywhere.

On May 29, 2015, DHS Security Secretary Johnson announced DHS's intent to enter into negotiations to expand air preclearance operations to ten new foreign airports, located in nine separate countries. These countries represent some of the busiest last points of departure to the United States — in 2014, nearly 20 million passengers traveled from these ten airports to the United States. Preclearance allows for the complete inspection process and security screening to occur on foreign soil prior to boarding a direct flight to the United States thereby obviating the need for further CBP processing or TSA security screening upon arrival. This enhances border and aviation security, reduces wait times, increases capacity for airlines, and allows the United States and our international partners to jointly identify and address threats at the earliest possible point. More than 16 million individuals traveled through one of CBP's preclearance locations in Canada, Ireland, the Caribbean, or the United Arab Emirates in FY 2015, and our goal is to process 33 percent of US-bound air travelers through preclearance by 2024.

All new preclearance locations will be funded through a combination of user fees and reimbursements from foreign airport operators, to the extent allowed by law. Thanks to the support of this Subcommittee as well as the Senate Finance and House Ways and Means Committees, recent statutory changes significantly improved the reimbursement mechanism CBP may use to fund preclearance operations. H.R. 644, the *Trade Enforcement and Trade Facilitation Act of 2015*,[4] signed by the President just last week, gives CBP authority to accept advance payments, charge airport operators for initial costs, and authorizes up-front funding for preclearance operations. The *Consolidated Appropriations Act of 2016* (Pub. L. No. 114-113) provided this up-front appropriation that CBP may use to cover the costs of preclearance operations until reimbursements are collected. These changes will allow CBP to expand preclearance as planned without diverting appropriated funds from other activities. CBP expects the first preclearance expansion location to begin operations in FY 2017.

The FY 2017 President's Budget proposes the transfer of the Office of Biometric Identity Management (OBIM) from the National Protection and Programs Directorate (NPPD) to CBP. This transfer will add responsibility for providing enterprise-level biometric identity services to DHS and its mission partners in order to advance informed decision making by producing accurate, timely, and high assurance biometric data and analysis. In FY 2015, OBIM processed over 95 million total transactions from domestic OBIM partners. These transactions identified approximately 3 million watchlist matches and identified nearly 184,000 known or suspected terrorist matches. Today, DHS manages an entry/exit system in the air and sea environments using biometric and biographic components that identify overstays. With the recent support of Congress in the *Consolidated Appropriations Act of 2016* (Pub. L. No. 114-113), DHS is

[4] As of February 26, 2016, the Trade Enforcement and Trade Facilitation Act of 2015 has not been assigned a Public Law number.

continuing to move forward in further developing a biometric exit system that can be integrated in the current architecture.

As part of our commitment to deploying innovative technologies to enhance homeland security while facilitating international travel, CBP has recently started expanding biometric technology pilots at air and land POEs. On January 19, 2016, CBP began using facial comparison technology at John F. Kennedy International Airport[5] to help verify a traveler entering the United States matches the passport presented. CBP has also started testing biometric technology for travelers departing the United States at the Otay Mesa[6] pedestrian crossing. Improved technology for comparing entries and exits will enhance CBP's ability to secure the border, identify visa overstays, identify persons of interest, and improve reporting and analysis of international visitors to the United States. While implementation of a robust and efficient biometric solution will take time, DHS is aggressively evaluating emerging biometric technologies and working closely with our domestic and international stakeholders to find solutions that protect the integrity of our visa system, minimize disruptions to travel, prove to be cost-effective, and provide sufficient flexibility to address both current and future requirements.

Expediting Travel and Trade

CBP supports the President's National Travel and Tourism Strategy to expand the Nation's ability to attract and welcome international visitors while maintaining the highest standards of security. CBP officers welcomed more than 382 million travelers at air, land, and sea ports of entry in FY 2015. More than 112 million international travelers arrived at U.S. airports, an increase of 5.1 percent from the previous fiscal year.

With the strong support of this Subcommittee, CBP continues to expand trusted traveler programs, such as Global Entry, and continues to provide international travel security and facilitation benefits. Global Entry allows for expedited clearance of pre-approved, low-risk travelers. Currently available at 46 U.S. airports and 13 preclearance locations, Global Entry streamlines the screening process at airports for trusted travelers. The program has more than 2.5 million members enrolled now, and CBP receives approximately 70,000 new applications for Global Entry each month. This past December, CBP expanded Global Entry to citizens of the United Kingdom.[7]

Also with the strong support of this Subcommittee, CBP is completing the development of core ACE capabilities. CBP's budget request includes $83.9 million to sustain the operations and maintenance efforts associated with the ACE acquisition program. In FY 2017 ACE will be operating at full operational capacity, thereby requiring less overall sustainment costs for the program. When fully operational, ACE will result in the private sector using just one portal for transmitting electronic information about imports and exports for 47 government agencies, eliminating over 200 different forms and streamlining trade processes.

Cross-border trade also increased in FY 2015, with CBP processing more than $2.4 trillion in trade and collecting more than $46 billion in revenue. In FY 2015, CBP processed more than $1.5

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[5] Expansion of Biometric Technology: Facial Comparison at JFK: http://www.cbp.gov/newsroom/national-media-release/2016-01-19-000000/cbp-use-facial-comparison-technology-john-f

[6] CBP to begin biometric exit testing at Otay Mesa POE http://www.cbp.gov/newsroom/local-media-release/2016-02-11-000000/cbp-begin-biometric-exit-testing-otay-mesa-poe-entry

[7] Expansion of Global Entry to UK Citizens http://www.cbp.gov/newsroom/national-media-release/2015-11-03-000000/cbp-dhs-announces-expansion-global-entry-uk-citizens

trillion worth of U.S. exported goods and 26.3 million cargo containers. In FY 2015, CBP conducted more than 28,839 seizures of goods that violated intellectual property rights, with a total retail value of more than $1 billion – thereby protecting American innovation.

CBP recognizes how critical our trade enforcement and facilitation role is in protecting our Nation's economic security. We are working to ensure a fair and competitive trade environment where the benefits of trade compliance exceed the costly consequences of violating U.S. trade law. In Fiscal Year 2015, we supported domestic producers of products ranging from steel plates to solar panels to crawfish by collecting $1.7 billion in cash deposits to secure anti-dumping duties. We continually seek to develop and implement ways to improve our business processes and strengthen our engagement with our international and private-sector partners. To this end, the request for $1.25 million to fund CBP's Sharpening Trade Expertise initiative will ensure that the CBP workforce is equipped with the necessary skills and knowledge to proactively enforce our trade laws and facilitate lawful trade in a rapidly evolving global trade environment.

On January 12, 2016, Mexican Secretary of Finance and Public Credit Luis Videgaray and I met in Mesa de Otay, Tijuana, Mexico, to inaugurate the U.S.-Mexico Cargo Pre-Inspection Program pilot.[8] Under the Program, certain cargo is to be pre-inspected in Mexico prior to crossing the border into the United States in an effort to improve the flow of trade as well as reduce border wait times and transaction costs. These pre-inspection pilots are a tangible example of the shared commitment between the United States and Mexico to promote economic growth and prosperity between the two countries connected by more than just a shared border. In 2016, we anticipate the inauguration of a third pre-inspection pilot in San Jeronimo, Mexico.

Also, thanks to the support of the Subcommittee, this past December, CBP announced a milestone toward fulfilling the agency's initiative to enhance industry-specific collaboration with the expansion of the Apparel, Footwear, and Textiles (AFT) Center of Excellence and Expertise.[9] The Centers reflect the true spirit of collaboration between CBP and our trade stakeholders, reducing transactional costs, increasing consistency and predictability, and enhancing our ability to identify high-risk commercial importations. The expanded AFT is now CBP's hub for more than 67,000 importers of clothing, shoes, and raw materials.

Availability of frontline law enforcement at our Nation's POEs is also critical to achieving both our trade security and facilitation responsibilities. CBP proposes backfilling a limited amount of CBPO attrition with CBP Technicians, which will allow existing CBPO personnel to focus their time on law enforcement responsibilities rather than administrative functions. This proposal will help to ensure that the right personnel are focused on the right jobs, increase efficiency of POE operations, and will also generate efficiencies in the amount of $2.5 million.

Integrated Operations

CBP's commitment to risk-based, intelligence-driven operations enables us to focus resources on a wide array of diverse threats ranging from networks of terrorism and transnational crime to individuals attempting illegal entry; from the illicit movement of weapons to the introduction of agricultural pests and diseases; from trafficking in drugs, weapons, and human trafficking to the

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[8] Pre-Inspection Program Pilot at Mesa de Otay
http://www.cbp.gov/newsroom/national/national-media-release/2016-01-12-000000/cbp-commissioner-inaugurates-cargo-pre-inspection
[9] Expansion of Apparel, Footwear, and Textiles Center: http://www.cbp.gov/newsroom/national-media-release/2015-12-16-000000/gov-cuomo-and-cbp-celebrate-apparel-textile-center-000000

transit of prohibited, restricted, and unsafe goods. CBP's application of risk management principles has enabled sound, timely operational planning and focused tactical execution against these diverse threats. CBP will continue to evolve our integrated risk management approach to remain agile and adaptable in supporting operational priorities.

As part of CBP's evolving intelligence-driven strategy, in June, I announced the movement of the Counterintelligence Program from the Office of Internal Affairs to the Office of Intelligence (OI). The transfer of the management and operations of this program will further align CBP's intelligence capabilities with those of the Department of Homeland Security and the U.S. Intelligence Community. By bringing together similar intelligence functions under one office, I am confident that this change will amplify CBP's effectiveness in executing our intelligence mission.

CBP must anticipate and proactively react to strategic risks that impact mission accomplishment. The budget requests an increase of $1.7 million to fund 22 positions and expand critical OI capabilities. The additional positions will augment the existing staff to support OI's ability to provide products on current threats, initiatives, and intelligence. Additionally, this support would enable CBP to develop agency-wide depth of knowledge aligned with IC functions, including Counter-Intelligence, Confidential Human Source, Security, and Training. The CBP Budget Request also includes $1.0 million, to enable OI to further the implementation of the Intelligence and Targeting Center of Excellence and Expertise (ITCEE). The ITCEE provides integrated and transformative intelligence and targeting training for CBP personnel. The funding will support the establishment of a self-sustaining and cost effective curriculum design and instruction team that will be able to meet the intelligence training requirements of the CBP workforce from all operational component offices in an effective and timely manner.

The budget also requests funds to further evolve the CBP National Common Intelligence Picture (NCIP), an advanced intelligence collection and management system. The enhancements would link CBP assets and display the output in a live environment enabling CBP to see data on Transnational Criminal Organization movements on the borders in real time. NCIP allows CBP operators and analysts the ability to view all National and CBP collection assets in a seamless environment. Funding this request will reduce the processing time of intelligence gathered from sensors and transmit completed intelligence products back to frontline operations personnel within the hour.

CBP's Air and Marine Operations Center (AMOC) is a critical component of CBP's intelligence and law enforcement operations. Thanks to this Subcommittee's support in the *Department of Homeland Security Appropriations Act, 2015* (P.L. 114-4), the FY 2017 budget requests $9.7 million for the annualization of the 55 provided positions to expand AMOC's capabilities in anticipating and identifying the criminal use of non-commercial air and marine conveyances, and mitigating these threats by coordinating a law enforcement response. CBP's AMOC is an international, multi-domain, Federal law enforcement center that strengthens the execution of CBP's global mission, supports investigations, and provides evidence to support prosecutions.

Use of Force

CBP's most valuable attributes in protecting the American people are the integrity and professionalism of its workforce. The Agency will not be fully successful in carrying out its complex mission requirements unless it continues to earn and maintain the trust of the public it

serves. CBP's renewed focus on integrity, accountability and professionalism is only as good as its commitment to exemplifying and standing by those principles.

Additionally, the pursuit of transparency and maintaining a higher standard of performance, in particular in instances where the use of force by our agents and officers is necessary, will further strengthen the public's trust in CBP. CBP continued to update its response to investigation of Use of Force incidents in FY 2015 by revamping training, standing up a new review process, and expediting the disclosure of basic incident information to the public. Use of Force data, which reflect the application of use of force by Border Patrol agents, CBP officers, and Air Interdiction agents, showed a 26 percent reduction in the number of use of force incidents from the prior fiscal year. CBP publicly released these data on October 2015, and plans to update this information periodically.

CBP's Use of Force Center of Excellence has responsibility for the entire spectrum of CBP use of force programs, to include policy, training, equipment, maintenance and accountability. The budget requests an increase of $4.2 million to provide additional Use of Force oversight and training. Elements of this request include scenario-based simulator training; enhancements to the CBP Assaults-Use of Force Tracking System (AUFRS) to increase reporting and analysis. Investments in this activity will enable CBP to better train our law enforcement personnel and increase the transparency and accountability of CBP as it relates to use of force incidents and equipment.

Our law enforcement personnel are trained to use the amount of force that is reasonable and necessary in a given situation. When agents and officers have access to less-lethal tools, they may in some instances be able to quickly control a situation in a reasonable manner that preserves human life. CBP is committed to equipping our law enforcement officers with the tools that allow for less-lethal options in an operational setting. The budget requests an increase of $12.0 million to better equip our law enforcement personnel with properly maintained and functional weapons for field use. This request also funds less-lethal device re-certification for all CBP law enforcement personnel and establishes a national reserve of less-lethal devices to rapidly replace aging less-lethal devices.

Management & Administration

Understanding the challenges and requirements of operating within a constantly changing environment, CBP must diligently pursue organizational efficiencies, optimized business processes, and mature functional capabilities to fully support operational needs and assure overall mission effectiveness. CBP's committed personnel and inherent culture are regarded as its most valuable resources and must be cultivated through progressive training to ensure a fully capable, integrated and collaborative Agency.

Commitment to Transparency and Service to the Public

In November, as part of CBP's continued emphasis on transparency and accountability, I announced[10] my decision to expand CBP's use of cameras in and around the border environment. The camera review includes the integration of new body-worn camera testing into law enforcement operations such as checkpoints, vessel boarding and interdictions, training academies, and outbound operations at POE, as well as mobile camera options in vehicles and on marine

[10] http://www.cbp.gov/newsroom/national-media-release/2015-11-12-000000/cbp-announces-way-forward-use-body-worn-cameras

vessels. CBP's Budget Request includes an increase of $5.0 million to support requirements analysis and test and evaluation activities for the suite of camera options considered in the November 2015 CBP Body-Worn Camera Feasibility Study Report. This request will provide the first dedicated funding for body-worn cameras and other camera technology and will allow CBP to evaluate the feasibility of incorporating body-worn camera technology into CBP's law enforcement operations in each of its operational environments along the U.S. border — at and in between land POEs, in the air, and at sea.

Supporting another key aspect of my commitment to Agency transparency, CBP is requesting an increase of $3.2 million to establish a Spanish Language Capability at the CBP Information Center (CIC). A Bilingual element at the CIC is a much needed capability for the agency to receive complaints, compliments, tips, and inquiries from customers whose primary language is Spanish.

And finally, in August 2014, DHS Secretary Johnson delegated to CBP the authority to investigate alleged criminal misconduct, as well as fatal or significant use of force incidents, involving CBP employees – a responsibility previously delegated to the Immigration and Customs Enforcement Office of Professional Responsibility (ICE OPR). CBP's FY 2017 Budget Request supports an increase of $6.9 million to hire an additional 30 criminal investigators to increase CBP's ability to investigate and resolve these matters in a comprehensive and timely manner. Increased investigative staffing will also allow for greater participation in the 22 FBI-led Border Corruption Task Forces that provide valuable criminal intelligence information on Transnational Criminal Organizations.

Conclusion

The security of our Nation will continue to be tested by new and emerging threats and challenges. With the support of Congress, CBP continues to secure our Nation's borders, and promote international commerce and tourism, through a multi-layered approach using a variety of tools.

CBP will continue to work with DHS and our federal, state, local, tribal, territorial, and international partners, to strengthen border security and facilitate lawful cross-border trade and travel that is critical to our economy. We must remain vigilant and focus on refining our approach and positioning CBP's greatest capabilities to combat the greatest risks that exist today, to be prepared for emerging threats, and to overcome the challenges of securing a 21st century border.

I want to thank the Members of this Subcommittee for your continued strong support of CBP. Thank you for the opportunity to appear before you today. I look forward to your questions.

Commissioner R. Gil Kerlikowske

R. Gil Kerlikowske was nominated by President Obama and sworn in on March 7, 2014 as Commissioner of U.S. Customs and Border Protection taking the helm of the 60,000-employee agency with a budget of $12.4 billion. Mr. Kerlikowske oversees the dual U.S. Customs and Border Protection mission of protecting national security objectives while promoting economic prosperity and security. As Commissioner, he runs the largest federal law enforcement agency and second largest revenue collecting source in the federal government. Most recently, he served as Director of the White House Office of National Drug Control Policy.

Mr. Kerlikowske brings four decades of law enforcement and drug policy experience to the position. He formerly served nine years as the Chief of Police for Seattle, Washington. When he left, crime was at its lowest point in 40 years. Previously, he was Deputy Director for the U.S. Department of Justice, Office of Community Oriented Policing Services, where he was responsible for more than $6 billion in federal assets. Mr. Kerlikowske was also Police Commissioner of Buffalo, New York. The majority of his law enforcement career was in Florida where he served in the St. Petersburg Police Department.

He was elected twice to be President of the Major Cities Chiefs, which represents the largest city and county law enforcement agencies in the United States and Canada. He has received numerous awards and recognition for leadership, innovation, and community service. He served in the U.S. Army where he was awarded the Presidential Service Badge.

Mr. Kerlikowske holds a B.A. and a M.A. in criminal justice from the University of South Florida.

Mr. CARTER. Thank you, Commissioner.

Before we begin with the questioning, I want to recognize Hal Rogers, chairman of the Appropriations Committee, for any statement he wishes to make.

Chairman ROGERS. Thank you, Mr. Chairman.

Commissioner Kerlikowske, Gil, good to see you again. Thank you for being here to discuss your budget for CBP.

I have greatly enjoyed our association and working together in your earlier chapter of your life when you were director of the Office of National Drug Control Policy, the drug czar, and of course your experience back home in the police of that wonderful city.

But in the drug czar role, you graciously took time away from your busy schedule to visit my Appalachian district to learn more about our challenges facing prescription drug abuse.

So you bring a unique perspective, I think, to your job at the CBP.

As the prescription drug epidemic has exploded onto the national scene, now giving way to heroin, controlling the influx of this dangerous drug and the violence that it fuels in our border communities and elsewhere around the country is a top priority for you and for us.

So I look forward to hearing about your efforts to reduce the supply of opioids in the country.

Over 60,000 employees, CBP is one of the world's largest law enforcement agencies, if not the largest. You are tasked with protecting the United States through a number of critical missions, including preventing the illegal entry of terrorists, weapons, narcotics from the air, sea and land.

On a typical day, I am told, CBP welcomes nearly 1 million visitors, screens more than 67,000 cargo containers, arrests more than 1,100 individuals and seizes nearly 6 tons of illegal drugs. That is a day's work. You are busy, to say the least.

And before going into the merits of your budget request, I would like to express my sincere gratitude to the men and women under your charge, including yourself, who serve our great nation, many of whom put themselves in harm's way on a daily basis to keep the homeland safe and secure.

Your fiscal 2017 budget request, $13.9 billion, which constitutes an increase of $687 million above the current level, I want to commend you on the improvements you have made to the visa security program, although I do have some concerns with the gaps that still remain. And I also look forward to the expansion of the preclearance program which will push our borders further and further out.

Your appearance here today and our testimony on this issue reminds me of this subcommittee in 2003 when we ushered it into existence and I became the first chairman of this subcommittee and have followed fairly closely since the activities of the department. And it is a tough, tough job.

Mr. Chairman, you are trying to meld together some 22 federal agencies. I think there are 16 different unions and, like, 20 different pay scales. So the work continues and we have got our work to do as well.

But you are on the front line. There are many positive things in your budget request. I am deeply disappointed by the efforts to ratchet down border security and enforcement of our immigration laws.

For example, the budget proposes a reduction of 300 Border Patrol agents, decreasing the statutory floor to 21,070, at a time when drug cartels from Mexico and elsewhere are flooding our communities, urban and rural alike, with heroin. We have never seen the like, and yet the budget proposes we cut back on the people fighting that surge and that scourge in our country.

Others in the administration have rightfully labeled the abuse of opioids as a national epidemic. And I cite Tom Frieden, the director of Centers for Disease Control, who says that overdose deaths, heroin and prescription pills, are taking more lives than car wrecks in the country. He calls it a national epidemic. And yet, we hear from the administration, well, let us cut back on trying to fight it.

Well, don't be surprised if things are different when we get through with your budget in that regard.

We lose a hundred Americans every day to abuse. And yet, you have proposed to reduce our first line of defense against the entry of these dangerous, deadly drugs without the benefit of any supporting analysis that Border Patrol's mission won't be compromised.

As I mentioned, you have been to my district, you have seen firsthand how these drugs are destroying rural communities in Appalachia. And of course, you have been all over the country and you see the same.

While you and I agree that reducing demand through treatment and education is critical, we mustn't lose sight of the fact that enforcement remains a critical prong of our holistic strategy on this scourge. Stakes are high and we must do everything in our power to combat this scourge.

I look forward to continuing to work with you to provide the resources that you need to do just that.

Another crisis that is being caused by the drug cartels is the massive influx of unaccompanied alien children and families at our Southern border. We have seen a surge in drug cartel and gang violence across Central and South America, fueled by the production and trafficking of drugs. These thugs and murderers are wreaking havoc on millions of people, forcing many to flee to other countries, including the U.S.

Recently, there has been an unprecedented spike in unaccompanied minors crossing our Southern border. In the first 4 months of fiscal 2016, Border Patrol has apprehended 20,000 unaccompanied alien children. That is double the number that were apprehended in the same time frame last year.

Unfortunately, this humanitarian crisis does not appear to be subsiding anytime soon, the reality of which is reflected in your budget submission. You have requested resources to support a revised baseline of 75,000 unaccompanied child apprehensions, as well as a contingency fund should that number be exceeded.

Our committee will analyze this request and my hope is that we can provide the necessary resources for CBP to handle the influx of these children at our borders.

In addition, virtually half of the 5.2 percent increase in your budget request comes from the transfer of $305 million for the Office of Biometric Identity Management, which as you know, like fees, requires authorization from other committees.

Unfortunately, the President has sent us a budget after budget after budget that requests large increases in funding and graphics them by using budget gimmicks, like increasing taxes and fees that he knows are dead on arrival here on the Hill.

Finally, I would be remiss if I didn't mention President Obama's executive order on immigration. As you know, this still remains one of the most divisive issues in Congress and in the country, indeed at large.

The President's unilateral action demonstrates that he has no intention of working with Congress or respecting our constitutional authority. Unfortunately, you and your agency are caught in the middle of this fight and it has made passing an annual appropriations bill for the Department of Homeland Security incredibly difficult.

It also makes it impossible to move forward on any meaningful immigration reform while the President remains in office.

So, Mr. Commissioner, thank you for being here today. Thank you for your service to your country. And we thank you for leading this agency.

[The information follows:]

Chairman Hal Rogers
House Committee on Appropriations

FY 17 Budget Hearing – U.S. Customs & Border Protection
March 1, 2016
Opening Statement As Prepared

Thank you for yielding, Mr. Chairman. Commissioner Kerlikowske, thank you for being here today to discuss your Fiscal Year 2017 budget request for Customs and Border Protection. I immensely enjoyed our timing working together when you served as the Director of the Office of National Drug Control Policy, or the Drug Czar. In that role, you graciously took the time to visit my Appalachian district to learn more about our challenges with prescription drug abuse, and you therefore bring a unique perspective to your new position at CBP. As the prescription drug epidemic has exploded onto the national scene, giving way to heroin abuse, controlling the influx of this dangerous drug – and the violence that it fuels in our border communities and elsewhere – should be a top priority. I look forward to hearing about CBP's efforts to reduce the supply of opioids in our country.

With over 60,000 employees, CBP is one of the world's largest law enforcement agencies. You are tasked with protecting the United States through a number of critical missions, including preventing the illegal entry of terrorists, weapons, and narcotics from the air, sea, and land. On a typical day, CBP welcomes nearly 1 million visitors, screens more than 67,000 cargo containers, arrests more than 1,100 individuals and seizes nearly 6 tons of illicit drugs. You are busy to say the least, and before delving into the merits of the request, I would like to express my sincere gratitude to the men and women under your charge who serve our great nation – many of whom put themselves in harm's way on a daily basis to keep our homeland safe.

The Fiscal Year 2017 budget request for your Agency is $13.941 billion, which constitutes an increase of $687 million above last year's enacted level. I would like to commend you on the improvements you have made to the Visa Security Program, although I do have some concerns with the gaps that still remain. I also look forward to the expansion of the preclearance program, which will push our borders further and further out.

While there are many positive things in this budget submission, I am deeply disappointed by the efforts to ratchet down border security and enforcement of our immigration laws. For example, the budget proposes a reduction of 300 Border Patrol Agents, decreasing the statutory floor to 21,070, at a time when drug cartels from Mexico and elsewhere are flooding our communities – urban and rural alike – with heroin. Others in the Administration have rightfully labeled the abuse of opioids as a national epidemic, with roughly 100 Americans losing their battle to addiction every day – and yet you have proposed to reduce our first line of defense against the entry of these dangerous, deadly drugs without the benefit of any supporting analysis that Border Patrol's mission won't be compromised. As I mentioned, Mr. Commissioner, you've been to my district and have seen firsthand how these drugs are destroying rural communities in Appalachia. While you and I agree that reducing demand through treatment and education is critical, we must not lose sight of the fact that enforcement remains a critical prong of our holistic strategy.

The stakes are high, and we must do everything in our power to combat this scourge. I look forward to continuing to work with you to provide you the resources to do just that.

Another crisis that is being caused by the drug cartels is the massive influx of unaccompanied alien children and families at our southern border. We've seen a surge in drug cartel and gang violence across Central and South America. Fueled by the production and trafficking of drugs, these thugs and murderers are wreaking havoc on millions of people, forcing many to flee to other countries including the United States. Recently, there has been an unprecedented spike in unaccompanied minors crossing our southern border. In the first 4 months of Fiscal Year 2016, the U.S. Border Patrol has apprehended 20,000 unaccompanied alien children. That's double the number that were apprehend in the same timeframe last year. Unfortunately, this humanitarian crisis does not appear to be subsiding anytime soon, the reality of which is reflected in your budget submission. You have requested resources to support a revised baseline of 75,000 unaccompanied child apprehensions, as well as a contingency fund should that number be exceeded. Our committee will analyze this request and my hope is that we can provide the necessary resources for CBP to handle the influx of these children at our borders.

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Thank you again for being here today, Commissioner Kerlikowske. I look forward to your testimony.

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Mr. CARTER. Thank you, Mr. Chairman.

Commissioner, I am going to start off with the questioning.

CBP STAFFING

And the flag I raised as I was talking to you, staffing is something that you are concerned about, I am concerned about, and I want us to discuss it.

We will talk first about the Border Patrol and afterwards about aviation hiring.

I understand that the Border Patrol is currently 1,268 agents below the mandated personnel floor of 21,370, a floor that is not new, it has been around for a while. So the under-execution of agents is not due to hiring up to a new level as it is with the Customs officers, but sustaining the existing workforce.

I am going to have a series of questions. We are going to pause and let you answer some of those, then we will move on.

What are you doing to address the hemorrhage of agents from the Border Patrol? I would note that while we have been hiring CBP officers, we have consistently lost Border Patrol agents over the last year.

To ensure that stations are manned to the suggested and needed levels, do you foresee a need to reinstate a hardship designation for certain stations or create other incentives to help prevent the attrition of agents?

With the reduction of overall numbers, do you anticipate a need to reexamine and restructure how the Border Patrol mans stations and forward operating bases?

Mr. KERLIKOWSKE. So I share very much the concern that we have discussed on this hiring issue. And for the Border Patrol to be in a downward spiral, which means that we are not able to hire as fast as attrition, is very concerning.

I have talked with your staff also about the number of programs that we have put in place particularly to speed up the process. So in these new hiring hubs we can get people through in 160 days until, at times, well over a year. That is important.

The close cooperation with the Department of Defense as people leave the Department of Defense and the active duty military, to be able to hire them into the Border Patrol or into Customs and Border Protection is particularly important.

Working with Congress on additional pay for some of the very difficult locations that they work, hardship reimbursement would be particularly helpful along with things that we have discussed around the age issues.

When we talk about the Border Patrol, you know, we realize that their salaries were cut anywhere from $3,000 to $5,000 as a result of the AUO, the additional overtime money.

But we have now transitioned to the Border Patrol Pay Reform Act. You should be very happy to know that 96 percent of the Border Patrol agents who have now opted into the number of hours that they would work have opted into the maximum number. So instead of a 40-hour work week, they will work a 50-hour work week for the additional money, which they are clearly deserving of.

And in turn, that actually results in us getting more boots on the ground.

Mr. CARTER. So the fiscal year 2017 request calls for a reduction of 300 in the overall strength of the Border Patrol. However, we understand that many stations along the Southern border are facing staffing setbacks for a variety of reasons. There is no empirical data to inform how many agents we need.

How do you justify a reduction in manning when CBP cannot articulate a validated requirement for the number of Border Patrol agents, combined with the technology requirements to surveil the border? When will we see a validated requirements and resourcing model similar to the model used by the Office of Field Operations?

Mr. KERLIKOWSKE. Yes, I don't think there is anything that is more frustrating to the executives of the Border Patrol or myself or certainly the secretary on not being able to have a set of metrics that actually said how many Border Patrol agents do you actually need.

It has been unbelievably difficult and complex and it is as complex as when we tried to decide how many police officers we needed in Seattle versus how many police officers were needed in a city like Washington, D.C.

But we are closer. We are much closer now to developing that set of metrics that would be helpful.

And as you know, the offset in the reduction of the 300 personnel would be to fund radios, improvements in the radio system, the vast majority of which would go to the Border Patrol and to their vehicles, many of which now are reaching a lifespan that makes them not as serviceable as they should be.

And there is nothing more frustrating than having an agent who can't go out to do patrol because the radio is not operable or because of the vehicle. So we are looking at using those funds for that.

Mr. CARTER. Commissioner, while we have long discussed the hiring of Customs officers and Border Patrol agents, I am equally as concerned with the vacancy for area interdiction agents.

Marine interdiction agents and air crew enforcement agents, by your own numbers, CBP is 12 percent below the goal for air interdiction agents, 93 below the goal of 775 agents.

How can we efficiently utilize our air assets if we don't have enough pilots to fly the aircraft? It is my understanding that Corpus Christi is only manned to fly two, maybe three missions at a time, yet we have six P–3s and three UASs stationed at the facility.

Do we hire more agents or rehire or retire them with the aircraft? Or are vacancies impacting air operations?

Further, I hear pilots coming out of the military who have been flying combat missions overseas are failing the CBP polygraph. What is CBP doing to address hiring and polygraph issues? How do we address air crew vacancies for the P–3s, who are mostly former Navy, when the Navy is no longer training P–3 air crews?

Mr. KERLIKOWSKE. So one of the difficulties in hiring for Air and Marine is that it is a very competitive environment. And one of my last flights, the first officer had been a pilot for us in San Diego and was now flying for Delta. And so we know and we have seen this huge increase in both domestic passenger travel and also international travel by air. So we are in a competitive environment.

One of the difficulties has been, though, that this requirement that a pilot coming out of the military must also undergo the same level of scrutiny or screening that someone hiring from outside would go through; quite frankly they come with a top secret clearance if they are a pilot in the military. I don't see any reason why we can't continue to work with the Office of Personnel Management and others to bring them onboard much more quickly without going through as many hoops as we would go through for others.

The last thing that I would mention is that amongst all those different job descriptions in Air and Marine, we have, I think, four different pay scales. And we are interesting in working toward the same law enforcement pay system that the FBI and the Marshals and DEA have, which is Law Enforcement Availability Pay, (LEAP) pay, which provides an additional 25 percent of their salary for the extra hours that they would normally work. And we would kind of like to level that playing field for all of them.

So we will continue to keep working on that. But of course, I think you know, too, our push has been to hire with the appropriated money the additional Customs and Border Protection officers, plus to stop the bleeding in the Border Patrol.

Mr. CARTER. Ms. Roybal-Allard.

BORDER SECURITY

Ms. ROYBAL-ALLARD. Commissioner, I would like to go back to the whole issue of border security and the fact that we don't have enough Border Patrol manpower there.

And we also hear a lot about the fact that we have to secure our border. And when I go back home, I hear a lot of anxiety about that, because the impression is that our borders are fairly open and that they are unprotected.

In practical terms, how does CBP define its border security mission? And what are the essential measures by which we should be judging CBP's performance?

Mr. KERLIKOWSKE. So we look very much, particularly with the Border Patrol, between the ports of entry, we look very much at the security at the Border Patrol. Do they have operational awareness or what we would call situational awareness? Do they know the number of people that may be attempting and the particular areas that they are coming across?

They also have the information and the liaison with their state and city and county partners all along the border. And we know that many of those border cities, from El Paso to San Diego to Tucson, have some of the lowest crime rates of any of the large cities in the country.

So understanding and recognizing that there are also places, and this is where we use our unmanned aircraft, that there are also places that are so desolate and so rugged and so difficult that we are not seeing people attempt in any way, shape or form to cross or enter the border illegally.

Well, if they are not using those locations, we need to take those finite Border Patrol resources and allow them and put them in the places where we do have greater numbers.

But you know, as a police chief I was always held accountable for managing our people, responding quickly, making sure they

were trained and had the equipment they needed, but I was never held accountable for a crime-free city, whether it was Buffalo or Seattle. There will always be gaps. And we will work very hard to make sure that those taps are narrowed.

UNACCOMPANIED CHILDREN

Ms. ROYBAL-ALLARD. I would like to go now to an issue that we discussed during last year's hearing, and that is the treatment of unaccompanied Mexican children who cross the border, which is different from those children that are coming from Central America.

Last July, GAO released a report on the treatment of unaccompanied children in DHS custody, which made a number of recommendations pertinent to Mexican children.

GAO found that CBP personnel were not appropriately following the requirements of the Trafficking Victims Protection Reauthorization Act.

For instance, CBP forms lacked specific indicators and questions agents and officers should use to assess whether a child has a credible fear of returning to Mexico, could be at risk of being trafficked if returned, or is capable of making an independent decision to voluntarily return.

The report also found that CBP personnel did not document the basis for the decisions they made relative to these factors. GAO found that CBP repatriated 95 percent of unaccompanied Mexican children it apprehended between 2009 and 2014, including 93 percent of Mexican children under the age of 14, even though CBP's 2009 memorandum on the treatment of unaccompanied children states that children under 14 are generally presumed to be unable to make an independent decision.

I saw that the department recently signed new repatriation agreements with Mexico. To what extent were those agreements in response to the GAO report? And what specific changes to repatriations do they entail?

Mr. KERLIKOWSKE. Well, as a result of the questions in the discussion last year and also as a result of the GAO, we did a new series of training for the Border Patrol to make sure that those questions are appropriately asked and that the responses are appropriately recorded for that decision involving Mexican children.

At the same time, within the last month, Assistant Secretary Bersin and Director Saldana from ICE were in, I believe, Arizona to sign new repatriation agreements with Mexico to make sure that there was close coordination with the government of Mexico upon returning someone so that they wouldn't be returned at night, they wouldn't be returned in an environment that may be considered hostile or dangerous and that their property, whatever property they crossed the border with, would be also returned with them.

So I think that progress in the training and progress in the additional repatriation agreement with Mexico is helpful. And as you know, the vast majority of the unaccompanied children that we are apprehending are coming from the three Central American countries and really not Mexico right now.

Ms. ROYBAL-ALLARD. I see that my time is up.

Thank you, Mr. Chairman.

Mr. CARTER. Chairman Rogers.

DRUG TRAFFICKING AND ABUSE

Chairman ROGERS. Mr. Commissioner, you and I have been working many times together over the years to curtail drug trafficking and abuse. I have said many times and I have heard you say it many times that there is no one answer to the problem, that it does take enforcement, treatment and education, a holistic approach.

The President's budget rightly puts prescription drug and heroin abuse in the forefront, but largely focuses on treatment and the demand side of the equation. If we want to see any further success in treating victims of abuse and educating the public about the danger that is present, I think that we have got to be sure that enforcement on the front end is emphasized and in fact ironclad.

Your agency is charged with protecting the borders and you have got the primary role to play in all of this. DEA says heroin seizures in the U.S. have increased in each of the last 5 years, nearly doubling from 2010 to 2014.

Your agency reports seizing over 9,600 ounces of heroin during fiscal year 2014. And yet, your budget would reduce the number of agents patrolling our borders by some 300.

How can you justify taking boots off the ground in spite of this huge increase in heroin interdiction?

Mr. KERLIKOWSKE. Mr. Chairman, I go back to a couple of things. One is that on the heroin issue, the majority of any heroin that we seize is not between the ports of entry, it is smuggled through the ports of entry, whether it is in San Isidro or El Paso or whether it is at JFK Airport. Heroin seizures almost predominantly are through a port of entry and either carried in a concealed part of a vehicle or carried by an individual.

We don't get much heroin that is seized by the Border Patrol coming through. And I think just because there are a lot of risks to the smugglers and the difficulty of trying to smuggle it through.

But when I look at the number of Border Patrol agents that we are already down and I look at offsetting, being able to provide additional radio equipment and additional vehicles as a result of using some of that money or the majority of that money to the Border Patrol, I think it is a decision that will help.

We know that technology is better for their safety and it is also better to get get them out to be able to patrol.

VISA WAIVER PROGRAM

Chairman ROGERS. Changing subjects, the Visa Waiver Program permits citizens of 38 different countries to travel to the U.S. either for business or tourism purposes up to 90 days without a visa. In return, those 38 countries must permit U.S. citizens to remain in their countries for a similar length of time.

Since its inception in 1986, that program has evolved into a comprehensive security partnership with many of America's closest allies. The department administers the Visa Waiver Program in consultation with the State Department and they utilize a risk-based, multi-layered approach to detect and prevent terrorists, serious criminals and other bad actors from traveling to this country.

With the advent of the terrorist era that we are in now, the Congress deemed it impossible to live with that kind of a free border program with 38 countries in the world for fear of terrorist infiltration undetected.

So we passed the Visa Waiver Program Improvement and Terrorist Travel Prevention Act of 2015 which established new eligibility requirements for travel under the Visa Waiver Program to include travel restrictions.

They don't bar a person from coming to the U.S. point blank, but they do require that the traveler obtain a U.S. visa, which then gives us the chance to investigate the background of the person.

So in December, that law was passed. Can you outline for us the programmatic changes concerning aliens from these countries, how soon you will be able to implement the changes if they are not already there?

Mr. KERLIKOWSKE. So Secretary Johnson several months before the passage of this authorized an additional series of questions to be put into the ESTA, this system in which we would record information with more detail and more specificity.

For instance, more specificity when it comes to the location that a person would be staying, additional contact information, such as cell phone and email, those types of pieces.

And then when the law was passed, particularly the fact of dual citizenship with the four countries that were outlined, we canceled 17,000 travel approval requests that had already been basically approved.

As you know, this ESTA system lasts. You can use it within a 2-year window.

One thing that isn't always recognized with this system, though, is that a person is continually vetted. Those names are run against databases every 24 hours. So if you applied and you weren't going to travel for another 8 or 9 or 10 months, every single day your name would be run against the series of databases because we don't want you suddenly to say now I am going to go ahead and use the ESTA, it has already been approved, I am going to get on a plane. And we say, well, wait, in the last 48 hours or 72 hours, some information of a derogatory nature came up and needs to be worked on.

We work closely with the Department of State. I testified recently at two hearings on this issue. I think the fact that we were able to cancel those 17,000 ESTAs and require that those individuals then go back to an embassy or a consulate and get a waiver and we will continue, including standing up with the National Targeting Center along with the State Department personnel sitting right next to us, a terrorist prevention group that will look at this much more in-depth on a 24-hour basis.

Chairman ROGERS. Are you properly staffed to handle this increased workload?

Mr. KERLIKOWSKE. In the budget, we requested an additional, I believe, 40 personnel to go to the Targeting Center. I would think that frankly if there is a real jewel in the crown of CBP when it comes to prevention.

I would say our National Targeting Centers for cargo and passenger anticipation of things that could be dangerous or people that could be dangerous.

And I know a number of members and a number of staff have visited it. And I would encourage them to see that 24/7 operation. But asking for these additional people, including working in a Counter Network Division to work on human smuggling and drug smuggling is a good prevention technique.

Chairman ROGERS. The legislation also required program countries to validate passports, report lost or stolen passports, use INTERPOL screening and start passenger information exchange agreements. Can you tell us what these requirements are and how they will be put in place?

Mr. KERLIKOWSKE. Yes. They must vet or they must check that foreign passport against INTERPOL's lost and stolen database. They must do that.

And the requirement, you know, with visa waiver that I think is not often talked about, but is really quite helpful, is the fact that it brings these countries who are like-minded, who want to prevent terrorism and want to prevent smuggling, it brings us together in a better information-sharing environment.

We have in CBP a permanent liaison to INITERPOL. We have two permanent liaisons to EUROPOL policing. And we have at our immigration assistance program a number of CBP personnel at airports where they don't do enforcement on foreign territory, but they certainly work closely with their foreign counterparts.

And I think that is part of the benefit of, frankly, the Visa Waiver Program. It brings us together to all assess risk and to realize that we are all in the same boat.

Chairman ROGERS. The legislation directed you to terminate program countries for failure to comply with certain requirements. Do you foresee the termination of any countries from the program?

Mr. KERLIKOWSKE. I am not familiar with that. I know that Secretary Johnson in counsel with Secretary Kerry and also the director of the Office of National Intelligence just added three additional countries to the original four that Congress passed.

So that increases our workload, but it also improves our risk assessment and our safety and security.

Chairman ROGERS. Thank you, Mr. Commissioner, for your service.

Mr. KERLIKOWSKE. Thank you.

Mr. CARTER. Mr. Price.

Mr. PRICE. Thank you, Mr. Chairman.

Welcome, Commissioner. Glad to see you here again.

Mr. KERLIKOWSKE. Thanks.

BORDER SECURITY

Mr. PRICE. I want to pick up where the ranking member left off on the question of border security, how you conceive of that going forward in terms of the mix of elements that would go to make up the kind of situational awareness and border security you are talking about.

I understand this is a mix of personnel, infrastructure and technology that we are talking about here. I share the concern that has

been expressed repeatedly this morning about the shortfall in personnel that this budget would apparently leave us with, something like 700 Customs officials, 1,300 Border Patrol agents.

My own view, and I think it is widely shared, is that in the long term, true and effective border security isn't going to be achieved, even with all the money we might throw at it, without comprehensive immigration reform.

And since it has been brought up here this morning, I think maybe a little reality check is in order.

The President in fact pushed very hard in cooperation with the Congress for years for comprehensive immigration reform. And he worked effectively at it and successfully with the Senate. The Senate passed a bipartisan immigration reform bill.

But then the House never took it up. That is the problem. That is the problem with comprehensive immigration reform.

And it was only after months, indeed years of that kind of stonewalling that the President did take executive action. It was limited action, it is very well-reasoned and legally sound action, I believe, to exercise a degree of prosecutorial discretion with respect to whom we initiate immigration enforcement on.

And of course, then the Republicans take that executive action as a new excuse, a new excuse not to act. So frustratingly we fall short, fall short of the comprehensive immigration reform that might deal with this larger issue.

So we return to border security. And that issue, too, has become inflamed in recently months, thanks largely to the Presidential campaign.

People with little or no immigration enforcement or policy experience, including some high-profile Presidential candidates, have said once again we can simply build a fence. We can seal the Southern border. And one actually says we can send the bill to Mexico.

Now, when I was chairman of this committee the fence loomed very large. And we appropriated on this subcommittee for hundreds of miles of pedestrian and vehicle fence. We attempted, with mixed success I have to say, to exercise some measure of cost/benefit analysis with these various segments of the fence. But we built it.

There was a huge political push all of the time to build that fence. Well, now it is back. Now the fence is back, and I am going to give you a chance to comment explicitly on this.

So what does a secure border look like? And do we need more fence?

Mr. KERLIKOWSKE. It does mean that when we have that situational or operational awareness and we know what is coming and where our gaps are, that that is particularly helpful.

And the fence that has been built, I think it is approximately 600 miles of different types of fencing, including tactical fencing, very high fencing, double and triple fencing in some locations, and some to prevent a vehicle. The Border Patrol uses that type of technique and those types of fence technologies in order to move people that may be attempting to come across into different locations where they can have more resources.

We also, you know, clearly recognize that anyone who has traveled and spent time on the border, as I think everyone of the members here has, that there are lots of locations in which fencing and

walls would not be able to be built, would not work and would not be able to withstand.

And even with the fencing that we have, we spend considerable resources repairing and keeping that fencing in line. So you know, we think it is the combination of all of the other things that we do, tactical aerostats, patrols, infrared, fixed towers, ground sensors, on and on and on, that make for a more secure border.

Mr. PRICE. Would it be your judgment that the budget you have submitted gets that balance right in terms of the mix of elements going forward? Are there major gaps, major omissions that you would look to be addressed in later years?

Mr. KERLIKOWSKE. No, I think the budget that we have submitted is a very realistic budget. I think that I would be very happy, as I am sure every member of the committee would be, if we could hire and, again, get the number of Border Patrol agents and Customs and Border Protection officers fully trained and on the job, that right now that is the number-one priority.

Because regardless of all the technology, this is still a very labor-intensive and people-oriented kind of business, whether it is at a port of entry or between the ports of entry.

But I think we have submitted a realistic budget that will help us get there. And quite frankly, the committee has been very supportive of a number of initiatives in the past. And I think that is why we have made progress.

Mr. PRICE. Thank you.

Thank you, Mr. Chairman.

Mr. CARTER. Mr. Stewart.

Mr. STEWART. Thank you, Mr. Chairman.

Commissioner, thank you for your many years of service, and to your peers as well, law enforcement all around the country. It is a difficult time to be in law enforcement and want you to know that many of us support you and the efforts that you are trying to undertake.

I am going to ask you a couple of questions, and I don't think you are going to be able to answer them, at least I will be a little surprised if you are, but I would kind of like to explore do we know what we don't know and how good of a feel we have on some of these things that we may not, you know.

VISA WAIVER PROGRAM

For example, I appreciated and I wanted to follow up on the chairman's conversation about the Visa Waiver Program. And you indicated there and it is in your written testimony something like 17,000 who have been denied or revoked today on the ESTA program.

Do we have any idea of those 17,000, is that 90 percent of those who maybe, you know, we should have identified, is it 50 percent? Do you have a sense for how successful that is?

Mr. KERLIKOWSKE. The 17,000 are the dual citizens with those four countries.

Mr. STEWART. Right. So that is fairly easy to identify.

Mr. KERLIKOWSKE. And I would tell you that looking at it, it is a mix of people. Have we been able to—is there somebody in that

mix that probably might not have or should not have gotten that? I think that is very possible.

But also, it is people who have fled Iran during the overthrow of the Shah in 1979 that haven't been to Iran in 40 years, but still have dual citizenship.

Mr. STEWART. Yes.

Mr. KERLIKOWSKE. And they were canceled, too. So you know, it was a broad brush, widely supported by certainly Congress and the President.

Mr. STEWART. But that is a relatively easy thing to do, identify those who have the dual citizenship of those targeted countries.

Mr. KERLIKOWSKE. Right.

Mr. STEWART. And I am guessing you identified most of those people, wouldn't you say?

Mr. KERLIKOWSKE. Well, we identified them through the fact that they had already—we knew in the system that they were dual citizens.

Mr. STEWART. Much harder, though, to identify those that the visa waiver legislation required us to identify, those who had traveled to some of these serious, not Syria, but some of these questions or countries question.

Do you have a sense for how successful we have been in identifying those people? And let me elaborate and then I will allow you to answer.

That is a much harder thing to do. And we need partners in order to do that. They may be traveling from Europe that we would be unaware of that travel were it not for our European partners or counterparts who have made us aware of that.

And Department of Homeland Security, the director really was pretty firm on several countries, France, Belgium, Germany, Italy, Greece, gave them a February 1 deadline to fix what he called crucial loopholes.

Can you give us an update on how our partners are doing in providing us this information? Because again, we would be unaware of it without their input and they hadn't done a good job of doing that previous. Have they gotten better? Are our partners doing a better job of giving us that information?

Mr. KERLIKOWSKE. Visa waiver, it results in a lot of partnerships, including the exchange of information. So one, the relationship, particularly after the attacks in Paris, continues to get strengthened about the necessity of exchanging and sharing information.

You are exactly correct when you talk about that it is much more difficult then to detect people because of either broken travel.

So we rely, one, on a partner, another partner in another government to perhaps tell us about that. Also, people do self-declare about having traveled to one of the countries.

And then lastly, when you enter the United States and that passport is gone through by that Customs and Border Protection officer, just as we did during Ebola screening, we do come across people that have traveled to one of those countries. I think 2011 was the cutoff date that you put in place.

Mr. STEWART. So Commissioner, being short on time, let me just ask the question simply. Department of Homeland Security asked

these identified partners, they gave them a February 1 deadline to close these loopholes. Would you say that they have done that effectively?

Mr. KERLIKOWSKE. I would say they are much better, but I couldn't answer for every one of them, and I would be happy to provide that information to you or your staff.

Mr. STEWART. I wish you would.

Mr. KERLIKOWSKE. Okay.

Mr. STEWART. And I think it is something we are going to have to, you know, keep our eye on, because some of them are more effective than others.

SOCIAL MEDIA

And let me ask very quickly, one of the things that we identified and I think many of us recognized as something that we had to expand our capabilities, and that was using social media to identify some who may be entering our country and pose a threat.

In San Bernardino, there were indications that there were some social—I am not talking about the radicalization, I am talking about those who were maybe radicalized, trying to enter a country. And if we had used social media as a tool, we would raise the red flags and be able to say this person is someone we should look more closely at.

Previous to that, we hadn't done a good job of that. I don't think it was a policy to use that tool. Can you update us, how is that being implemented with using social media to identify those individuals who may be a threat as they are trying to enter the country?

Mr. KERLIKOWSKE. Sure. The social media checks would certainly apply throughout DHS to USCIS, to ICE, et cetera. And Secretary Johnson has stood up a task force within DHS to look at expanding and moving forward on the ability to research and use information and social media that applies DHS-wide, not just for CBP.

Mr. STEWART. Yes. And do you know when that task force is supposed to give their report?

Mr. KERLIKOWSKE. I believe General Taylor from intelligence and analysis is in charge as the chair of that task force. I don't know the date.

Mr. STEWART. Okay. We will find out and we will follow up with that.

Mr. KERLIKOWSKE. Okay.

Mr. STEWART. Thank you.

Mr. KERLIKOWSKE. Thank you.

Mr. STEWART. Thank you.

Mr. CARTER. Mr. Cuellar?

Mr. CUELLAR. Thank you, Mr. Chairman.

Commissioner, thank you. I believe you said earlier this might be your last hearing. And I just want to say thank you so much for all the many years of service. I appreciate it.

BORDER SECURITY

And also appreciate your moderate approach to this. I am from the border. Laredo is 96 percent Hispanic, most Hispanic city percentage-wise in the country.

I think people know my policies. You know, I would like to see a moderate approach. We don't want to see open borders. We believe if somebody is put in detention they ought to be treated fairly, but that we should have detention, have some sort of deterrent.

At the same time, we believe in immigration reform, sensible immigration reform.

At the same time, we think the wall is a 14th century solution to a 21st century problem that we have.

So we would like to see the moderation there because we want to see order at the border. And you know, just don't want to get political, but if the folks that I represent on the border wouldn't give me 95, 90 percent of the vote every time I run, so I assume they support my policies, which is pretty much what you do also, a moderate approach.

One of the things we have been talking about lately is to extend our border beyond the U.S.-Mexico border because we spend billions of dollars on the U.S.-Mexican border.

A couple of years ago, I think we put about $80–$85 million to help Mexico secure the Southern border with Guatemala. I saw some figures that over a period of time they actually deported more people than Border Patrol did over the same amount of time. So just $80 million did a lot to help Mexico extend, for us to extend our border.

We were in Costa Rica. The Cubans, that is a totally different issue. But we were there, the Costa Ricans were telling us in December that the people who are coming in, trying to get into the U.S., they had people from Ghana, Somalia, Nepal and literally name the country and they were there.

So my question to you in extending the border out besides the U.S.-Mexico border, what else can we do to help the Mexicans and our Central American folks to help us secure our border? Because the more we stop outside the U.S. border, the better it is for us.

So if you want to address biometric equipment, training we can do. I know you are doing that, but what can we do to step this up?

Mr. KERLIKOWSKE. Congressman, I think the government of Mexico has done a really admirable job, particularly in the last year-plus, in increasing and improving their border.

CBP and other components of DHS have a number of advisers and technical assistance, both in places like Tapachula and other locations, but also within Mexico City.

We visited the training center for those personnel. We visited the detention facility, I visited it particularly. They have made marked progress in the work that they have done.

And I think we couldn't be more pleased with the government of Mexico as a partner in this. So we will continue to look at, can we assist in biometric identification processes, other types of things?

But I think the last thing, and probably the most important in all of this, would be that if those three Central American countries, Honduras, El Salvador and Guatemala, had better safety, better security, a better educational system for people and better hope for the people that live in those countries, they wouldn't be fleeing and making an incredibly dangerous journey to the United States.

As Ms. Roybal-Allard and I sat on the floor with a father not that long ago and his 4-year-old daughter, and he said, you know, we

had several murders down the street. He said the last thing I needed to do is to leave my wife with one of our other children and for myself and my daughter to flee, this is in El Salvador, to flee and try to get to the United States where his mother lives. But he said, I can't raise her in that environment.

If those countries are more stable, I think people don't want to pick up and leave and come here.

Mr. CUELLAR. Well, I hope you work with the State Department. Because as you know, Mr. Chairman, and members of the committee, we added $750 million working with—for Central America, the Northern Triangle. So hopefully you all are part of that process, because the more we extend our security out, instead of playing defense on the 1-yard line, but extend it to the 20-yard line, the better it is.

So there were $750 million that hopefully you all will work with the State Department.

Thank you so much for your time and effort and your service.

Mr. KERLIKOWSKE. It would be really helpful to have an ambassador, too, in Mexico to be able to work with.

Mr. CUELLAR. Oh, I agree. I think Roberta Jacobson should be the ambassador and it is unfair that she has been delayed for something that has nothing to do with Mexico. It is very unfair to Mexico.

Mr. CARTER. Dr. Harris.

Mr. HARRIS. Thank you very much.

And thank you for being before the committee. And thanks for your service. You know, we have got your resume here and it is pretty impressive, including, of course, your service over at the Office of National Drug Control Policy.

DRUG TRAFFICKINGS

So I am going to follow up with what the chairman of the full committee asked about a little bit, which is the role of your organization now in controlling drug traffic. I think there was testimony last year that your department or, you know, U.S. Customs and Border Protection doesn't have a zero-tolerance policy. That in fact people found crossing the border with marijuana or other drugs, actually there is no zero tolerance, you actually don't refer for prosecution everyone who attempts to enter our country and poison our youth.

So I have got to ask you, why?

Mr. KERLIKOWSKE. I don't actually know of any policy like that. I know that people are apprehended with drugs, whether it is small amounts that they are carrying for some personal use, or whether it is multi-ton or multi-kilo loads. All of those, to my knowledge, would be referred to the United States attorney and it would not be up to Customs and Border Protection to make a decision for the Department of Justice as to whether or not prosecution would be accepted.

And frankly, if I did find out that we did have a policy where we were making those decisions rather than where they belonged with the Department of Justice I would reverse that policy very quickly.

Mr. HARRIS. Well, you were head of the Office of National Drug Control Policy.

Mr. KERLIKOWSKE. Right.

Mr. HARRIS. Would you be disappointed with the Department of Justice if in fact they had set minimum amounts of marijuana to be brought into this country before it would be prosecuted?

Mr. KERLIKOWSKE. I would tell you that——

Mr. HARRIS. I mean, that seems like it would be a waste of time for your agents. Your agents go, you track them down, you find the drugs, they think they did a great job, you turn it over to the DOJ and DOJ looks the other way and says we are too busy.

Mr. KERLIKOWSKE. I would tell you that I understand that, depending on the U.S. attorneys offices along the border, from Texas to California, that the number-one client for prosecutions is Customs and Border Protection.

We keep them busy with everything possible. I think there are clearly going to be cases that they are not going to, and these are questions better answered by them, but I think there are clearly cases that, given the finite resources that they have, that they are not going to be able to accept for prosecution, either because of prosecutorial merit or because they have set some guideline.

But I would tell you that we make those referrals all the time and we are happy to make sure that they have everything.

I have assigned five attorneys in our office to be cross-designated as assistant United States attorneys just to help out in those areas so that they can have additional prosecutors. And if we need to assign more attorneys to do that to help them out, then that is what we will have to do.

Mr. HARRIS. Thank you very much. You know, I was a little disappointed when back in 2009, I guess, you know, the administration decided and I think you agreed to stop using the term "war on drugs."

And honestly, I think if you look at the heroin epidemic we have now, it is exactly the result of the leadership of the country saying that we no longer have a war on drugs. Just my personal opinion, rhetorical question.

VISA WAIVER PROGRAM

Let me go on to the Visa Waiver Program, because I just have a question about this. Because as you know, part of the controversy is is that this decision was made to, on a case-by-case basis, permit waivers for people, business people from Iraq or Iran who are conducting business, I believe those are the two case-by-case, can you tell us, since that program was put in place, how many, since it was case-by-case, who makes those case-by-case decisions?

Mr. KERLIKOWSKE. The process, if there was a request, and there has never been a request and to my knowledge there is not even a pending request for anyone to use that example, but we would use the unit or the group that we stood up in the National Targeting Center to review those.

There are a series of questions that a person would have to answer if in fact, for example, it was a business case.

We know that there are waivers already in existence, general waivers in the law for government officials and for military. But

there would be a whole series of questions and we would have to validate through that system.

But right now, I don't know of a single, there is not a single pending request or even one that has been made.

Mr. HARRIS. So Iran's objection seems to be much ado about nothing?

Mr. KERLIKOWSKE. I don't know if it is merely too early in the process for some of these additional requests, but I do know that no request has been made.

INTEGRATED FIXED TOWERS

Mr. HARRIS. Okay. And just one final point, and this would be pretty brief. It has to do with the integrated fixed towers contracts.

These were, you know, supposed to be important parts, the certification was delayed. Now there is no—is there money in the budgets for the rest of these towers? Are they going to proceed on time?

Mr. KERLIKOWSKE. There is money. And they are proceeding on time. The Border Patrol was required under the contract, and rightly so, to certify that these expensive pieces of technology are actually operational and are helpful. And I think as many members of the committee know, the attempt to build a virtual wall in SBI Net resulted in pretty significant investments of taxpayer dollars in some technology that did not prove to be useful to the agents on the ground that actually needed it.

As I understand it, the Border Patrol has certified that the integrated fixed tower is a useful, helpful tool that expands their visibility on the border.

Mr. HARRIS. Thank you very much.

Yield back.

Mr. CARTER. Dr. Harris, you will recall that I mentioned it is a pretty strong rumor, at least on the Texas border, of the 200 pound rule on marijuana. I didn't get a response from the attorney general when I asked her about that.

Mr. Young.

Mr. YOUNG. Thank you, Mr. Chairman.

Commissioner, welcome. Nice to see you. Thanks for what you do.

BORDER SECURITY

I want to talk a little bit about Customs and Border Protection's use of UASs, unmanned aerial systems. I had gone down to the border last year, early last year, and noticed UAVs and aerostats. Can you talk a little bit about where those are being used and how they are being used and where they are being used?

Are you seeing a drop in border activity? Because it seems to me this can simply be a real deterrent by seeing these intimidating blimps or drones. Can you just reassure us or talk about the relationship between using the UASs in conjunction with your agents? And is one meant to supplement the other? You are not phasing out agents with the use of UASs, are you?

Can you just talk a little bit about this?

Mr. KERLIKOWSKE. No, they are all designed to enhance and kind of, even in my earlier statement, the fact that it is still a labor-in-

tensive job, it still requires boots on the ground. But it can be greatly enhances with technology.

So I think the tethered aerostats are particularly helpful, with the camera systems that are in them.

Mr. YOUNG. Do you know about how many aerostats we have now?

Mr. KERLIKOWSKE. I think we are at five and we just put another one in McAllen area, so I think we are now moving to six aerostats.

They are fairly expensive to operate because we use contractors to operate them. But frankly, I don't want to take a Border Patrol agent off the road and then have them operate the mechanics of the tactical aerostat.

So I think they are helpful. I will be down in McAllen next week for my 12th or 13th trip and the agents down there feel that they are a definite deterrent and visible.

I kind of thought that even if we had some extras, without the equipment we ought to just put them up in the air and see how that works, kind of like when we would park a police car with nobody in it and see if people slowed down.

Mr. YOUNG. Or the inflatable tanks they used in World War II.

Mr. KERLIKOWSKE. On the road. But we will have to see if they take up my idea.

Mr. YOUNG. Thank you for that.

Last year I asked you about guidance given to CBP personnel to keep the administration's policies in mind and if these priorities supersede the law. And last month, House Judiciary heard testimony from a CBP agent that undocumented immigrants are no longer given a notice to appear and are released without any means of tracking their whereabouts.

I have serious concerns about this and I know some of my colleagues do as well. Are agents being directed to ignore the law? Or is this coming from within their own decision-making or are they given guidance on ignoring the law on this?

Mr. KERLIKOWSKE. Well, they shouldn't be releasing anyone. And the Border Patrol shouldn't be issuing the notices to appear, without going through and without having ICE, Immigration and Customs Enforcement. So we don't need to be in that.

I mean, I think everyone is very familiar with policies in the past called catch and release in which people were not documented, reports were not as well-written, people weren't questioned. There is no one that is apprehended today, unless they are under the age of 14, that isn't fingerprinted and photographed, that isn't debriefed about how did you get here, was there a smuggling involved, who did you pay, how much did it cost, all of that information.

But we don't need and don't want and I would not stand by if the Border Patrol was releasing people without going through all of the formalities that are required.

Mr. YOUNG. Well, did this concern you when this Border Patrol agent gave this testimony before the Judiciary Committee on this about——

Mr. KERLIKOWSKE. So the concern I have is quite often the Border Patrol Council, which is the union, is probably not the most knowledgeable organization about what is actually going on.

I think unlike, you know, when I have police officers in Seattle, they would follow the law, then there is room within the law to actually do things. And if they weren't happy with doing that, it is kind of like, well, if you really don't want to follow the directions that your superiors, including the President of the United States and the commissioner of Customs and Border Protection, then you really do need to look for another job.

Mr. YOUNG. Well, there are some serious concerns out there that the law is not being enforced. And last year when, with ICE, Saldana was here and she gave intimations and pretty much a statement saying that their goals and principles and priorities should take precedence, even over the law.

And so that is very concerning to myself and many others on this panel and just throughout America, wondering why if it is not happening, the law is not being enforced. It is a very serious thing. I urge you to keep an eye on that, please.

Mr. KERLIKOWSKE. Thanks.

Mr. YOUNG. Thank you.

Mr. CARTER. All right. I think we will start a second round. First, going back to something one of my colleagues brought up, I think Mr. Harris.

INTEGRATED FIXED TOWERS

The integrated fixed towers, the reality is that the first certification of one of these towers was last Friday. Am I correct? So it is a very, very current event.

Mr. KERLIKOWSKE. Yes.

Mr. CARTER. And on those towers, here is the question that Texans would like to know, when will your budget install towers in Texas? Or what will you use in Texas if not integrated fixed towers?

Mr. KERLIKOWSKE. So I think that part of the delay with the integrated fixed towers was the fact that that contract was protested. And as we know, when a contract is protested it takes a long time then to overcome that.

But that fixed tower in Arizona is up and working. We know that the additional aerostat in Texas is very helpful. And if there are other locations, including those within Texas, in which that fixed tower would make a difference, then I would like to move forward with that.

I couldn't be more specific, but I am happy to get back to you on that.

[The information follows:]

Chairman CARTER. And on those towers, here is the question that Texans would like to know, when will you budget install towers in Texas? Or what will you use in Texas if not integrated fixed towers?

Mr. KERLIKOWSKE. So I think that part of the delay with the integrated fixed towers was the fact that that contract was protested. And as we know, when a contract is protested it takes a long time to overcome that.

But that fixed tower in Arizona is up and working. We know that the additional aerostat in Texas is very helpful. And if there are other locations, including those within Texas, in which that fixed tower would make a difference, then we would like to move forward with that.

I couldn't be more specific, but I am happy to get back to you on that.

RESPONSE: Surveillance requirements in Texas may be filled with various combinations of personnel, technology, and infrastructure. Capabilities currently de-

ployed in Texas for ground surveillance are the Tactical Aerostats and Relocatable Towers System and Unattended Ground Sensors (UGS). In addition, we have the Tethered Aerostat Radar System (TARS) for air domain awareness. We are planning deployments of the Remote Video Surveillance System (RVSS) fixed surveillance, the Mobile Video Surveillance Systems (MVSS) and the Mobile Surveillance System (MSC), both mobile surveillance. In some parts of Texas, we will also deploy the Mobile Surveillance System (MSS), which adds radar capability combined with cameras.

CBP does not currently plan to install integrated fixed towers (IFTs) in Texas, largely because the Analysis of Alternatives concluded they are not an appropriate technology for much of Texas. Because of the foliage and terrain along the border in Texas, camera technologies are more effective than current radars, like those on IFT. We are emphasizing the deployments of RVSS and MVSS in Texas. The MVSS contract has recently been awarded and we expect initial deployments to Texas later this year. With respect to RVSS, we have begun preliminary work to do environmental assessments and acquire land. Accounting for the sometimes lengthy timelines of these preliminary processes, we expect to begin RVSS deployments in FY 2017 or FY2018. As a stop-gap, we have deployed six tactical aerostats to high-priority areas in Texas, as well as several "relocatable towers" with cameras in 17 sites. Ultimately, it is the combination of surveillance assets, with tactical infrastructure such as patrol roads and access roads that support the responding agents, that will ensure CBP mission success.

Mr. CARTER. Well, it wouldn't be the first time that we have looked around and seen resources going to Arizona that we really needed in Texas. So I think I am required to ask that question.

Mr. KERLIKOWSKE. I got the message.

Mr. CARTER. Okay. [Laughter.]

Mr. CUELLAR. I agree.

BORDER SECURITY METRICS

Mr. CARTER. We understand that the department is exploring an outcome-based approach to metrics that would measure the effectiveness of our border security. How is CBP working with the secretary on this initiative? And how will it change the current CBP metrics which are more input-based instead of outcome-based?

And what does the preliminary data suggest for border security between and at ports of entry? I understand the results differ compared with existing metrics.

Mr. KERLIKOWSKE. Yes, the secretary, and I think everyone, including CBP and the Border Patrol, is frustrated with either the lack of metrics or the metrics that exist. What do they really tell you?

And almost like I believe it was Dr. Harris, you don't know what you don't know would be one of the questions.

So the secretary brought in a number of people from the Department of Defense and others that have been working pretty closely with all of us to gather as much information as possible about what are the measures and what should be looked at and what are the determinations that would be most useful in things like determining the number of Border Patrol Agents, how secure is the border, what are we missing, et cetera.

It is very complex. I don't know the exact timeline, but I know that he is absolutely focused and intent on trying to have this done and out certainly before he leaves office.

Mr. CARTER. So you don't really know anything, the difference between, you know, between input and outcome basis? Do you have some examples as to what the differences might be?

Mr. KERLIKOWSKE. I don't. The last briefing I had from the people that had come over from defense was probably three or 4 months ago. So I am not all that familiar with where they are now, because they wanted to gather a lot of information from ICE, not just Border Patrol, but also at our ports of entry.

Mr. CARTER. Well, if you got anything that gives us a hint, would you share it with us?

Mr. KERLIKOWSKE. I will be happy to.

Mr. CARTER. Okay.

Ms. Roybal-Allard.

Ms. ROYBAL-ALLARD. Thank you, Mr. Chairman.

And I think if we look back on the record of the hearing last year, I do not believe that Director Saldana said or implied that the law should not be followed.

LAW ENFORCEMENT CAMERAS

Commissioner, late last year, you briefed me on the results of CBP's review of body-worn cameras, which this committee supported as a way of potentially increasing accountability for CBP personnel as well as protecting them from unfounded allegations of misconduct.

The budget request includes $5 million to continue examining how body-worn cameras might be used across CBP's varied operational environments while also looking at how the expanded or more efficient use of other camera technologies could be beneficial.

Can you elaborate on how this funding will be used and how that activity will be different from the feasibility study that CBP conducted last year?

Mr. KERLIKOWSKE. Yes, ma'am. So we have tried to move beyond the fact that, one, Customs and Border Protection is a very camera-rich environment now. Every port of entry, certain checkpoints, lots of locations and including all the cameras that are along the border. So we have lots of cameras and we use a lot of cameras.

But expanding the cameras in two areas would be particularly helpful. One is that our marked vehicles do not have dash cameras, as many police departments have, like Los Angeles and others. We want to be able to use part of that $5 million to put those cameras in those vehicles because we do end up in apprehensions and pursuits, et cetera, where that record would be helpful.

Expanding cameras at the checkpoints, the permanent checkpoints, the number would be helpful.

And also on our boats. We have had two fatal incidents, one off the coast of California and one with the British Virgin Islands within the last year, fatalities involving enforcement actions. And our boats are not equipped with those cameras.

The difficulty that we have had with body-worn cameras, and our air and marine agents will be testing them out as they interact with people at locations, but the difficulty with the body-worn cameras for our Border Patrol agents is that we did not find a camera that withstood the environment that they worked in, for more than about 3 months.

Since that time, we have had a number of discussions with vendors who have come forward with either ideas or ways to improve those cameras, because we think it would be helpful.

And you know, I spent time over coffee with a number of the agents who field tested the cameras. You know, they were very positive about it. The Border Patrol Council, the union in this particular case, has indicated support for body-worn cameras.

So we will keep looking at the technology.

Ms. ROYBAL-ALLARD. Okay. And how long do you anticipate that this next phase will take? And when can we anticipate that CBP will make a decision about improving and expanding the use of cameras, including the body-worn cameras?

Mr. KERLIKOWSKE. It is relatively easy to improve and expand on the cameras in all of the locations that I talked about, except for the agents out in the field in the rough terrain.

I would certainly make it a goal of mine before I leave office at the end of this year to make sure that we have developed body-worn cameras that agents can wear and rely upon.

Ms. ROYBAL-ALLARD. And what progress has been made in addressing the major procedural and policy challenges associated with using the cameras?

Mr. KERLIKOWSKE. I think the most help that we have gotten has been from the nongovernmental organizations who are very involved in body-worn camera issues for state and local law enforcement, they have been a part of the discussion over what would be the best policies.

But we also know, and I think the city of Los Angeles looked at a price tag just for that city alone of over $50 million and wants to make sure, and I think you have brought this up, too, Mr. Chairman, you know, there are huge numbers of costs when it comes to retaining information, FOIA request, et cetera.

And all of that needs to be included in the analysis.

USE OF FORCE POLICY

Ms. ROYBAL-ALLARD. Okay. When you arrived at CBP, I and many others had significant concerns about allegations of the improper use of force and other types of misconduct among CBP personnel. And a short time later in 2014, you updated CBP's use-of-force handbook, incorporating many of the recommendations made by the inspector general and in the Police Executive Research Forum's review of CBP use-of-force cases and policies.

You also announced the establishment of a use-of-force center of excellence. The budget request for fiscal year 2017 includes a $4.2 million increase for the center, which is based at CBP's Advanced Training Center in Harper's Ferry.

Can you elaborate on the purpose of the center, what it has accomplished to date and how the proposed funding increase would be used?

Mr. KERLIKOWSKE. So the center has been particularly helpful in two areas, one is less-lethal technology. There are a variety of less-lethal, from tasers to pepper ball launchers and on and on, that can be used before having to resort to the use of a firearm. And so part of the work that they do is the training and looking at that new equipment.

The other is the simulators. So we are in the process of purchasing 21 simulators that will be assigned throughout our field of

operations, from Spokane, Washington, to Florida, where agents and officers can go through a simulation.

We make our own videos based upon the environment particularly that the Border Patrol works in. At the same time, we added a variety of fencing to the Border Patrol training facility in Artesia, New Mexico, so that agents could actually practice before they ever leave training, could actually practice in the environment that they were going to be operating in.

So we have seen great progress in that area and we would like to make more. And that is part of the request.

Ms. ROYBAL-ALLARD. Have you seen use-of-force incidents decrease over the past year?

Mr. KERLIKOWSKE. So our assaults on agents so far, year to date in this fiscal year, are down about, I believe, 25 or 30 percent. So assaults on agents are down.

We released our use-of-force information and our uses of force were, even though last year we did see a flattening or the same number of assaults on agents, we saw a reduction in the use of force by agents. And part of that is a result of better policy, better training, better equipment, et cetera.

Ms. ROYBAL-ALLARD. Thank you.

Mr. YOUNG [presiding]. Thank you.

INTELLIGENCE

As you well know, it is critical for CBP officers to be able to transmit information they have gathered for national security purposes. I am concerned about findings by the Homeland Security Committee that while CBP officers can pass along information collected at our borders, the process isn't [obviated] and it is not incorporated into the federal government's other intelligence and travel databases.

I see you are requesting $48 million for—intelligence staffing. I want to be sure, and I know everybody does, and maybe you can talk a little bit more about this, about the integration and collaboration between systems and technologies to address this and make sure this information is not being missed.

Mr. KERLIKOWSKE. Yes, when I arrived at CBP and examined each of the components, including the Office of Intelligence, I saw that the Office of Intelligence was very much tactical and very much focused on particular targeting. But that means that, as I described it, it was kind of a mile wide and an inch deep—no, vice-versa. It was very much targeted or very much tactical.

And so it was very important that we brought in a new assistant commissioner who came from the Office of the Director of National Intelligence and the FBI and had been at the NSC and said let us broaden our intelligence scope and let us work more closely with the other intelligence agencies and feed the information to our targeting center. But let us not make our intelligence unit all targeting all the time.

We needed all of the other information. For instance, we are negotiating on preclearance with nine other countries. We need that broad-based intelligence. That is where we are, that is where we are headed. And the relationship with the intelligence community to be able to use or access other databases is progressing well.

Mr. YOUNG. It is progressing well?

Mr. KERLIKOWSKE. It is.

Mr. YOUNG. Do you sense any impediments that you need to overcome that we can help with?

Mr. KERLIKOWSKE. No, we couldn't have better—you can always help.

Mr. YOUNG. Yes.

Mr. KERLIKOWSKE. But we couldn't have better partners than Director Clapper, than Director Comey and others. And I think they see the value and the importance of what CBP brings to the table on these issues.

Mr. YOUNG. Thank you for that.

Mr. KERLIKOWSKE. Thanks.

Mr. YOUNG. Mr. Price.

Mr. PRICE. Thank you, Mr. Chairman.

CARGO SCREENING & PRECLEARANCE

Commissioner, I would like to ask you about two distinct, but related areas to push our borders outward, as we say. The first, cargo screening overseas; the second, preclearance for airline passengers.

First on the cargo screening, as you know, the 9/11 Act required CBP to scan 100 percent of maritime cargo originating in foreign ports prior to landing on American shores. For a variety of reasons, from costs to technological constraints to inadequate infrastructure at many harbors, this requirement remains illusive. Perhaps it is not ultimately possible.

I think this subcommittee has recognized that. In fact, in our 2016 report we acknowledged as much. We acknowledged the expectation that the department, in light of this, would provide to the Congress aggressive, alternative requirements that build on the layered secured capabilities achieved to date and that could be realistically achieved within the next two years, I am quoting.

So we directed CBP to provide a briefing within 45 days of enactment on its near-term and longer-term plans for the improvement of maritime cargo scanning at foreign ports.

I have just not so much a question as a comment. I do think you have a case to make here. There may be elements there. But I do think the subcommittee needs to be assured that in light of this very difficult, perhaps impossible statutory requirement, that you are filling in the blanks with a risk-based screening process that we can rely on longer term.

So we put great stock in your filling out that information.

Mr. KERLIKOWSKE. We do. The secretary has made it very clear the importance of this. We know we have a lot of screening systems in place, both overseas and here, but it does not meet the requirement of the law. And that is important.

And also, of course, the direction through the law for biometric exit. And that is why we have moved very aggressively since we were given the mandate in 2013 to move to a biometric exit process. We have a biographic exit program that is pretty robust, but we need biometric exit.

And I think the final part of this budget is the request that the Office of Biometric Information be moved to CBP, so that if you are going to hold me or the next commissioner accountable for biomet-

ric exit, we would have the tools and the resources to actually make that happen.

Mr. PRICE. But my reference is to this prior statutory requirement for screening overseas. And as I said, this subcommittee, on a bipartisan basis, has been cognizant of the difficulties there, but at the same time we do need to be filled in as to what the short and long-term plans look like for the screening of particularly risky cargo coming from overseas.

Now, preclearance, airline passengers, this has been, in some instances, a very uncontroversial process involving Canada, Ireland, other countries; in the case of Abu Dhabi, not so uncontroversial.

Nonetheless, it seems to me it has had a very solid rationale, a security rationale, a rationale in terms of convenience to passengers. In other words, the case is pretty strong, but we need to make the case and we need you to understand how the department assesses the work done so far and what kind of projections you make into the future.

So I wonder here, and you may want to submit more for the record, but I wonder here if you could briefly give us an assessment, how many places this is going on, what do you think would be desirable in terms of the future reach of this preclearance effort. What kind of process report can you give?

Mr. KERLIKOWSKE. So the discussion with 10 airports in nine countries is continuing on. It is very robust. Tonight I will be meeting in New York with a group, a country, seven people flying in from another country to discuss final discussions. I believe that before the end of this calendar year that we will have several signed agreements with countries for preclearance. And then I believe in 2017, preclearance operations will actually be operational in a couple of those locations.

For safety, security, for benefit to the traveler, for cost to the taxpayer, I don't think, and certainly with the support that Congress has given on this, I don't think we can go wrong with pushing our borders out.

Mr. PRICE. Abu Dhabi in particular, do you have any comments on how that has worked, and particularly on the security benefits of that arrangement?

Mr. KERLIKOWSKE. The last numbers I looked at, which were several months ago, well over a thousand people who wanted to fly from Abu Dhabi to the United States, our recommendation to the airline was that if they arrived they would be deemed inadmissible. And the airline then made a decision not to admit them.

And that doesn't mean just citizens from UAE, but that is people that have flown through Abu Dhabi to then continue-on travel.

So from a security standpoint, I think it makes sense, but I am very pleased that in the negotiations with the current negotiations, all of these locations have American flag carriers that fly into and out of them.

Mr. PRICE. That is the requirement going forward.

Mr. KERLIKOWSKE. Yes.

Mr. PRICE. It was not true of Abu Dhabi at the time.

Mr. KERLIKOWSKE. Right.

Mr. PRICE. That seems remarkable just on the face of it. A thousand you say?

Mr. KERLIKOWSKE. Yes.

Mr. PRICE. Do you think those thousands of people otherwise would have come to this country and be dealt with at one of our ports of entry? Or is there something attracting these people to maybe try their luck?

Mr. KERLIKOWSKE. They would have been deemed—I mean, we do apprehend and deny admissibility every single day. And they would have landed in the United States. They would have been deemed inadmissible based upon the information we had.

The airline would have been required to place them on the next flight back, the next return flight. They would have been held during that, they would have been incarcerated during that period or maintained in a secure location until getting back on that flight where we escorted them back on the plane and they left the United States.

Mr. PRICE. Thank you.

Thank you, Mr. Chairman.

Mr. CARTER [presiding]. Dr. Harris.

Mr. HARRIS. Thank you very much.

FORWARD OPERATING BASES

Let me ask a little bit about the OIG report on the forward operating bases, which I am sure you have seen, and I understand and they, you know, say, you know, your organization responded.

But it seems it is pretty serious because these are pretty important operating bases. Are you committed to addressing all the problems they found?

Mr. KERLIKOWSKE. The first problems and the ones that were certainly most significant involved the quality of the water. And we made changes.

One of the difficulties with an organization this vast and this widely dispersed is that sometimes by the time the information gets to me it is like, you know, what is being done and how many days has this already gone.

I have made it clear that the safety and security our personnel, whether it is in where they work, is key to that.

So these forward operating bases, which can be quite helpful, but are also quite remote, need to be secure and they need to be well-maintained and we need to work with our staff and the GSA to make sure these locations are better.

Mr. HARRIS. Okay, thank you. I appreciate that, because you are right, our agents do need to have secure facilities and, you know, good facilities where they are working.

EXPORT ENFORCEMENT

With regards to export enforcement, I just have a question. Obviously, the sanctions that prohibit U.S. exports to Iran still remain in full effect with the exception for civilian aircraft. But what is, you know, what steps are you doing now that there is this, you know, enhanced relationship with Iran to monitor for illegal exports, to make sure that we are not, you know, exporting illegally to Iran?

Mr. KERLIKOWSKE. You know, exports for any customs organization in the past, including ours, did not see the same level of scrutiny and review that certainly imports see.

Over the last several years, we have taken a number of steps to do a much better job of looking at what is leaving. There is a program in which large numbers of exports from well-known manufacturers here in the United States may leave the country, but that the manifests of what was leaving the country would not be transmitted until it was already on a ship and already going out.

So we are working with industry because we want the manifests in advance before it ever gets on a boat or ever gets the ability to leave.

And we also need to make sure that we are working closely with the intelligence community and others on things that may be exported to a country that could be hostile to us, that they never get to that country.

FOREIGN STUDENTS

Mr. HARRIS. Fine. And one final question. I am just not sure this is, you know, your jurisdiction. But the homeland security sector is supposed to deny entry to the U.S. of any Iranian citizen seeking to enter the U.S. to study for a career in the fields of energy, nuclear science and nuclear engineering.

Makes great sense. You know, we don't need to train our enemies. And under the JCPOA, the law is to remain in effect for the next eight years.

My concern is, and again maybe you have knowledge of how this works, but you know, look, I have five children, four have been to college, all four have changed their majors when they were in college. Someone can come here and say, no, I am not going to study nuclear engineering, go to school, and in fact take nuclear engineering courses.

Do we have a safeguard to make sure that Iranians don't come here and literally gain access to what I believe is the best education in the world, technical education in the world, to go back and build weapons against us? I mean, how do we safeguard against that?

Mr. KERLIKOWSKE. You know, Dr. Harris, it isn't in my——

Mr. HARRIS. That is probably ICE, isn't it, I imagine?

Mr. KERLIKOWSKE. I don't have that information. Or USCIS. But we will be happy to get with your staff and figure out who the best people are.

[The information follows:]

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RESPONSE: The best person to answer this question is the Director of Student and Exchange Visitor Program at U.S. Immigration and Customs Enforcement (ICE).

Mr. HARRIS. If you would, I would appreciate that because that is of some concern to me. Because you know, people can come here

and, you know, we don't know their intention. They will fill out a form and say that, you know, they want to be a, you know, a history major and end up in an engineering school learning things that will come back to bite us.

Thank you very much. I yield back.

Mr. CARTER. Mr. Cuellar.

Mr. CUELLAR. Mr. Chairman, thank you so much.

CBP STAFFING: TRADE

Two questions dealing with trade. Where are we on the full 2,000 CBP officers? I know at one time we were delayed because of a breach of security backgrounds. Where are we with that?

And then tell us a little bit about the agricultural specialist staffing issue. And again, you know my history about Laredo being the largest—and then the valley has a lot of agriculture.

So tell us where we are on those two issues.

Mr. KERLIKOWSKE. Sure. One, I would be remiss if I didn't thank you for speaking to our personnel when they have their large personnel meetings and talking to them about professionalism and their responsibilities and on and on. It means a great deal when a member of Congress spends time with them. So that is very helpful.

We are about 700 Customs and Border Protection agents below the 2,000 that we would have hired. Remember, we have had a lot of, you know, a lot of attrition.

In December we hit the highest number ever of Customs and Border Protection agents onboard. So we are making progress with them. That is particularly helpful.

We also did not ever have a staffing program or a workload analysis for our agriculture specialists.

And quite frankly, after 2003 and the fact that we were put together as a result of that, combining in the Department of Homeland Security, it was all security all the time. And our agriculture specialists, who are the most highly educated, by the way, of our workforce, did not receive, in my estimation, as much support as needed.

And when you think about the things that can harm this country, from pests and diseases in agriculture, we have worked pretty hard to try and improve and increase and show the recognition for the important work that they do.

But the staffing model will be helpful.

Mr. CUELLAR. Okay. Second question has to do with a letter that Governor Abbott and myself wrote to the secretary. And I see the response and I told the secretary I respectfully disagree, especially I think the chairman said a while ago that you all are 12 percent below the goal for air interdiction officers. Is that correct?

Mr. KERLIKOWSKE. Yes.

NATIONAL GUARD

Mr. CUELLAR. Yes. So if there is air crew vacancies and we provided funding, full funding to the National Guard—and again, I disagree with the way the secretary had looked at it. And you know, he does a great job and I appreciate it. But he was looking at it 1 month, from December to January, when actually when you

look at the longer one, it is, you know, it is actually 171 percent increase on just unaccompanied kids, 102 percent on families.

But regardless of all that, but if we are short, we have vacancies, the National Guard got funded, I would ask you all, with all due respect to the letter I got from the secretary, I would ask you all to look at that again one more time.

Because, Mr. Chairman, I am going to request some language, especially if we fund it, that we put that back again, especially if your numbers are correct and they have been confirmed that 12 percent under the goal of air interdiction.

And all we want to do is provide the men and women the support, air support. I can understand if we didn't provide the funding blame Congress, but in this case we did provide the funding.

So again, you don't have to give an answer. I would just ask you to just respectfully consider our request again.

Mr. KERLIKOWSKE. Certainly. And we would never blame Congress. [Laughter.]

Mr. CUELLAR. And again, my last question. Again, Commissioner, thank you for all and I wish you the best for the end of this year. And again, I really appreciate your dedication and the men and women that serve along with you. Thank you so much.

Mr. KERLIKOWSKE. Thank you very much.

Mr. CARTER. Commissioner, I, too, want to join my friend from Texas in thanking you for your hard work.

Please convey our appreciation and thanks to all the members of the U.S. Customs and Border Protection Agency. They do a tough job in a tough environment.

And as we talk and question, we all know, because all of us have been there, and those that haven't are going to go, because they need to know the kind of rough environment that you all have to work in.

And we hope God blesses each and every one of you. Thank you.

STATEMENT OF ANTHONY M. REARDON
NATIONAL PRESIDENT
NATIONAL TREASURY EMPLOYEES UNION
ON U.S. CUSTOMS AND BORDER PROTECTION FY 2017 BUDGET REQUEST
BEFORE THE SUBCOMMITTEE ON HOMELAND SECURITY
HOUSE APPROPRIATIONS COMMITTEE

March 1, 2016

Chairman Carter, Ranking Member Roybal-Allard, distinguished members of the Subcommittee; thank you 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 25,000 Customs and Border Protection (CBP) Officers and trade enforcement specialists stationed at 328 land, sea and air ports of entry (POEs) across the United States and 16 Preclearance POEs.

NTEU applauds the Administration's FY 2017 budget that provides $12.9 billion for Customs and Border Protection (CBP), an increase of 5.2% over FY 2016. In FY 2017, CBP plans to have onboard 23,821 CBP Officers at the ports of entry—achieving the hiring goal of 2,000 additional CBP Officers proposed in the FY 2014 budget agreement.

The President's FY 2017 budget would also support 2,070 new CBP Officers through an increase in user fees. The most recent results of the Workload Staff Model (WSM) – factoring in the additional 2,000 CBP Officers (CBPO) from the FY 2014 appropriations, however, shows a need for 2,107 additional CBPOs through FY 2017. The Agriculture Resource Allocation Model (AgRAM) shows a need for an additional 631 CBP Agriculture Specialists.

There is no greater roadblock to legitimate trade and travel efficiency than the lack of sufficient staff at the ports. Understaffed ports lead to long delays in our commercial lanes as cargo waits to enter U.S. commerce and significant hardship for CBP Officers.

At the San Ysidro port of entry, CBP has instituted involuntary temporary duty assignments to address a staffing crisis there. At JFK Airport, CBP has granted overtime exemptions to over one half of the workforce to allow managers to assign overtime to Officers that have reached the statutory overtime cap. **Both involuntary overtime--resulting in 12 to 15 hour shifts, day after day, for months on end--and involuntary work assignments far from home disrupt CBP Officers' family life and destroys morale. Ongoing staff shortages**

contribute to CBP's ranking at the very bottom of the Partnership for Public Service's "Best Places to Work" Survey--314 out of 320 agency subcomponents.

For years, NTEU has maintained that delays at the ports result in real losses to the U.S. economy. According to the U.S. Department of the Treasury, more than 50 million Americans work for companies that engage in international trade and, according to a University of Southern California (USC) study, "The Impact on the Economy of Changes in Wait Times at the Ports of Entry", dated April 4, 2013, for every 1,000 CBP Officers added, the U.S. can increase its gross domestic product by $2 billion, which equates to 33 new private sector jobs per CBP Officer added. This analysis was supplemented by USC in its update entitled "Analysis of Primary Inspection Wait Times at U.S. ports of Entry" published on March 9, 2014. This study found that by adding 14 CBP Officers at 14 inspection sites in 4 international airports, the potential total net impact would be to increase annual GDP by as much as $11.8 million.

In its budget submission, CBP proposes to backfill 60 CBP Officer attrition vacancies in FY 2017 with CBP Technicians in order to free up CBP Officers from administrative duties. NTEU supports the hiring of additional CBP Technicians to free up CBP Officers from administrative duties as long as CBP is not reducing the current onboard goal of 23,821 CBP Officer with CBP Technicians. CBP Technicians cannot "backfill" CBP Officer positions, because they are not qualified as CBP Officers. With an ongoing shortage of 2,107 CBP Officers, hiring new CBP Officers should be CBP's priority. **NTEU supports hiring additional CBP Technicians to give administrative support to CBP Officers, but strongly objects to CBP replacing CBP Officer positions made vacant through attrition with CBP Technicians.**

NTEU also supports the Administration's FY 2017 proposal to increase immigration and customs user fees to fund the hiring of additional CBP Officers as identified by CBP's WSM. CBP collects user fees to recover certain costs incurred for processing, among other things, air and sea passengers, and various private and commercial land, sea, air, and rail carriers and shipments. The source of these user fees are commercial vessels, commercial vehicles, rail cars, private aircraft, private vessels, air passengers, sea passengers, cruise vessel passengers, dutiable mail, customs brokers and barge/bulk carriers. These fees are deposited into the Customs User Fee Account. Customs User Fees are designated by statute to pay for services provided to the user, such as inspectional overtime for passenger and commercial vehicle inspection during overtime shift hours.

NTEU was disappointed that Congress, in last year's highway bill, indexed Customs User fees to inflation, but diverted this fee increase to serve as an offset for highway funding, rather than to hire additional CBP Officers. NTEU will work to redirect this $400 million a year funding stream created by the indexing of Customs User fees back to CBP for its intended use—to pay for inspection services provided to the user.

Despite an enacted increase in appropriated funding for the hiring of 2000 new CBP Officers, CBP will still face staffing shortages in FY 2017 and beyond. **If Congress is serious about job creation, then Congress should either again increase appropriated funding to hire**

additional CBP Officers, or raise IUF and COBRA fees and adjust both fees annually to inflation.

Agriculture Specialist Staffing Shortage: CBP employees also perform critically important agriculture inspections to prevent the entry of animal and plant pests or diseases at ports of entry. For years, NTEU has championed the CBP Agriculture Specialists' Agriculture Quality Inspection (AQI) mission within the agency and the fought for increased staffing to fulfill that mission. The U.S. agriculture sector is a crucial component of the American economy generating over $1 trillion in annual economic activity. According to the United States Department of Agriculture (USDA), foreign pests and diseases cost the American economy tens of billions of dollars annually. Staffing shortages and lack of mission priority for the critical work performed by CBP Agriculture Specialists and CBP Technicians assigned to the ports is a continuing threat to the U.S. economy.

The FY 2015 Agriculture Specialists Resource Allocation Model (AgRAM) showed a need to hire 723 new CBP Agriculture Specialists in FY 2016. CBP's updated AgRAM, shows a need for an additional 631 frontline CBPAS and supervisors to address current workloads through FY 2017, however, even with the 2016 increase in AQI user fees, **CBP will fund a total of 2,417 CBPAS in FY 2017, not the 3,048 CBPAS called for by the AgRAM.**

NTEU worked successfully with appropriators to get report language in the House version of the FY 2016 funding bill that states: "With CBP's recent release of its risk-based Agriculture Resource Allocation Model (AgRAM), the Committee is concerned about how CBP plans to fulfill its agriculture quarantine inspection (AQI) mission with current staffing levels. CBP is directed to report back to the Committee within 90 days of enactment a plan to address these staffing needs to meet its AQI mission to protect U.S. food, agriculture, and natural resources." This report is due to the Committee in the next few weeks.

CBP Trade Operations Staffing: CBP has a dual mission of safeguarding our nation's borders and ports as well as regulating and facilitating international trade. In FY 2013, all revenue collected by CBP exceeded $42 billion with nearly $30 billion of that revenue coming from the collection of trade duties. Since CBP was established in March 2003, however, there has been no increase in CBP trade enforcement and compliance personnel even though inbound trade volume grew by more than 24 percent between FY 2010 and FY 2014.

NTEU urges the Committee to increase funding to hire additional trade enforcement and compliance personnel, including Import Specialists, to enhance trade revenue collection.

Additional CBP Personnel Funding Issues: NTEU commends the Department for increasing the journeyman pay for CBP Officers and Agriculture Specialists. Many deserving CBP trade and security positions, however, were left out of this pay increase, which has significantly damaged morale.

NTEU strongly supports extending this same career ladder increase to additional CBP positions, including CBP trade operations specialists and CBP Seized Property Specialists. The journeyman pay level for the CBP Technicians who perform important commercial trade and administration duties should also be increased from GS-7 to GS-9.

NTEU also supports extending enhanced retirement that was granted to CBP Officers in 2008 to the approximately 120 CBP Seized Property Specialists, the only armed, uniformed officers at CBP that do not receive Law Enforcement Officer retirement.

CBP continues to be a top-heavy management organization. CBP's own FY 15 end of year workforce profile (dated 10/3/15), **shows that the Supervisor to frontline employee ratio was 1 to 5.6 for the total CBP workforce, 1 to 5.7 for CBP Officers and 1 to 6.6 for CBP Agriculture Specialists.**

The tremendous increase in CBP managers and supervisors has come at the expense of national security preparedness and frontline positions. Also, these highly paid management positions are straining the CBP budget. With the potential increase of 2000 new CBP Officer new hires, **NTEU urges that CBP return to a more balanced supervisor to frontline employee ratio.**

Funding for additional CBP staff must be increased to ensure security and mitigate prolonged wait times for both trade and travel at our nation's ports of entry. Therefore, **NTEU urges the Committee to include in its FY 2017 DHS appropriations bill:**

- **funding to increase trade, travel and agriculture inspection and enforcement staffing to the level called for in CBP's most recent WSM that shows a need for 2,107 additional CBP Officers and an additional 631 CBP Agriculture Specialists through FY 2017; and**
- **funding to increase journeyman pay to additional CBP personnel, including CBP Technicians, Import and other Commercial Operations Specialists, and enhanced retirement to armed, uniformed CBP Seized Property Specialists.**

Lastly, NTEU supports legislation to allow CBP to increase user fees to help recover costs associated with fee services and provide funding to hire additional CBP Officers.

The more than 25,000 CBP employees represented by NTEU are proud of their part in keeping our country free from terrorism, our neighborhoods safe from drugs and our economy safe from illegal trade, while ensuring that legal trade and travelers move expeditiously through our air, sea and land ports. These men and women are deserving of more resources to perform their jobs better and more efficiently. Thank you for the opportunity to submit this testimony to the Committee on their behalf.

WEDNESDAY, MARCH 2, 2016.

TRANSPORTATION SECURITY ADMINISTRATION

WITNESS

PETER NEFFENGER, ADMINISTRATOR, TRANSPORTATION SECURITY ADMINISTRATION

OPENING STATEMENT: CHAIRMAN CARTER

Mr. CARTER [presiding]. All right. We will call this hearing to order. This afternoon we welcome Administrator Pete Neffenger to testify on the Transportation Security Administration's fiscal year 2017 budget request.

Welcome. Glad you are here. Administrator, thanks for all you do, and we are very pleased we are able to do this hearing today.

The fiscal year 2017 budget for TSA is $7.6 billion, which is $149 million dollars above fiscal year 2016. This year's budget is a significant departure from previous years, which were marked by reductions in screening personnel and other efficiencies achieved through TSA's risk-based security initiatives.

This committee has long supported risk-based approaches to transportation security, but has emphasized the need for these programs to be grounded in improving security, above all else. The fiscal year 2017 budget request continues initiatives funded in fiscal year 2016 to strengthen passenger screening operations, equipment, training, and intelligence and vetting programs, in response to the disturbing results from the OIG's Office of Testing last year.

I look forward to hearing from you on the progress TSA has made so far and how the fiscal year 2017 budget continues to support these efforts.

I would also like to understand how TSA is continuing to invest in risk-based security efforts that will ensure we are focusing our resources on the highest-risk passengers.

Lastly, I would be remiss not to convey my disappointment that the administration has yet again resorted to budget gimmicks, assuming unauthorized fees as an offset for TSA's appropriations. This has created a huge hole in TSA's budget to the tune of about $908.8 million that Congress now has to deal with.

I would like to recognize our distinguished ranking member of the whole committee, Mrs. Lowey, for any remarks that she would like to make.

[The information follows:]

Chairman John Carter

Subcommittee on Homeland Security
House Committee on Appropriations

Transportation Security Administration: FY 2017 Budget Request
March 2, 2016
Opening Statement As Prepared

Hearing is called to order –

This afternoon we welcome Administrator Peter Neffenger to testify on the Transportation Security Administration's fiscal year 2017 budget request. Administrator, thank you for being here today.

The FY17 budget for TSA is $7.6 billion, which is $149 million above FY16. This year's budget is a significant departure from previous years, which were marked by reductions in screening personnel and other efficiencies achieved through TSA's risk-based security initiatives.

This Committee has long supported risk-based approaches to transportation security, but has emphasized the need for these programs to be grounded in improving security above all.

The FY17 budget request continues initiatives funded in FY16 to strengthen passenger screening operations, equipment, training, and intelligence and vetting programs, in response to the disturbing results from the OIG's covert testing last year. I look forward to hearing from you on the progress TSA has made so far, and how the FY17 budget continues to support these efforts.

I'd also like to understand how TSA is continuing to invest in risk-based security efforts that will ensure we are focusing our resources on the highest risk passengers.

Lastly, I would be remiss not to convey my disappointment that the Administration has yet again resorted to budget gimmicks, assuming unauthorized fees as an offset for TSA's appropriations. This has created a huge hole in TSA's budget – to the tune of $908.8 million – that Congress now has to deal with.

Now I'd like to recognize our distinguished Ranking Member for any remarks she wishes to make.

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Mrs. LOWEY. Well, thank you, Mr. Chairman, for your very gracious welcome. It is always a pleasure for me to be here with you and our ranking member, Mrs. Roybal-Allard. I thank you for holding this hearing today.

OPENING STATEMENT: RANKING MEMBER LOWEY

And, Administrator Neffenger, I welcome you and thank you for joining us.

The President's budget proposes $7.33 billion for TSA, which is a modest $149 million increase from fiscal year 2016. The request includes investments to enhance aviation security and continue risk-based security initiatives such as TSA PreCheck. TSA has shown a commitment to maximizing security capabilities while expediting the screening process for low-risk travelers.

Last year's OIG report on vulnerabilities in TSA's screening process was a reminder, however, that we must take great care in ensuring that security remains the top priority. Our aviation security infrastructure remains at risk due to poor screening standards of the airport employees and significant vulnerabilities to perimeter security.

In particular, I am disturbed by reports of security gaps around airport perimeters and at non-passenger access points, which could be exploited by attackers to sneak bombs onto planes, much like what happened at the Sharm el-Sheikh Airport last year.

I look forward to hearing from you on what improvements TSA is making to protect the traveling public.

In addition to combat risk to aviation security, we need a trained and experienced workforce to deter and detect security threats. I worked with your predecessor, Administrator Pistole, to ensure that transportation security officers have satisfactory workplace rights and responsibilities.

As I think you can agree, TSOs put themselves on the line every day to protect us and to serve in an enriching, professional environment. That is why I am concerned about morale and collective bargaining for TSA employees and, more specifically, career advancement and workplace discrimination for female TSOs.

Administrator Neffenger, you have a lot on your plate. I look forward to discussing these concerns today and hearing your testimony.

[The information follows:]

Congresswoman Lucille Roybal-Allard (CA-40), Ranking Member
Subcommittee on Homeland Security, House Committee on Appropriations

Hearing on Transportation Security Administration FY 2017 Budget Request
Opening Statement as Prepared
March 2, 2016

Administrator Neffenger, welcome to your first appearance before the subcommittee.

You arrived on the scene just when significant changes were needed in TSA's screening operations. The results of the Office of Inspector General's covert testing found that TSA had been moving too fast on expedited screening, without fully understanding a number of the risks and vulnerabilities. Because the vulnerabilities identified by the OIG were not really new, the OIG report also raised questions about TSA's ability to manage competing pressures of prioritizing security and reducing wait times.

Over the last several months, TSA has taken a number of steps to address many of the vulnerabilities.

There is one area of improvement, in particular, on which I want to commend you and your workforce. In my frequent travels between D.C. and my home district in Los Angeles, I have seen a real difference in the degree of professionalism displayed by most Transportation Security Officers. I hope my colleagues and the members of the traveling public have experienced the same thing.

Administrator Neffenger, I look forward to this afternoon's discussion of TSA's proposed budget for the coming year.

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Mr. CARTER. Thank you, Mrs. Lowey. We are honored to have you here, and I know you've got plenty of missions that you gotta accomplish today. We are thankful for you.

Ms. Roybal-Allard.

OPENING STATEMENT: RANKING MEMBER ROYBAL-ALLARD

Ms. ROYBAL-ALLARD. Administrator Neffenger, welcome to your first appearance before our subcommittee. You arrived on the scene just when significant changes were needed in TSA's screening operations.

The results of the Office of Inspector General's covert testing found that TSA had been moving too fast on expedited screening without fully understanding a number of the risks and vulnerabilities. Because the vulnerabilities identified by the OIG were not really new, the OIG report raised questions about TSA's ability to manage competing pressures of prioritizing security and reducing wait times.

Over the last several months TSA has taken a number of steps to address many of the vulnerabilities. There is one area of improvement in particular on which I want to commend you and your workforce.

I am a frequent traveler between D.C. and my home district in Los Angeles, and I actually have seen a difference in the degree of professionalism that has been displayed by many of your officers. And I hope that my colleagues and members of the traveling public have also experienced the same thing.

I look forward to this afternoon's discussion of TSA's proposed budget for the coming year and look forward to your testimony.

Thank you.

[The information follows:]

Opening Statement of Ranking Member Nita M. Lowey
Homeland Security Appropriations Subcommittee Hearing
Fiscal Year 2017 TSA Budget
March 2, 2016

Statement

I'd like to thank Chairman Carter and Ranking Member Roybal-Allard for holding this hearing today. Administrator Neffenger, welcome, and thank you for joining us.

The President's budget proposes $7.33 billion for the TSA, a modest $149 million increase from Fiscal Year 2016. The request includes investments to enhance aviation security and continue risk-based security initiatives, such as TSA Pre Check. TSA has shown a commitment to maximizing security capabilities while expediting the screening process for low-risk travelers. Last year's OIG report on vulnerabilities in TSA's screening process was a reminder, however, that we must take great care in ensuring that security remains the top priority.

Our aviation security infrastructure remains at risk due to poor screening standards of airport employees and significant vulnerabilities to perimeter security. In particular, I am disturbed by reports of security gaps around airport perimeters and at non-passenger access points, which could be exploited by attackers to sneak bombs onto planes, much like what happened at the Sharm el-Shiekh airport last year. I look forward to hearing from you on what improvements TSA is making to protect the traveling public.

In addition, to combat risks to aviation security, we need a trained and experienced workforce to deter and detect security threats. I worked with your predecessor, Administrator Pistole, to ensure that Transportation Security Officers have satisfactory workplace rights and responsibilities.

As I think you can agree, TSOs put themselves on the line every day to protect us and deserve an enriching professional environment.

That's why I am concerned about morale and collective bargaining for TSA employees, and more specifically, career advancement and workplace discrimination for female TSOs.

Administrator Neffenger, you have a lot on your plate. I look forward to discussing these concerns today and hearing your testimony.

Thank you.

Mr. CARTER. Administrator, we are ready to hear from you. And we have got your written statement in the file, and of course we are all aware of it. So you may proceed.

OPENING STATEMENT: ADMINISTRATOR NEFFENGER

Mr. NEFFENGER. Thank you, Chairman.

Good afternoon, Chairman Carter, Ranking Member Roybal-Allard, Ranking Member Lowey, and distinguished members of the subcommittee, and thanks for the opportunity to testify today on behalf of the fiscal year 2017 budget, which includes $7.6 billion for TSA. And thank you also for the support that this committee provided to TSA in the omnibus bill of 2016. That was, I think, an important step forward in terms of addressing some of the challenges last year.

This budget provides funding to sustain and strengthen the critical missions of TSA: protecting the nation's transportation system and ensuring the freedom of movement of people and commerce. Transportation underpins the entire economic health of this country. We depend upon it, and protecting it is one of the most important services our government provides the American people.

It is now 8 months since I joined TSA on July 4th of last year, and of the many positive impressions, the most profound is the one I have gleaned about our workforce. TSA's nearly 60,000 security professionals are dedicated to a demanding and challenging mission, and they are our most important resource. They are incredibly patriotic and passionate about our counterterrorism and will deliver excellence if properly trained, equipped, and led.

This budget is a modest increase over last year and will enable TSA to more fully renew its focus on security effectiveness. It annualizes the investments made in our front-line workforce, our screening technology, and the new TSA Academy, and sets a foundation for the transformation of TSA into the professional counterterrorism and security agency the American people deserve.

I would like to thank this subcommittee for its commitment to our mission and for helping us hold front-line staffing levels steady in the face of dramatic increases in passenger volume and a dynamic threat environment.

This budget also enables us to hire air marshals for the first time since 2011, consistent with a risk-based concept of operations, modestly increases our intelligence capability, and invests further in the TSA Academy.

We have made great strides in addressing the challenges we faced last summer. To ensure we do not repeat past mistakes, determining root causes of the problem identified has been my utmost concern. Delivered in a classified report to Congress and this committee in January, we concluded that strong drivers of the problem included a disproportionate focus on efficiency, environmental influences that created stress in checkpoint operations, and gaps in system design and processes.

I am proud to report that we have refocused on our primary mission, retrained our entire workforce, corrected procedures, improved our technology, and analyzed systemic issues. We are emphasizing the values of discipline, competence, and professionalism in resolving every alarm, and I am confident that we have cor-

rected the immediate problems. And I am also confident that TSA is able to deter, detect, and disrupt threats to our aviation system.

TSA will continue to partner with the airlines, the airport operators, and the trade and travel industry to identify solutions that can reduce stress on the checkpoint, particularly as we move into the summer season, and we must continue to right-size and resource TSA appropriately to ensure that we continue to be responsive to the public we serve.

Moving forward, we are guided by a principled approach central to a successful enterprise leadership. We are intensely focusing on the central unifying purpose of TSA, which is to deliver transportation security, and we are aligning our strategic guidance, our operational plans, our measures of effectiveness, our system design, and our performance evaluations to this core purpose.

The unity of effort that we expect is memorialized in my Administrator's Intent. This is a document I published in January this year. I provided copies to the subcommittee.

Mission success is built on a shared understanding of objectives, unity of purpose, and alignment of values and principles, and my Intent articulates those objectives for the entire organization, the approach we will pursue in accomplishing our essential counterterrorism mission, and the values and principles that define us. Simply stated, we will focus on mission, invest in our people, and commit to excellence.

Our self-examination also gave us insight into imperatives for change and how we must evolve. We must adapt faster than the enemy; we must invest at the pace of the threat; and we must build resiliency into operations, and we must do so in a rapidly growing sector of the American economy.

We are undertaking a series of foundational efforts, including a comprehensive assessment of our acquisition system; building a planning, programming, budgeting, and execution system; developing an enterprise-wide human capital management strategy; reviewing our staffing model to ensure operational focus and agility; and fielding an agency-wide training strategy which includes new officer training, continuing professional education, and leadership training and development.

We are rethinking how we invest in technology and are partnering with several airlines and airports to develop and install in the near future a dramatically improved passenger screening environment in a couple of key airports.

Of utmost importance, TSA must remain committed to the values that public service demands, and I have challenged our leaders at every level to commit themselves to selfless and ethical service. As I discover questionable policies or unjustifiable practices, I fix them. I demand an agency that is values-based and infused with character from top to bottom.

This is my solemn duty, and it is what the American people expect of their government and those in whom they entrust their security.

Many profound and important tasks lay ahead for TSA, but I believe we are on a sound trajectory and I am optimistic about the future. As I have relayed in my Intent, we will focus on mission,

invest in our dedicated workforce, and will commit to excellence in all that we do.

I thank you again for the opportunity to appear before you today, and I look forward to your questions.

[The information follows:]

"TSA's 2017 Budget – A Commitment to Security"
Testimony of TSA Administrator Peter Neffenger
Before the United States House Committee on Appropriations
Subcommittee on Homeland Security
March 2, 2016

Introduction

Good afternoon Chairman Carter, Ranking Member Roybal-Allard, and distinguished members of the Committee. Thank you for the opportunity to testify today on behalf of the President's Fiscal Year (FY) 2017 Budget, which includes $7.6 billion for the Transportation Security Administration (TSA).

The FY 2017 Budget provides funding to sustain and strengthen the critical mission of TSA – protecting the Nation's transportation system and ensuring the freedom of movement of people and commerce. Transportation, as you know, underpins the entire economic health of this country. We all depend on it, and protecting it is one of the most important services our government provides the American People.

Created two months after 9/11, TSA, and the underlying rationale for its existence remain as compelling today as in 2001. We are challenged by a complex and dynamic threat environment, one in which the global terrorist threat has evolved from a world of terrorist-directed attacks to a world that includes the threat of terrorist-inspired attacks.

In addition to expanding threats with a number of groups with whom to contend, these groups have mastered social media to recruit members, and inspire action against vulnerable and high profile objectives. Aviation remains a prime target for terrorist groups, as demonstrated with the destruction of Metrojet Flight 9268 above the northern Sinai on October 31, 2015, and most recently on February 2, 2016 during an attack on Daallo Airlines, where explosives detonated during its ascent from Adde International Airport in Mogadishu.

A National Imperative

The security and economic prosperity of the United States depends significantly on the effective and efficient operation of its transportation system. We know terrorists, criminals, and hostile nation-states have long viewed transportation sectors, particularly aviation, as a leading target for attack or exploitation. Thus, our mission remains a national imperative.

Our officers, inspectors, air marshals, canine handlers, and other security professionals here in the United States and around the globe are committed to our mission, and they are our most important resource. While operating in the present, we also must envision the future, seeking new ways to enhance our effectiveness across a diverse transportation enterprise, challenged by a persistent threat.

The FY 2017 President's Budget

The FY 2017 Budget of $7.6 billion will allow TSA the opportunity to more fully address the additional requirements identified last year in response to findings from covert testing of screening processes and procedures by the Department of Homeland Security's (DHS) Office of the Inspector General (OIG). Specifically:

- $3.0 billion to support 42,848 FTE Transportation Security Officers (TSOs), an increase of $72.1 million and 323 FTE over FY 2016, to ensure effective screening operations while minimizing wait times. This funding will help to ensure that TSA maintains an appropriate staffing level at our checkpoints.
- $200 million for transportation screening technology, enabling TSA to continue improving the capabilities of its checkpoint screening equipment throughout nearly 430 airports. This amount continues the additional $15 million provided in FY 2016, and adds another $5 million for new capabilities to enhance the checkpoint x-ray units, thus increasing the TSOs' ability to find prohibited items in carry-on bags.
- $116.6 million to provide training for TSA frontline employees, including new basic training initiated in January 2016 at the TSA Academy located at the Federal Law Enforcement Training Center in Glynco, Georgia. To date, 541 new hires have graduated from this program, and TSA will train another 4,835 frontline employees this year. In FY 2017 TSA will complete construction of modular facilities to house this effort, expanding capacity to 7,300 TSOs annually.
- $83.5 million for TSA's intelligence operations, an increase of $2.0 million to continue the expansion of intelligence officers in frontline facilities to improve information sharing.
- $10 million to replace IT infrastructure, including network components and outdated operating systems, that has not only reached its end-of-life, but more critically has become vulnerable to cybersecurity threats.

The FY 2017 Budget continues and builds on the investments made in FY 2016. As you understand from your review of last year's budget,FY 2016 was an austere budget year for the agency and on behalf of TSA I would like to thank this Committee for its commitment to the DHS transportation security mission.

Addressing Immediate Challenges

When I took office on July 4, 2015, the disturbing results of covert testing of passenger screening operations conducted by the OIG required immediate attention. Upon learning of these results, Secretary Johnson directed TSA to implement a series of steps constituting a 10-point plan to address the issues raised by the covert testing. These included steps to ensure leadership accountability, improve alarm resolution, increase effectiveness and deterrence, increase threat testing to sharpen officer performance, strengthen operating procedures and technology, and enhance training.

All of the actions directed in the Secretary's 10-point plan are currently underway or have been completed.

As Secretary Johnson has stated, we must continually and comprehensively evaluate and re-evaluate what is best for aviation security. To ensure that we do not repeat past failures, determining root causes of the problems has been our utmost concern. We have concluded that strong drivers of the problem included leadership's focus on efficiency, environmental influences that created stress in checkpoint operations, and gaps in system design and processes. A disproportionate focus on efficiency and speed in screening operations rather than security effectiveness powerfully influenced organizational culture and officer performance. As a result, there was significant pressure to clear passengers quickly at the risk of not resolving alarms properly. Our analysis also revealed that our screeners did not fully understand the capabilities and limitations of the equipment they were using, and several procedures were inadequate to resolve alarms. We have addressed this by continuing the Mission Essentials training initiated in FY 2016 so that our TSOs can more effectively use their equipment as threats evolve.

Systematic solutions to these challenges require a number of steps: a renewed focus on TSA's security mission; revised procedures; investments in technology; realistic and standardized training; a new balance between effectiveness and efficiency; and support for our frontline officers. We must also continue to partner with airlines, airport operators, and the trade and travel industry to reduce the stress on checkpoints. Further, we must right-size and appropriately resource TSA and halt further reductions in officer staffing.

We have refocused TSA on its primary mission, re-trained our entire workforce, corrected certain processes and procedures, improved our technology, and analyzed systemic issues. I am confident that we have corrected the immediate problems revealed by the covert testing. I am also confident that TSA is able to deter, detect, and disrupt threats against our aviation system.

We have renewed our focus on the fundamentals of security by asking our officers and leaders to strike a new balance between security effectiveness and line efficiency while also diligently performing appropriate resolution procedures. Moreover, we have directed our managers and supervisors to support our officers in performing their difficult mission. Moving forward, we are guided by a principled approach, with specific projects already underway to ensure we achieve our mission goals.

We are in the process of ensuring our focus on security effectiveness is well-defined and applied across the entire workforce. We are aligning TSA around this renewed focus on security effectiveness. From late July to early October 2015, we provided new and enhanced training for every officer and leader in our screening workforce, more than 42,000 in total. We have followed the initial effort with a range of initiatives to convey these priorities to leaders and officers, including a statement of the Administrator's Intent, the National Training Plan, and our workforce messaging.

Refocusing on threat mitigation and improving TSO awareness and knowledge of threats will provide a new and acute mission focus. We are emphasizing the value of discipline, competence, and professionalism in resolving every alarm. From my field visits, I can report that our officers are hearing, understanding, and applying this new approach.

TSA will continue to partner with the airlines, airport operators, and the trade and travel industry to identify solutions that can reduce the stress on the checkpoint, and we must right-size and resource TSA appropriately.

Environment and Objectives

Our operating environment presents broad national security challenges that require highly effective security measures now and in the future. We will certainly face new challenges as our adversaries continue to evolve their means to attack. Over the next several years, estimates indicate adversaries will likely use variants of previously seen tactics, employing improvised explosive devices or firearms, and could even resort to ground based or inflight attacks.

Our national strategy for combatting terrorism sets our objective as stopping terrorist groups, hostile nation-states, and criminals before they can threaten or engage in attacks against the United States and its international partners, and TSA's aviation security mission is part of DHS's contribution to achieving this objective.

TSA Risk Methodology

The current environment requires that TSA employ an intelligence-driven, risk-based approach to secure U.S. transportation systems. Risk-based security strives to deter, detect, and disrupt attacks on the nation's transportation systems and critical transportation infrastructure, while facilitating the movement of legitimate travel and commerce. The vast majority of people, goods and services moving through our transportation systems are legitimate and pose minimal risk. Thus, appropriately managing risk is essential in all areas of security responsibility. To do this, we must understand intelligence, as it drives our comprehension and assessment of that risk. As we make decisions on policy, operations, and countermeasures across TSA, we will apply risk-based methods to use our resources in ways that minimize risk and ensure system resiliency. We cannot do this alone; we must work closely with stakeholders in aviation, rail, transit, highway, and pipeline sectors, as well as our partners in the law enforcement and intelligence community.

To support our risk-based approach, it is critical to continue to grow the population of fully vetted travelers. At the same time, TSA will continue to apply appropriate measures to address known threats, unknown threats, and low risk or trusted populations.

Securing the National Aviation Domain

To protect the aviation domain, our strategy nests with the National Strategy for Aviation Security, forming the foundation of TSA's mission. The strategy sets three national objectives:

- First, the Nation must use the full range of its assets and capabilities to prevent the aviation sector from being exploited by terrorist groups, hostile nation-states, and criminals to commit acts against the United States, and its people, infrastructure, and other interests;
- Second, the Nation must ensure the safe and efficient use of the Air Domain;
- Third, the Nation must continue to facilitate travel and commerce.

TSA is committed to advancing the following strategic initiatives:

Maintain a strategic, intelligence-driven focus that allows TSA to continuously adapt counterterrorism and security operations to a persistent, evolving threat

We will employ risk-based operations tailored to each environment and transportation mode and will leverage intelligence, technology, the experience of our front-line operators and our private sector and international partners to ensure we employ effective and constantly-evolving systems and capabilities.

Proper application of a risk-based approach requires strong cross-modal domain awareness. TSA must integrate surveillance data, all-source intelligence, law enforcement information, and relevant open-source data from public and private sectors to accomplish this objective. We will pay particular attention to the insider threat. In addition, we will strengthen our capability to conduct deliberate and crisis action operational planning, adjusting to new threats based on mission analysis, intelligence-driven testing of existing systems, and application of proven best practices and principles in the conduct of operations.

Employing historically proven practices and principles enhances consistency and performance of operations. Common tasks for mission success in screening, inspections, special mission coverage, and other operations should be practiced in realistic conditions and rehearsed frequently under the supervision of qualified and trained supervisors or subject matter experts. Frequent rehearsals reinforce tactics, muscle memory, and sustain sharpness of perishable skills.

Invest in our workforce to ensure it is mission-ready, expertly trained, deliberately developed, and led by mission-focused and value-based leaders

The single greatest strength of TSA is its committed, professional workforce. We must continue to recruit and retain highly capable individuals whose talents and acuities are uniquely tailored to our operating environments. Of particular value are experienced specialists – such as explosives experts, air marshals, and canine handlers – whose capabilities are invaluable to our mission success. For them and for all our employees,

we must invest in training and provide a career path for growth and development.

I am committed to creating an environment where employees and leaders can develop, employees have the tools to be successful, and the workforce is motivated by TSA's mission, vision, and strategic imperatives. To provide the most effective transportation security, the workforce must be consistently learning and improving. I will strive to ensure that each of us at TSA Headquarters serves and supports all of the officers, inspectors, marshals, employees, and private sector partners who are on the front lines each and every day and in whom we entrust so much.

My expectations include a strong emphasis on values, performance, customer service, and accountability. The traveling public expects efficient and effective screening and to be treated with dignity and respect, and we must ingrain these principles in agency culture by continually reinforcing this message of dignity and respect in training for our frontline workforce and management alike. I am confident each of the men and women at TSA will achieve my expectations.

The TSA Academy, established at FLETC Glynco in January 2016, offers all new TSO hires a common basic training program and an environment to set foundational culture for TSA. Moreover, this investment will serve to improve performance and morale, foster an environment of growth and development, and develop future leaders.

Pursue advanced capabilities through continuous innovation and adaptation to ensure our agency deters, detects, and disrupts the adversaries of the United States

Central to TSA's mission is deterring a rapidly evolving global terror threat, with persistent adversaries who adapt their methods and plans for attack. Given this dynamic threat landscape, we must employ a strategic, systems-focused approach to ensure we evolve our ability to detect and disrupt the latest threat streams. As our adversaries adapt, so must we.

We will continue to invest in national aviation intelligence systems, transportation sector vetting processes, enhanced explosives detection equipment and improved checkpoint technologies. We will continue to train and develop our officers on technological and procedural limitations to enhance system knowledge and improve the human – machine interface.

We will make a concerted effort to strategically develop and sustain a strong partnership with the homeland security enterprise industrial base and work with them to deliberately develop and validate capabilities. Every effort will be made to enhance the array of TSA's security capabilities to ensure an increased likelihood of exposure and experience to the traveling public. In the aviation sector, we will pursue a system design that identifies a mission essential level of capability that ensures deterrence as well as effective detection and disruption of items on the prohibited items list.

The success of our core aviation security mission requires a continuous cycle of operational evolution. We will work to develop a system focused on identifying and addressing existing vulnerabilities. The global transportation threat requires TSA to employ a systems-of-systems strategy that will enable us to stay proactively informed and connected to our industry partners.

To field and sustain an integrated requirements and acquisition capability, I am committed to creating an efficient, effective, and dynamic resource planning/deployment process for our agency. TSA is focusing on building an acquisition strategy designed to counter evolving threats while concentrating on prioritizing advanced capabilities that are cutting edge and adaptive.

Imperatives for Change

Our critical examination of our screening operations also gave us valuable insight into imperatives for change – how TSA must evolve to meet the security and customer service challenges ahead.

What do we do next? If we were rebuilding TSA from scratch today, would we do everything the same, or is there a better way, given not only the evolution of the threats we face but also the tremendous pace at which the aviation industry is growing? Last year alone, passenger growth was approximately four percent, nearly twice as much as anticipated.

We have no choice but to explore different and innovative ways of doing business, of delivering the safety and security that is crucial to the operation of our transportation system. We have reached a critical turning point in TSA, both in terms of addressing the problems we have encountered and to begin our investment in a more strategic approach to securing the transportation sector.

TSA and Counterterrorism

One of my key objectives is to continue to position TSA as a counterterrorism organization. In pursuing this objective, we have met with key partners from the Intelligence Community and have repeatedly met with officials from a number of our industry partners including each of the major U.S. airlines, cargo carriers, and the key aviation and transportation sector associations. The transportation security system we are moving toward will require a collaborative, cooperative effort among government and industry partners.

We have met with our counterparts in other countries for thorough discussions on aviation, surface, and rail security from a global perspective. TSA maintains a strong relationship with the transportation stakeholders in other countries, and a significant part of our engagement has dealt with their concerns, priorities, and opportunities to pursue further collaboration.

Risk-Based Assessment

Over the last four years, we have made a significant shift to risk-based security procedures. On January 12, 2016, TSA reached two million total enrollments for the TSA Pre✓® Application Program. More than six million travelers are enrolled in a DHS trusted traveler program, such as Customs and Border Protection's Global Entry, and are eligible for TSA Pre✓®. TSA is working aggressively to expand the number of enrolled travelers, with the goal over the next three years of enrolling 25 million travelers in the TSA Pre✓® Application Program or a DHS trusted traveler program. This is a four-fold increase from today. This is an important security component for TSA as it shifts to a model where "low-risk" individuals are either directly enrolled or part of an eligible low-risk population that is known to TSA.

Even more promising in terms of risk-based security procedures is the work we are doing on developing the Dynamic Aviation Risk Management Solution, or DARMS. The objective of DARMS is to unify, quantify, and integrate information across the aviation sector in order to comprehensively assess risk on an individual, on a per flight basis. DARMS will integrate information on passengers, checked baggage and cargo, aircraft operators and airports and airport perimeters.

This kind of system-side application of risk-based principles will allow greater screening segmentation and a more efficient, effective and agile reallocation of resources.

Early this year, TSA will finish the initial proof of concept of DARMS for passenger screening. Within the next one to three years we plan to finish the design and create a prototype that incorporates the complete aviation security ecosystem and which tests and evaluates the approach at a few select airports. And within four to 10 years, we plan to gradually introduce DARMS at airports. We look forward to sharing these plans in more detail with Congress.

We have actively worked with industry throughout the process to leverage their knowledge and expertise, solicit their feedback and refine the approach. TSA is committed to continuing that collaboration and strengthening those partnerships.

Training and Mission Capabilities

As mentioned previously, and thanks to help from Congress in our appropriations last year, we started conducting new hire training for TSOs at the TSA Academy. Previously this training was decentralized and conducted at individual airports.

The TSA Academy connects TSA's front line workforce with other DHS partners and provides a consistent training experience that improves performance and professionalizes the officer workforce. Delivered in a dedicated, high-quality environment conducive to realistic, scenario-based learning, the Academy will help instill a common culture and esprit de corps at the beginning of an officer's career, and

enable us to instill core values and raise performance standards across the screening workforce.

The dividends are already apparent. Training in this manner ties the individual to mission. It ties the employee to the larger organization with a critical mission – to something bigger than themselves – and it ties them to a sense of what the oath they took to protect this country really means.

Technology and Acquisition Innovation

We also are rethinking how we invest in technology to better ensure that our investments are driven by threat and not by lifecycle.

While we continue to improve detection capabilities on our existing equipment, our investment in new technologies must exceed the speed of the enemies' ability to evolve. Our recently published *Strategic Five-Year Technology Investment Plan for Aviation Security* is an example of thoughtful planning toward these ends. Interaction with industry in developing the report was insightful, and we are optimistic that this increased collaboration will prove beneficial.

The Defense Acquisition University is conducting an independent analysis of our acquisition management processes, programs, and organizations to address this challenge, which will inform future adaptations to our acquisition governance. This effort is complete and TSA is reviewing and developing an implementation strategy.

In addition, TSA is partnering with the DHS Science and Technology Directorate (S&T) to further align research and development (R&D) projects to acquisition needs. Improving this critical process will better enable us to identify capability gaps and to coordinate R&D to close those gaps.

The Transportation Security Acquisition Reform Act (P.L. 113-245), signed into law in 2014, has helped us by mandating increased transparency and the use of best practices for security technology acquisitions. The law also allows TSA to advance small business contracting goals and expand our partnership with industry and aviation security stakeholders.

TSA is also partnering with S&T and several private entities to develop the potential future of passenger screening models. Future private – public collaboration in curb-to-gate security systems may offer the leap forward in aviation security that can absorb system growth, increase effectiveness, provide operational resiliency, and improve the passenger experience.

Staffing Models and Rightsizing TSA

Rightsizing our staffing, training, and equipment needs are critically vital investments, and sets a firm foundation for the continuing evolution of TSA. I appreciated the Committee's support and funding for each of these important priorities as part of the FY 2016 Consolidated Appropriations Act (P.L. 114-113) – and request continued support in our FY 2017 Budget. As traveler traffic volume grows, it is crucial we re-examine our assumptions and models for future fiscal years, which is underway now.

We are a smaller organization than we were four years ago, with about 6,000 fewer TSOs in the screening workforce. The fact is we cannot build a workforce indefinitely. We have a limited geographic footprint in every airport – some large, some small. Only continuous innovation at the checkpoint will meet the challenges posed by passenger volume growth. Eventually, we will reach capacity, and in some places we already exceed capacity during peak travel periods.

TSA Senior Leadership

Good leadership requires good people who are committed to the mission. Last September, I convened a meeting of TSA's executive leadership. The meeting allowed me to lay out my vision for evolving TSA into the counterterrorism organization our mission demands. The dialogue at this two-day event was spirited, and we wrapped up with a work list of items that will move our agency forward.

In addition to the range of projects supporting screening operations improvements, we are examining discipline, empowerment of frontline leaders, expanding information sharing, improving training and exploring ways of consolidating operations and support activities in TSA Headquarters. We have also changed the metrics that leadership collects and uses to focus more on effectiveness than efficiency at the checkpoint.

In addition to the standardized training for our frontline employees, I am also committed to continued development of our agency's leaders. I have begun a Leadership Speaker's Series for senior leadership that covers topics such as ethical leadership, leadership in action, and leading effective operations. We will be sending senior leaders to leadership courses to strengthen their skills. Additionally, I have reformed guidelines regarding SES special act awards.

Administrator's Intent

Mission success is built on a shared understanding of objectives, unity of purpose, and alignment of values and principles. In January 2016, I published my *Administrator's Intent,* an effort to articulate those objectives, the approach we will pursue in accomplishing our essential counterterrorism mission, and the values and principles that define TSA.

Central to our success is a commitment to a common set of values. We will operate with the core values that define us as an agency – integrity, innovation, and team spirit. Building on these, my *Intent* outlines the principles we care about as an agency.

Simply stated: we will *Focus on Mission*, *Invest in People*, and *Commit to Excellence.*

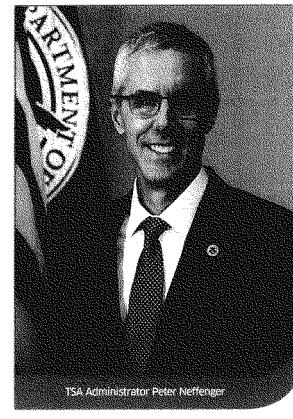
- *Focus on Mission*: Since my first day at TSA, I have stressed the importance of putting our mission first. Focusing on our mission helps us prioritize our resources and operations to meet the threat. It also informs how we must invest in our workforce to achieve mission success.
- *Invest in People*: Our culture, effectiveness, and mission readiness are a direct result of consistent and career-long investment in people and set the foundation for agency success. Our people are our most important resource, and I am committed to ensuring they have the tools and resources to succeed. Value-based leadership, a foundation of training, recruiting and retaining talent, and appropriate recognition are core elements of our approach.
- *Commit to Excellence:* Our standard is excellence in all mission areas. We operate in a global environment where the threat remains persistent and evolving. As we pursue our counterterrorism mission, we will relentlessly pursue excellence, through a culture of constant improvement, organizational adaptation, and a disciplined pursuit of professionalism.

Of the many positive impressions from my early tenure as TSA Administrator, the most profound is the one I have gleaned from our workforce. They are incredibly patriotic and passionate about our counterterrorism mission and will perform well if properly trained, equipped and led.

Many profound and important tasks lay ahead for TSA, and we are committed to leading this agency guided by these values and principles. It is a noble mission for which the men and women of TSA are prepared. Thank you for the opportunity to appear before you today. I look forward to your questions.

Peter Neffenger

Vice Admiral Peter Neffenger was confirmed by the U.S. Senate as the Transportation Security Administration's sixth administrator in June 2015. He leads a workforce of nearly 60,000 employees, including the Federal Air Marshal Service, and is responsible for security operations at nearly 450 airports throughout the United States and shared security for highways, railroads, ports, mass transit systems and pipelines.


TSA Administrator Peter Neffenger

Under his leadership, TSA is continuing to evolve as a risk-based, intelligence-driven, professional counterterrorism agency dedicated to protecting the U.S. transportation systems.

Before joining TSA, Neffenger served as the 29th Vice Commandant of the U.S. Coast Guard, a position he held since May 2014. Prior to this, Neffenger served as the Coast Guard's Deputy Commandant for Operations, where he directed strategy, policy, resources and doctrine for the employment of Coast Guard forces globally. He is a recognized expert in crisis management and most notably served as the Deputy National Incident Commander for the 2010 BP Deepwater Horizon oil spill, the largest and most complex in U.S. history.

Neffenger has had extensive operational and command experience throughout his career, which began with his commissioning in 1982 through the Coast Guard Officer Candidate School.

He holds a Master of Public Administration from Harvard University, a Master of Arts in National Security and Strategic Studies from the U.S. Naval War College, and a Master of Arts in Business Management from Central Michigan University. He earned his Bachelor of Arts from Baldwin Wallace University. He is a member of the Pacific Council on International Policy and a former fellow on the Senate Appropriations Committee.

CHECKPOINT SECURITY

Mr. CARTER. Thank you, Admiral. Before we begin I am going to start off with a little humor.

On my way up here for your hearing from Austin, Texas, standing in the PreCheck line and I handed the officer what I thought was my Texas driver's license. It was actually my concealed carry permit, which is, by the way—and I told him, I said, "That is an official ID for the state of Texas." But I found out also that I didn't have my driver's license.

He was in a dilemma because I think I threw him off with that concealed carry permit, and so I got my voting card and gave that to him, and that impressed him even less than the concealed carry permit. And so he went to the management to see if they were going to let me in, and meanwhile half of the constituents in my district walked passed me in the line saying, "What did you do?"

And I said, "I don't know." And they finally very graciously let me through without any problems.

But I have to go back tomorrow, and I might need a note from you before you leave giving me permission.

Mr. NEFFENGER. I will write it while we sit here, Judge. [Laughter.]

Mr. CARTER. No, they were very courteous. They did a good job, and I told them that you did a good job.

Mr. NEFFENGER. Thank you.

CHECKPOINT SECURITY: RESPONSE TO OIG TESTING

Mr. CARTER. Well, let's start off with—in fiscal year 2016 Congress provided TSA with funding to strengthen aviation security in light of the disturbing results in the OIG covert testing; the 2017 budget proposes to continue these initiatives.

Explain the actions TSA has taken to date to enhance its screening operations, or tell us, are our skies any safer today than they were a year ago when OIG conducted its covert testing? And what additional capabilities and security efforts will be supported with the additional funding requested in fiscal year 2017?

Mr. NEFFENGER. Well, thank you for that, Mr. Chairman. We have actually—we have done a lot in the past 8 months, and I have actually been very impressed with the work that the agency has done to correct both the immediate problems raised by the leaked report of the inspector general as well as to identify systemic problems.

So this budget really invests in—there is a people piece, a technology piece, and a training piece associated with this. The people piece is really the—was the ability to halt further reduction of the screening workforce—so we were, as you remember, originally scheduled to take another 1,600 or so bodies out of the screening workforce in fiscal year 2016, and this committee and Congress allowed us to keep some of those.

I thought that was important, given the challenges that we came across and the fact that we were going to be pushing people that had been inappropriately moved into expedited screening back into the standard lane. So I knew we would probably need that staff.

I owe you an explanation of what our staffing needs are, and we are working on that right now.

So that is one piece of it is to keep those people onboard.

The technology piece is to implement some software upgrades as well as some hardware changes to the—some of the screening equipment that is in the system. So the other thing that we found is that we needed to address the screening—or the effectiveness of that advanced imaging machine. This was the one that looks for nonmetallic threats.

It is a good machine. It is probably the best there is out there right now for determining nonmetallics. But we found through our root-cause analysis that we needed to tighten up the standards and to improve the ability to detect in certain regions of the body.

So we have done that, and we are fielding a new software algorithm that has dramatically improved our ability to do that.

The other thing that we did was to—one thing I was surprised to discover when I came onboard is that there was not centralized and consistent oversight of training of our new hires coming in, particularly the front-line screening force.

So if you join TSA as a transportation security officer you train largely at the airport that you are going to work. If you were at a smaller airport they might port you over to the nearest closest airport.

But it was done in what I would consider to be an inconsistent manner, and without any good means of measuring the effectiveness. And it also wasn't done real-world scenario-based on the equipment that they would be using in the actual environment.

So long story short, and I know we presented to the committee earlier on this, we started from scratch. With your funding we created a TSA Academy at the Federal Law Enforcement Training Center in Glynco, Georgia—a world-class training facility where some other 90 agencies train their officers.

They are an accredited facility. They helped us to build a program that we are working to get accredited.

But it is a basic training course, 2 weeks long right now, where they start with aculturation, first and foremost: What is this you are connected to? What does it mean to be part of a federal security program? What does it mean to be engaged in something larger than you?

So I really want them to get connected to this sense of public service and the history of the organization.

And then they go through classroom laboratory immediately—or classroom work immediately followed by a laboratory, where they work on the actual equipment that they are going to be using that we can create all sorts of scenarios in that environment. And then we move them through—they actually—they go out to a bomb range and they learn what the devices look like that they are trying to discover; they watch what happens when those devices explode. So it gives them a visceral connection to the work that they are doing.

So I am very excited about that, and I think that that is going to be foundational in terms of transforming the agency in the future.

The other thing that we did was to look deep into the organization for systemic issues. I was concerned that if all we did was fix the last failures then all we did was fix the last failures. It seems to me that if you have repeatedly seen things happen there is something more going on.

And no surprise, as you looked at it we saw systemic issues across the agency. No one person at fault, but an agency focus that—and some of it is just the tyranny of being in an operating agency that has to do something every day. You tend to do the next thing that comes along—and sooner or later the next thing became the last thing, and becomes the last thing over and over.

So I said, "You gotta take a—you gotta step back and look at the big picture."

So that showed us that we had a disproportionate focus on efficiency over effectiveness. That might be the right thing to think about if you are in the management: You want to keep wait times to a reasonable level. But it can get translated in distorted ways when it gets to the front line.

We had leadership—we had integration issues. You know, you have lots of things going on in the organization but they are not tied together very effectively. And then you have lots of environmental pressures: growth in passenger volume, lots more stuff coming through the checkpoint.

All of that has to be considered as a system, otherwise you are just going to be swatting the next bad thing that happened.

So I am proud to report that I think that we have done a good job of addressing those immediate challenges. Our own internal testing shows that we are significantly more effective than we were this time last year.

I am working with the inspector general on the next round of testing that he intends to do. I want it to be aggressive; I want it to be—to—I want it to test the things that we have done in—just in the testing other aspects of the system. And I am convinced that we will do significantly better.

We are going to continue to do that improvement as we go forward.

Mr. CARTER. Very good. Thank you.

Mrs. Lowey.

TRANSPORTATION SECURITY OFFICERS: COLLECTIVE BARGAINING

Mrs. LOWEY. Thank you again for your courtesy.

And thank you for your service, sir.

Two questions regarding the training program: As you probably know, I fought to provide collective bargaining rights to transportation security officers and ensure they have the same rights and benefits as other federal employees in the Department of Homeland Security. This is of vital importance, as the initial collective bargaining agreement between TSA and its front-line workers has now expired; the expiration of the contract should not result in scaling back hard-fought worker protections.

So the first question is, can you update the subcommittee on when a contract between TSA and its employees will be finalized?

VETTING: AVIATION WORKERS

The second question, the Government Accountability Office and the department's Office of Inspector General have issued reports over the last few years in which they found significant vulnerabilities in TSA's vetting of aviation workers with access to secure areas of airports. These vulnerabilities included oversight of how airports collect data on applicants for vetting purposes, security threat assessments that were based on checks against some of the government's watch list codes, and an inability to notify the employer when an employee gains a criminal record after hiring.

So I understand your progress, so the first is once they are hired we want to make sure they get the rights of all other employees; but secondly, I am very concerned about this whole issue, and I understand you made some progress. What are you planning? Can you be confident that your aviation worker vetting is as rigorous as it needs to be?

TRANSPORTATION SECURITY OFFICERS: COLLECTIVE BARGAINING

Mr. NEFFENGER. Well, thank you, Ranking Member Lowey, for the question.

To the first question, with respect to the—where we stand on the collective bargaining agreement: The current collective bargaining agreement remains in effect while we are continuing—or completing negotiations on the next agreement.

The current status is as we—the negotiating teams—negotiating team, both sides—completed its negotiations in December. They came to agreement on the majority of the collective bargaining items.

That now is going out with the—to the union membership. AFGE has a schedule for presenting that for a referendum to the union members.

We will see how that referendum goes. If it passes then we will have a new collective bargaining agreement; if there is a rejection of that then we will go back in to the negotiating table for an additional period of time and negotiate those items that we need to.

But I am confident that we are on a good track. The teams worked very hard this past year.

Like all negotiations, there are challenging components to it, but I am committed to a successful negotiation. I am committed to carrying forward the protections that we have in place now.

As I said, the current collective bargaining agreement remains in place and we abide by that going forward.

VETTING: AVIATION WORKERS

With respect to the aviation workers, this is a trusted population that has badged access to airport environments. I think we made a lot of progress this past year.

As I came in those reports were coming out as I took over this job, and one of my first questions was, "Explain to me how we do this vetting."

I think on the positive side, we have—they have always—all people who hold credentials—and there are about 900,000 or so aviation worker credentials. This includes pilots, and air crew mem-

bers, and the like, so it is everything from the people who manage the baggage and the catering and the like, to the vendors in the airports, to the people who fly and crew the aircraft. That is about a 900,000-person population. They have always been fully vetted against the Terrorist Screening Database.

I think what you are referencing is we—there is a companion database to that—to the terrorist database that is a data environment of additional information. TSA did not have what is called automated access to that data. We could take a name and plug it in, but that is very cumbersome when you are working with 900,000 names.

I am pleased to report we have come to an agreement and we now have automated access to all of those categories. So now we have full access to all of the categories, both the Terrorist Screening Database as well as the data environment that feeds into that database. So that is good news.

The second thing we have done is we always had a requirement to periodically vet all workers against criminal databases to see if they have had any recent arrests. That was a—that is a 2-year recurrent requirement—periodic requirement.

We are about to pilot a project with the FBI called Rap Back, and all it really is is access to their daily recurrent data on criminal arrests throughout the system. And we are going to pilot that at Dallas/Fort Worth and Boston Logan over the course of the spring.

Assuming that pilot goes well—and the nature of the pilot is just to see, are there any problems connecting to the database, do we have any problems bouncing names off of it, and so forth. We wanted to pick a couple of large airports so that we could do that.

Assuming it goes well, then we will field that nationwide before the end of the calendar year. And that will give us then recurrent vetting of the same population against the criminal databases.

So I am comfortable that we are doing everything we can, given the existing data that is out there to ensure that these workers are being vetted properly. The next step, of course, is to then verify the trust of that population, because we know that people that vet out okay can still go bad or can still have criminal intent.

So you always want to find ways to deter people from acting in ways that you don't want, to detect them, and to disrupt if it does happen. So we are also in a—concurrently working with every—I required a vulnerability assessment at every single airport that is under federal control across the nation, so that are some 450-plus airports—or some—yes, close to the total population. There are some airports that don't require a federal security plan.

But the idea behind this is to get a true, very detailed vulnerability assessment of every single airport, understanding what is the worker population at that airport, what are the accesses that those workers have available to them, who—what is the nature of the access that they have? I mean, are they driving cars through there, or are they bringing carts through, or are they carrying maintenance equipment?

Who are the various employers that employ these individuals, and how are they conducting their individual checks and their re-

current checks, as well? What are they doing to employ these individuals?

I felt that there just wasn't enough data to understand what is actually happening out there, so that is an order I put out earlier this year. We expect all of those reports to come back in over the course of the next month, and then we will evaluate those and my intent is to provide a classified report to Congress on what we find.

Mrs. LOWEY. Thank you.

And thank you, Mr. Chair.

Mr. CARTER. You are welcome, Mrs. Lowey.

Ms. Roybal-Allard.

CHECKPOINT SECURITY: DISPROPORTIONATE FOCUS ON EFFICIENCY

Ms. ROYBAL-ALLARD. Administrator Neffenger, in your opening statement you talked about efficiency versus security issues. We know that one—the prime function of the TSA is to prevent dangerous passengers and cargo from threatening air travel, while at the same time the traveling public gets understandably frustrated by long wait times at the screening checkpoint. While safety is the highest priority, convenience is also a factor in the equation.

The OIG report highlighted security vulnerabilities, but it also shined a light on the culture at TSA that was too willing to tolerate some of those vulnerabilities in the interest of managing wait times. Aside from the particular personnel, process, and technological changes that you have implemented, what has been done to address the underlying cultural problem of tolerating vulnerabilities?

Mr. NEFFENGER. Well, there are a number of things, and some of it is the training that I mentioned.

So the very first thing that we did—once we completed the initial root-cause analysis we said, "What is driving all this?" And we saw this big category of disproportionate focus on efficiency.

I said, "Well, how does that happen, and where did that come from, and what is the nature of it?"

So there are actually a couple of pieces to that, too. It was also that we hadn't—so there is a lot of pressure on a TSO, the frontline—the uniformed member, to be the person managing the wait time.

I mean, I think it is appropriate to pay attention to wait time; that is a challenge in and of itself. You don't want a lot of people congregating outside the secure area of the airport.

But I felt that that comes up the management chain a little bit. We put a lot of pressure on people that should be focused on stopping things that shouldn't get through into managing.

And so that creates a real tension in the individual and a little bit of cynicism, to be honest. They say, "What is my real job here? Am I just flushing people through the line or am I actually supposed to do my security?"

So that was one thing: Too much pressure at that very point of the mission to be the one responsible for that. So we took that off immediately and said, "Your job is not to do—not to manage wait time. Your job is to ensure that things that shouldn't get through the checkpoint don't get through." And that is what I meant by focus on mission.

And we got a resounding positive response to that from across the workforce. A lot of people said, "Thank you for letting us focus on the mission."

Then you have to determine how to do that mission. So we did a rolling stand-down of training across the entire organization. We called it Mission Essentials training, but what it really was was to take what happened—I wanted to be very transparent with the workforce about what the I.G. had found.

I didn't want them to feel guilty; I just wanted to see—let them know, "Here is what we have to do going forward. This is what was found. It is a fact. It is a challenge. This is our fundamental mission. We have failed in a fundamental aspect of our mission."

So we showed them exactly what happened, what was the nature of the failure, what actually got through the checkpoint, how was it brought through, and in what manner did it present itself.

The second thing we did was say, "Now, let me—let's train"—so that is the first piece: what happened. Second piece was, what are the processes that we found that didn't work very well?

Turns out we had these very complicated standard operating procedures—I mean, this huge document, nothing—something that it would be very challenging to remember. We simplified that.

We worked with a team of front-line people to simplify that and turn it into a true simplified operating procedures: What am I trying to accomplish? What are the key steps for doing that and moving forward?

And then we looked at the machines themselves and said, you know, you have to understand how this equipment operates. I was surprised to find out that many of our front-line officers didn't know what the limitations of the technology were that they were operating, and so we made it clear to them what that technology was.

And then we closed it all up with a current threat brief.

We are now doing that Mission Essentials training across the whole system of our technology for our officers every quarter, and we pick another aspect of the screening environment. And we do regular threat briefs to them, as well.

I wanted to connect them to the mission, have them doing the right part of the mission and not things that they shouldn't be doing, get leadership back involved in the pieces that leadership needs to be involved—more engaged with the airlines, with the airports, with the—more engaged on managing the flow of people through. So distribute that work in the right way possible.

So I am very happy about the response by the front-line workforce. I appreciate your comments earlier about their attitude. I think some of that is we are allowing them to do the job that they took the oath of office to do now and they are very excited about that. They really want to do this job well.

I think we are on a pretty good track. There is more to do, clearly.

Ms. ROYBAL-ALLARD. And do you feel confident that these changes are being institutionalized so that——

Mr. NEFFENGER. You know, it is still early. We are only 8 months into it. But I push this every single day.

I track measures directly related to the things I just talked about. I have a performance measure and a readiness measure for people and for equipment.

And the readiness measure says, "Are we giving people the tools they need to do what they need to do? Am I training them properly?" There is an interactive piece, there is a survey piece, there is an engagement piece to that. I am happy to share with the committee how I measure that. I think it would be useful.

And then the performance measure is, and can they do what—is the training worked? Does it make it possible for them to do their job?

So I do that, which means—and what usually I have found, if the guy at the top pays attention to something, almost everybody below you starts paying attention to it as well, which has been very helpful.

Ms. ROYBAL-ALLARD. Have you gotten any feedback from the OIG on some of these changes that——

Mr. NEFFENGER. I have been working very closely with him, and I have had a number of meetings with Inspector General Roth. I think they are very happy with where we are going.

The same report that we provided to Congress we provided to the I.G. They have concurred with every step that we are taking. He has told me that it addresses every one of their concerns.

Their recommendations remain open because we have to verify, and they will stay open as they go back and test us. But he has told me he is happy with where we are going, he is comfortable with our approach, and we—and I have linked us up at all the staff levels, because I felt that there was too much distance between us and the I.G. and the work that he was doing.

Ms. ROYBAL-ALLARD. And do you feel satisfied that your fiscal year budget request would give you the resources that you need to continue to prioritize both security and minimize wait times?

Mr. NEFFENGER. Well, I think it is—I think the—it is an open question whether the resources are right yet. What I wanted to do was just hold steady, because I knew that there would be more to learn as we looked at—as—first of all, as we moved more people back into standard screening, as we try to expand the PreCheck population and true vetted population to a level that is more sustainable over—that allows us to do a better job of the risk-based security, and as I watch what happens in the growth of the passenger industry.

I mean, we have had record growth over the past couple years beyond what was anticipated when this budget was prepared a couple of years ago.

So I am pleased that the committee has allowed me to keep that staffing. I think I owe you an answer on that, and we are looking—I have got staff right now looking at now the current projections for volume growth, what we think will get into the trusted traveler population over the course of the next year and beyond, and what we see is the current pressure on a checkpoint.

In the meantime, we are working very closely with—specifically with the top 20 airports, but across the entire system—to work with the airports, the airlines that service those airports, as well as TSA to look—to mitigate to the extent possible.

So I am going to husband my overtime resources now. I am going to push those into the summer months. We hope that we have what we need to address it, but my concern is that we may not have the staffing levels right yet.

Ms. ROYBAL-ALLARD. Okay.

My time up? Okay, thank you.

Mr. CARTER. Dr. Harris.

TSA PRE✔®: IMPROVED SAFETY

Mr. HARRIS. Thank you very much.

And thank you, Admiral, for taking the job. And, you know, I have noticed—I think it has gotten better, noticeably better at the airports. So you must be doing a good job.

Mr. NEFFENGER. I hope so.

Mr. HARRIS. I have got two areas of questioning. First one has to do with the PreCheck. From the sound of your last answer it sounds like we are actually a little bit safer—I will use the term—the more people we get into TSA PreCheck. Is that a fair—we—I mean, is it a safety as well as convenience measure to have trusted travelers?

Mr. NEFFENGER. Well, I think first and foremost the more you know about travelers that are traveling, the more comfortable I am with the safety and the security of the system. So I said in previous testimony before Congress that I thought—the goal would be a fully vetted traveler population if you could get there. That is probably unachievable, but I would like to drive towards more and more people in the vetted.

TSA PRE✔®: COST SAVINGS

Mr. HARRIS. And so let me—the cost per traveler to get them through a screening process I imagine is actually lower with a TSA PreCheck person.

Mr. NEFFENGER. It is, because there is less that you have to do——

Mr. HARRIS. Sure.

Mr. NEFFENGER [continuing]. To somebody coming through PreCheck.

TSA PRE✔®: REDUCING ENROLLMENT FEE

Mr. HARRIS. But one of the obstacles—and maybe it is—I don't know if you have studied it—I mean, there is still a charge associated with becoming a trusted traveler. It is like, you know, we——

Mr. NEFFENGER. That is correct.

Mr. HARRIS [continuing]. We want you to help us screen you, but we want you to—you know, but write a check first or give us a credit card.

Is there any thought into saying, look, long-term we actually—would it save money to actually reduce the fee, eliminate the fee, just encourage people en masse to get into the PreCheck program? Is this something that has been considered?

Mr. NEFFENGER. Well, the cost is designed—so TSA doesn't benefit from the cost. It defrays the cost of the enrollment, so it pays the private contractor that does the enrollment services and it is

a reimbursement for the cost of doing the vetting against a—because we have to pay that——

Mr. HARRIS [continuing]. My question——

Mr. NEFFENGER. No, I understand that.

You know, I think that there is a cost associated with the—with what we have to do to determine the trust of the trusted traveler, so that cost has to come out of somewhere. I do think it is appropriate to have people contribute to the cost of a program that they are asking to be vetted for. It gives them access to these expedited screening lanes. I hope that——

Mr. HARRIS [continuing]. But as you get better in your non-TSA lanes, you know, you reduce that incentive. And so, you know, there seems to be——

Mr. NEFFENGER. No, I hear what you are saying.

Here is what I would say is I think that over time you can see the enrollment costs come down or the—and that is what we are hoping to see with the recent request for proposal that we put out, which would expand the opportunity for private sector enrollment centers to participate. So this would open it up to a couple of other opportunities, and I think if you can do that you create some competition and we can see the price come down. You know, the more people you have the more that there is an economy of scale as you start doing these vetting——

Mr. HARRIS. Sure, which we would gain from——

Mr. NEFFENGER. Exactly.

FEE INCREASE PROPOSAL: OFFSETS

Mr. HARRIS. Now let me just bring up one other issue, which is, you know, a particular concern to some, and that is—and, you know, you have got a business degree so you get accounting and how you can do things in accounting. And one of the things is this $908 million that you depend upon in new revenues in order to take some other money from elsewhere and do something else with it. I mean, it goes somewhere else in the budget.

Knowing that the $908 million—I mean, this committee—I don't think the administration wants this committee into—to open up that can of worms into being able to do things outside the appropriations—normal appropriations process. So you have got kind of a budget gimmick—I mean, I will just use the simplest word I can.

You are not the only person or the only group that has got a little budget gimmick here. I sit on the Health Subcommittee. There is over a $1 billion budget gimmick that would—will reduce the NIH appropriation, basically.

Because in an election year especially with this—and if you don't believe me, ask our former governor—you don't want to be raising taxes and fees in an election year. I believe you don't want to do it any time, but an election year you are certainly not going to get it.

I can't imagine the administration really thought Congress was going to say, "You know what? Let me fall on my sword and raise taxes and fees in an election year."

That leaves us in a quandary, because we have to actually write a budget no—without that $908 million. So that is a big chunk of

your budget, so where are we going to cut $900 million to allow what we have control over to be in balance?

I mean, do you have a list of priorities? You know, if the gimmick doesn't work, help us out. What are we going to cut?

Mr. NEFFENGER. I will be honest with you: That would be a challenge for me to absorb a $900 million reduction in this budget request. That represents, in terms of people, about 13,000 transportation security officers. I think if I were to reduce that level of front-line workforce we would have more than wait times as a challenge for us going forward.

And there are some—there would—it would be challenging to find, given that two-thirds of my budget is pay compensation and benefits, it would be challenging to find that amount of money anywhere else in the budget——

Mr. HARRIS. So——

Mr. NEFFENGER [continuing]. Without eliminating entire programs.

Mr. HARRIS [continuing]. Begs the question, why do that? You know, we all know the outcome of this is going to be that there is going to be no fee and tax raised. I mean, you know, it was tried before. Fortunately last fiscal year it was given up on.

Why do that? You know, you seem to be like an honest guy. Come on. Why bring that to the committee, and why not just honest budgeting?

You know, come in but don't depend upon those kind of—you put—you understand how difficult that decision would be for you. It is going to be equally difficult for us to do it.

Mr. NEFFENGER. Well, I think the argument is that people who benefit from the security service—directly benefit from security services provided should contribute. And they do now. So we have a $5.60 per passenger fee per trip, with a cap of a roundtrip—you know, double that for roundtrips.

Mr. HARRIS. Which we just raised, right?

Mr. NEFFENGER. It was raised a couple of years ago, yes, by——

Mr. HARRIS. I think it wasn't a couple. Think it was last year, wasn't it? We went to a per-trip where it got—where it is now per—you know, it used to be per segment; now we kind of raised per—it was pretty recent.

So is this a pattern I am seeing develop that, you know, every year you come back and say, "Let's just go ahead and"—because you did create last year's budget without that.

Mr. NEFFENGER. That is right.

Mr. HARRIS. What changed between last year and this year?

Mr. NEFFENGER. You have a much more complex threat environment this year than we have had in a long time. And——

Mr. HARRIS. Let me just interrupt. Your total budget request isn't $900 million higher, right? Your total budget request——

Mr. NEFFENGER. $146 million.

Mr. HARRIS [continuing]. Is—right. So it is not $900 million. So give me the big reason. That is a little reason. Give me the big reason why you did this. It is $900 million you are talking about.

Mr. NEFFENGER. I think it would be—this would reinstate the airline security fee that was in place until the budget amendment

of 2013. That actually went out in 2014; it would reinstate that fee of $420 million across the industry.

Mr. HARRIS. Oh, oh I get it. I get where it is from.

Mr. NEFFENGER. And it would add a dollar to the passenger's fee.

Mr. HARRIS. Right. It is a fee increase—$900 million.

Mr. NEFFENGER. I think the only answer I can give you is that the—it is—I think the—as I have said, the argument is that people who directly benefit should contribute to the cost of the services that they get from the government.

Mr. HARRIS. And you don't think the average American benefits from our planes being secure in the sky?

Mr. NEFFENGER. Absolutely, I do.

Mr. HARRIS. Okay. So there actually is a direct benefit to all Americans.

I will just say—look, here I am disappointed because we are messing with national security. And I would hope that there are some areas of the budget where we don't play games. For heaven's sake, the security of our transportations is someplace we just shouldn't—just my humble advice—we shouldn't be playing budgetary games.

I yield back.

Mr. CARTER. Mr. Cuellar.

CHECKPOINT SECURITY: RESPONSE TO OIG TESTING

Mr. CUELLAR. Mr. Chairman, thank you so much.

Mr. Administrator, again, thank you for the job that you are doing. And again, I appreciate the work that your folks do. I know through a week that I fly through Laredo, San Antonio, your folks have been very pleasant and doing their job.

I want to ask you—go back to the question about the security gaps the I.G.—that the I.G. found. At this point I think you are requesting about $200 million for screening technology, $116 million for training front-line employees.

How are we going to be assured that we are not adding money and then we get the same results? Because it is not the first time we face this type of situation.

If you remember those x-ray machines that would show the body, and then you all put them in a—somewhere you all were renting warehouses. We lost millions of dollars on those machines. We were paying millions of dollars for storage on that, and I assume you all got rid of them already to the prisons or somewhere else where they expect less privacy.

So how do we make sure that we keep adding money for personnel, that we are adding money for technology and we are not ending up with the same type of results? And I want to be very supportive because we all fly planes, and I want to make sure that if we get in a plane that we are secure. But, you know, when those red teams saw that it was only a success rate of 4 percent that puts us to think about some of the work that is being done.

Mr. NEFFENGER. You know, those are all the same questions that I asked when I came onboard. There was a benefit to coming—to taking the job in the midst of a crisis: It allows you to ask questions that you might not otherwise be able to ask and allows you

to address things in a way that you might not normally be able to do.

So here is what I can tell you—and we owe you continuous updates, and I think I have provided—I think I provided a 120-day report to you, and I will continue to do that on a quarterly basis, partly to give you the measures that we are using to determine whether or not anything that you are paying for is actually—anything the American public is paying for is——

Mr. CUELLAR. But what is your number one—are your measures—excuse me for interrupting, but are your measures on performance.gov?

Mr. NEFFENGER. I don't know if we—well, we probably won't post—some of these are sensitive information, so I am—I would prefer not to post actual performance. But I am willing to give that to the committee, but most of it is sensitive information.

But I measure, as I mentioned, readiness, and then I measure performance. And I do that for both people and equipment. That is the big rollup measures; there are a lot of components to that.

Mr. CUELLAR. And we are measuring results, not activity?

Mr. NEFFENGER. Absolutely.

Mr. CUELLAR. Because agencies have a tendency—and I have seen the performance.gov, and a lot of those measures there—and they are getting better. And I am not talking about you, but homeland in general, the measures that I have seen have been more for activity than measuring results.

Mr. NEFFENGER. No, this is—these are outcome measures. I am very focused on how well are we doing our mission.

In my opinion, we weren't focused on outcome measures. So it is easy to measure activity. You were busy every day.

Mr. CUELLAR. Right.

Mr. NEFFENGER. But you may not be busy doing the right things. So I am very interested in understanding whether we are actually improving. So that is my fundamental focus right now, and that is one of the things I have been working with the I.G. is to ensure that his tests help us understand our outcomes, in addition to ours.

So we have completely changed the way we do our red team testing so that it is focused on outcomes and then rolling those outcomes back into the way we do business. Here is what I would say—here is the way I approached it, and what I think we need to continue to do going forward: You always have to look at the systemic issues. You don't get that unless you figure out whether you got the thing that you needed to get on the other end.

The other piece of this—and this is the piece that is sometimes, I don't think, as well understood by an agency: You can't just focus on the operating end of the agency; you have to look at all the things that support operations.

So as you set—you know, when the American public says, "I want you to get something—to do something"—in our case, to secure the aviation system—then you have to figure out, well, how do I get to secure? Well, there is a—there are things you have to buy; there is capability you need; there are requirements that you need.

I wasn't sure that we were doing that very well, and so I asked the Defense Acquisition University to come in and do a top-to-bot-

tom review of the way we analyze our mission, set the requirements for the mission, and then eventually field capability, either people or things, to do it. They just completed that study for me, and not surprisingly, they found things that we need to do better.

So I think there is a lot of work we need to do on the requirements end of the business so that we actually know what we need to do to get the outcome we want. That will keep you from putting things in warehouses.

You know, I am not a fan of buying the next shiny object on the shelf. I would like to buy the object that actually does the thing and it integrates into a system and is designed to produce a result at the end of the day.

TRANSPORTATION SECURITY OFFICERS: HOURS AND PAY SCHEDULE

Mr. CUELLAR. I got another appropriation—as you know, we are running around—so I won't be able to come back in again, with all due respect.

Thank you again, but for your personnel, I know there—some of your folks are part-timers. Are you planning to move any of them up to full-time? And then TSA officers—maybe somebody asked this question—plan to move any of them to the G.S. pay scale?

And that is all the questions I have.

Mr. NEFFENGER. Okay, well on the part-time, full-time, we actually have a sizeable full-time staff, but almost everybody hires in part-time and then converts to full-time. I would like to see whether we can work with the committee to find ways to hire more full-time on the front end so that they don't have to wait to go full-time.

And then with respect to the G.S. schedule, as you know, the—I am not currently under the General Schedule, and that is a function of the Aviation Transportation Security Act. It would take a——

Mr. CUELLAR. That is more of a——

Mr. NEFFENGER [continuing]. Congressional act to do that, if we were to do that.

Mr. CUELLAR. Okay. Thank you, again, for the work you are doing.

Mr. NEFFENGER. Thank you, Mr. Cuellar.

NATIONAL EXPLOSIVES DETECTION CANINE TEAM PROGRAM

Mr. CARTER. Congress has consistently added funding for TSA to expand its canine program. You and I have talked about it, and I like canines. But TSA has had trouble hiring and training teams at the enacted level.

As you and I have discussed, canines are extremely effective assets, and I think TSA can do a better job of leveraging these resources. TSA's budget request includes an increase of $9.7 million in fiscal year 2016 to fund 997 canine teams.

How many teams does TSA currently have deployed? What is TSA doing to aggressively hire and train canine teams to reach the enacted level? And how many more canine teams does TSA need to support its operations?

Mr. NEFFENGER. Thank you, Mr. Chairman. I like canines too, and I think it is probably one of the most effective elements of the

security program. And it also allows us to move people very efficiently through the system.

So I think I have got a good story to tell on canines. We have 997 teams currently, and we are—322 of those are directly operated by TSA. As you know, we also provide teams to state and local law enforcement, but we train for them.

So we now have 322 teams. Of those, 142 are trained—in addition to being cargo-sniffing dogs, are trained as passenger-sniffing does. The goal is to train all 322 in both so that you can move them between cargo and passengers.

And as you know, it is two different modes of training. If they are sniffing cargo it is a—they walk up to an item and they sniff it. The passenger, it is—they are moving within a passenger environment and they are detecting the vapor that is—and then they trace it back to its source, which is fascinating to watch when the do it, both in the test and in the real environment.

So the goal is to train them. We will get about 230 of those done by the end of this year.

We can move about 230 teams a year through our new training center down in San Antonio. In fact, I will be in San Antonio tomorrow to take a look at the new training facility that we have conducted there.

We just completed contracts for—with vendors to get dogs. So right now we are not seeing—we are not having a problem getting dogs and we are not having a problem with the through-put.

There is still a fairly high attrition rate for dogs—about 13 percent annually. These are dogs that either become medically unfit during training or for some reason fail the training. But that is apparently standard around the world at that level, so that means about 260 dogs start; about 230 come out the other end.

I think we can use more teams. I owe you a good number on that. I don't want to just make one up.

But I think that we could put more teams to use. It is of great value, particularly in the top 20 busiest airports, you know, that account for about 85 percent of the traveling population. So we will get you a full report on what we are doing, but I think it is a good story.

NATIONAL EXPLOSIVES DETECTION CANINE TEAM PROGRAM: PRIVATE SECTOR CANINE TEAMS

Mr. CARTER. And in 2016, in fiscal year 2016 the House directed TSA to look at the feasibility of using private sector canine teams, along with the canine program. Do you think using private sector canine teams would accelerate TSA's efforts to expand its program?

Mr. NEFFENGER. Well, you know, I think we owe you a report the end of this month on that very question, but there are a couple components to that: Can they construct a facility that can meet the standards for the training? And then what is the—how do we continue to ensure they meet that?

I think those are the easy questions to answer. The harder question is integrating them into the checkpoint environment. Are there any authorities needed to do that?

We would have to talk to you about that. We will take a look at that.

So those are the questions that we are asking. Our goal is to come to you with an outline of what we think the questions would be, the concerns, and then the availability of the teams out there.

So I would want to make sure it was done consistently to the right standards. I am very pleased with the work that is being done now to train canines, and we have got a—it is actually a very good program and people are—the state and local law enforcements that are using the dogs are very happy with the program.

Mr. CARTER. Good.

Ms. Roybal-Allard.

CHECKED BAGGAGE SCREENING: PRECLEARANCE AIRPORTS

Ms. ROYBAL-ALLARD. The fiscal year 2016 House report highlighted the problem for current preclearance locations in which baggage transferred to connecting domestic flights in the U.S. has to be rescreened. And I understand that TSA has made some progress on this problem.

Can you give us an update and talk a bit more about how TSA verifies the baggage screening operations at the checkpoint for preclearance airports? Is the equipment up to TSA standards?

Mr. NEFFENGER. Yes, ma'am.

So I will start with the last point. They do have to meet TSA standards and they have to be equivalent, in terms of their ability to detect explosives and other contraband that shouldn't get through.

There are 15 preclearance airports right now. There are 15 preclearance airports, and as you know, that is a—it is a program managed by CBP but we work very closely because there is a TSA—strong TSA component to that.

In order to meet preclearance requirements they also have to have a TSA equivalent screening, so equivalent to what we do domestically, both for passengers and checked baggage.

Of those 15, there are five airports now that have agreements with us that we have agreed—that have agreed that meet the baggage screening requirements so there is no need to rescreen when they come here. So we are very pleased about that. We are hoping to expand that over the course of the coming months.

The way in which we verify that they meet our standards is through annual inspections. Well, there is the initial installation, so they have to identify and demonstrate that they meet our standards, and we verify that. And then we do periodic—at least annual, or whenever we make a change to the system requirements to inspect them.

A lot of that is done by our teams that are present in countries around the world to do that.

I think it is a good program. It is part of the No-Hassle Flying Act was to address this, and we are systematically walking through it.

Some countries are having a little more challenge in meeting the baggage screening standards. They obviously hit the passenger screening—and I don't mean challenge in that they don't have—they don't do a good job; it is just that it has to have the explosive-detection system as part of it.

Ms. ROYBAL-ALLARD. What happens if you find that they don't meet the standards?

Mr. NEFFENGER. If they don't meet the standards then, depending upon the severity of not meeting it, sometimes it is just a correction. But ultimately I suppose you could wind up losing your preclearance status if you couldn't maintain the standard.

AIRPORT SECURITY: NON-STERILE AREAS

Ms. ROYBAL-ALLARD. We usually talk about airport security in terms of protecting the sterile areas of airports, but the nonsterile areas prior to the checkpoint are also vulnerable.

My hometown airport, LAX, has experienced its share of security incidents, including the tragic shooting death of TSO Gerardo Hernandez in late 2013. And following that incident TSA made a number of changes to security policies and procedures, including new recommended standards for law enforcement presence outside the checkpoint and requirements for response times.

Are airports generally following the recommended standards for presence and the requirements for response times?

Mr. NEFFENGER. They are. That was a tragic wakeup call across the whole system. I mean, it didn't—it sort of directly affected LAX, of course, but it was felt across the system, and not just by TSA—by other law enforcement agencies. I actually watched the video of that and sat down with Chief Pat Gannon, of the LAX Police Department, and we talked through that.

So here is what we have done: We have a very strong active shooter program now in place, so we do annual training and twice yearly drills. And we do that not just by ourselves but in conjunction with the law enforcement and airport partners.

And then there is periodic retraining throughout the year that the individual officers go through. And so there are constant drills.

We have installed duress alarms across the entire system at every checkpoint, at every point in every checkpoint, and those duress alarms tie directly to the local law enforcement for a response, and they drill those duress alarms for response time and actions.

I can tell you that just—if you recall last year we had the incident in New Orleans where the individual with a machete and wasp spray attempted to attack a checkpoint. The people at that checkpoint, both our officers as well as the Jefferson County sheriff's deputy who was the one who wound up stopping the individual, said it was a direct result of that training that we instituted that they knew what to do. And when you watch that video you can see people doing exactly what they should be doing.

So I think that that is one—it is one data point, but I think it is an example of why it is so important that you train and that you drill and that you continue to work it.

This is a focus of mine. I am always concerned about the safety of our officers who are outside the sterile area of the airport, because we know that there are people in this world who will—who are unpredictable and will do things that they shouldn't.

Ms. ROYBAL-ALLARD. My 5 minutes are up.

TSA PRE✔®: PRIVATE SECTOR ENROLLMENT EXPANSION

Mr. CARTER. Dr. Harris. No more questions?

Well, let me ask a couple more.

TSA PreCheck private sector expansion: TSA has often cited a goal of enrolling 25 million people in DHS's trusted travel program to more effectively and efficiently focus our—the resources on unknown or high-risk travelers. It has an initiative underway with the private sector to extend TSA PreCheck enrollment.

When do you expect PreCheck enrollment will be available to the public through these private sector vendors? What other efforts are you using to expand enrollment?

TSA PRE✔®: ENROLLMENT TARGETS

And in your statement you indicate TSA is aiming to reach the goal of 25 million enrollments within the next 3 years. How realistic is the timeline—this timeline, and what are the resources implications for achieving that goal?

Mr. NEFFENGER. Well, I think it is—in talking with the private sector folks who are—who had indicated or did respond to our RFP, they tell me that they think it is very reasonable that we could achieve that goal within 3 years once they go active. So I am hoping by the end of this calendar year we will have let contracts to additional private sector vendors to provide enrollment services, and to do so in a more retail environment.

TSA PRE✔®: PRIVATE SECTOR ENROLLMENT EXPANSION

You know, as you know, part of the request for a proposal was to determine whether or not—was to ask them for response to the requirement to market it more effectively, as well. You know, as it turns out, advertising is actually pretty important if you want people to pay attention.

In the meantime, we have worked with the existing vendor, both to increase the availability at airports, and we have worked with—I have talked with the airlines and travel associations, airline associations, and if you have noticed recently on flights, many of the airlines are actually marketing PreCheck on—either on their in-flight notices or in their in-flight magazines. If you go to some airlines' Web sites it pops right up to see if you want to join PreCheck.

All of that has actually been helpful in dramatically increasing enrollments. So we are seeing already, just with the existing vendor, a doubling of enrollments—daily enrollments since—over this time last year. So we were averaging a little over 3,000 enrollments a day last year; we are up around 6,200 enrollments a day this year.

So that is huge. We have grown the—so the PreCheck population has grown to about 2 million right now. That is on top of about 6.5 million people in the other trusted traveler programs.

So I am hopeful that we can see dramatic growth, but it will depend upon issuing these contracts to the private sector partners and then them getting to work.

Mr. CARTER. Do you expect those contracts to be let this——

Mr. NEFFENGER. I hope by the end of the—I hope by the end of this calendar year, of calendar year 2016. But we are evaluating those bids now, and what I will have a better feel for that as we do the bid evaluation.

Mr. CARTER. Ms. Roybal-Allard, do you have——

SECURE FLIGHT: USE FOR EXPEDITED SCREENING

Ms. ROYBAL-ALLARD. I do have one more question, and it is a follow up on the prescreening, or PreCheck. Because even though there have been some increases in PreCheck, it is my understanding that the largest portion of the traveling population that receives expedited screening are those assessed to be low-risk using the Secure Flight risk assessments.

And last year TSA discontinued the use of Managed Inclusion II because the risk assessment on which it was based was determined to be inadequate. So how confident should we be that expedited screening is appropriate for travelers based on Secure Flight assessments? And isn't the kind of vetting that is associated with the PreCheck program and CBP's vetting programs what we actually should be relying on?

Mr. NEFFENGER. Well, I would like to see a fully vetted population. But I am confident that—first of all, we had to turn off Managed Inclusion II. I don't think that that was supportable, and plus, I think it introduced a higher level of risk into the system than we were willing to accept and that was justifiable.

What I would like to do is, without going publicly into the rules, I think I owe you an answer offline about the—how the rules are determined. We have dramatically shrunk that population.

I am comfortable that what we are doing is appropriate, and if I could show you that population I think you would understand that, and what I would like to do is not talk publicly about those rules. But it is a very small percentage compared to what it was before.

But the goal is to move all of that into truly vetted population. And what I would like to do is transition to that fully vetted population as we provide more opportunities for people to enroll, to sunset those other provisions and make it, like I said, a fully vetted population across the board.

EXPEDITED SCREENING: FUTURE EXPECTATIONS

Ms. ROYBAL-ALLARD. And then my final question is, do you foresee in the future a time when the vetted population would be so large that TSA would then start limiting the expedited screening to——

Mr. NEFFENGER. No. Actually, just the opposite. I think you could then—once you get—if you had a very large vetted population then you can really begin to do true dynamic risk assessment of travelers.

And so you can think about it—you could actually get to a point where you are confident enough in some travelers that they will—that they could actually move through in—with relatively little oversight and screening, whereas—and then you graduate, depending upon how much you know about somebody.

So I think it is just the opposite. I think you actually get a much better approach to your risk-based security so that you are not just have a few categories of people now; now you could have a true continuum of risk.

And I can foresee a day when you could have travelers going through things like the Known Crewmember lane, where you have got—you know enough about the individual and they have provided you with enough confidence that they are safe to go through the system.

Ms. ROYBAL-ALLARD. Okay. Thank you.

Mr. NEFFENGER. Like members of Congress.

Mr. CARTER. Mr. Young, welcome. Are you ready to—with a question?

Mr. YOUNG. Do I have a choice?

Mr. CARTER. Yes. You can say no.

CHECKPOINT SECURITY: RISK-BASED SECURITY

Mr. YOUNG. I was born ready.

Welcome. Nice to see you.

In your testimony you state that TSA is pursuing an intelligence-driven risk-based approach to screening and identifying threats. You are trying to move more people into PreCheck to provide more efficient screening for low-risk frequent travelers.

TSA is also developing the Dynamic Aviation Risk Management Solution, the DARMS, to integrate intelligence assessments and analytics into procedures. Yet the most recent terror attack our nation has suffered, the San Bernardino shooting, was committed by terrorist previously unknown to law enforcement.

At the same time, security lanes are routinely shut down for false alarms resulting from novelty items and, as has been discussed at length, TSA is still failing to detect a vast majority of the real weapons reaching screeners.

Is this risk-based strategy TSA is pursuing leaving the door open for those who have gone undetected by our law enforcement and intelligence communities, and is there a substitute for thorough, hands-on, effective screening?

Mr. NEFFENGER. Well, what I would say is I think we are doing a far better job of catching things that shouldn't get through the checkpoint now than we were even a year ago. And that goes to the work that we have done since the I.G. report was leaked publicly to determine true root causes of those failures, and then to implement a change to that.

Mr. YOUNG. But how do you measure that? When you say, "I think we have done a far better——"

Mr. NEFFENGER. Well, you have to test it. So we are going out and we are doing follow-on red team testing of our own to determine—not just red team testing, but you test to see whether the procedures actually catch the things that you want to catch.

So there is open testing, first of all: Hey, am I—if I do a pat-down of a certain type did I find the device that we are hiding there? I mean, do that openly just to see if you find it.

And you also do your own covert testing through the system, and we have done a lot of that. What I am finding is that we are significantly better at that.

So our own results tell us we are better. Now, that will be borne out by—as others independent of us do that testing, and the I.G. has got a series of tests scheduled over the coming months and over the course of this next year. And I have worked very closely

with him to ensure that we work collectively on correcting these problems.

So that is the first thing is you have to get better at that primary mission, and so we really, really focused our folks back on the mission and took all the other stressors off them.

You know, I don't want transportation security officers managing wait times; I want them focused on their mission, and if their mission is to read an x-ray I want them to read that x-ray and pay attention to it.

So that is the first thing we have done.

The second thing is with respect to the population, there is always going to be the potential that you have an unknown who suddenly becomes a problem. But there are things you can do, even given that, to identify problems that might be arriving.

So remember, you put your name into a system when you make a travel reservation. That gets vetted against databases.

Now, if it comes up negative you might say, "Well, how would I know that this person is not what they are supposed to be?" But you have all of these—you have these virtual elements that you use to determine, and you have physical elements that are used to determine.

And the general thought is you want to—if you want to deter, detect, and disrupt you need to have some visible elements, you need to have some virtual elements, you need to have some things happening in the background, all of which is designed to create uncertainty in the mind of somebody who would do harm.

So, for example, if you had a San Bernardino-like shooter, there is a reason, I believe, that that individual went to a place where he was known and he had worked and didn't have any security standards in the way between him and the individuals that he wanted to do harm to.

FEDERAL AIR MARSHALS SERVICE

Mr. YOUNG. Thank you for that.

And now I want to get to my last question: You have requested a funding increase for the Federal Air Marshal Service. However, the mission and objectives of federal air marshals remain somewhat unclear.

Could you elaborate on why an increase in federal air marshals is necessary and how this will improve the safety of air travel? And where do federal air marshals fit into the TSA's mission, and do they have a specific goal or purpose they are working to achieve?

Mr. NEFFENGER. Yes, sir. Well, the funding is specifically to allow us to begin hiring. We haven't hired any new federal air marshals since 2011, and so that is a challenge for any operating agency. You have to replace, at some point, the attrition and create an entry path.

The average age of the federal air marshals now is 43. We will age out on mandatory retirement about close to 30 percent of that workforce over the next 5 years. So just to sustain the workforce—so what this will allow us to do is to higher back to attrition for the first time since 2011.

I think it is critically important first of all to have a law enforcement capability in an agency tasked with the security of this na-

tion's transportation system. That is first and foremost, and there are things that air marshals do that I think are important in that respect.

There is still, in my opinion, a mission for the air marshals on flights. What I would like to do is provide the committee with a classified report which can show some of the reason behind that statement, what the types and the nature of flights that they are—that we are putting them on.

That said, Director Rod Allison, who has been in place for about a year-and-a-half now, has done a—what I think a superb job of identifying what the true need is, establishing a strategic CONOPS for their—concept of operations for the air marshals, addressing what specifically they do to fit into the transportation security network, and as well as what the real reason is to have them on certain flights of certain types.

Mr. YOUNG. Well, I will take you up on that classified briefing, and I appreciate you being here today.

And I appreciate my chairman and my ranking member, Lucille Roybal-Allard.

Thank you.

Mr. NEFFENGER. Thank you.

Mr. CARTER. I, too, would like to have a classified briefing.

Mr. NEFFENGER. Yes, sir.

Mr. CARTER. And I do have a question—this price tag is $815 million—and I would like some——

Mr. NEFFENGER. Yes. And if you would like, Mr. Chairman, we can do it for the committee and just come give you a classified brief on——

Mr. CARTER. I think we ought to know the risks——

Mr. NEFFENGER. Yes, sir.

Mr. CARTER. I would love to get the air marshalls—it has been a long time since we have seen——

Mr. NEFFENGER. Well, and one of the other things I wanted to do was to have a defined number. And, you know, we have never publicized a number, but we have also never developed a number.

And so I said we gotta develop a number. What do we need? So I think we have that now, and I think we have a good strategy that we would like to present to you, and I think we can show you why we think that strategy makes sense.

Mr. CARTER. Okay, you know the "Where is Waldo?" Well, when my wife flies with me—she is pretty good at——

Mr. NEFFENGER. Thank you, Mr. Chairman. All right.

Mr. CARTER. Thank you, we appreciate you being here and we wish you well. We will be working with you on this budget and trying to get passed the fees that are unauthorized and come up with solutions——

Mr. NEFFENGER. Yes, sir. Thanks very much, Mr. Chairman.

Thank you, Ms. Roybal-Allard. Thank you.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE Harold Rogers

Administrator Peter V. Neffenger
Committee on Appropriations
Subcommittee on Homeland Security
U.S. Department of Homeland Security
FY 2017 Budget Request
March 2, 2016

Surface Transportation Security

Two years ago, the Committee directed TSA to focus the Fedtrak R&D initiative on the speedy completion of an emergency-ready Tier 1 HSSM tracking system, citing TSA's lack of an emergency-ready HSSM tracking system as a serious programmatic vulnerability. The Committee commends TSA for focusing the Fedtrak R&D initiative on the development of shipment tracking and chain-of-custody functionality (Fedtrak Phase 2) as an interim step toward completion of the Tier 1 HSSM emergency-ready system. However, the Phase 2 work, scheduled for completion May 2016, will fall far short of the goal of having an emergency-ready system ready for deployment, and TSA has not yet allocated completion funding for the Fedtrak R&D initiative.

On December 8, 2015, Administrator Neffenger submitted a report to the Committee (Transport of Security-Sensitive Materials, Second Half, Fiscal Year 2015, Fiscal Year 2015 Report to Congress). In the report, and subsequently in a TSA briefing for the Committee, TSA identified a number of issues that apparently might discourage TSA from moving forward on developing a tracking program as required by section 1554 of the 9/11 Commission Act of 2007. Further, TSA has suggested that implementation cost and TSA's internal assessment of benefits/risk should be determining factors on whether TSA completes development of its tracking program.

QUESTION:

- Section 1554(a)(1) provides that TSA "shall develop a program to facilitate the tracking of motor carrier shipments of security-sensitive materials." Section 1554(a)(2) further provides that "in developing the program" required by paragraph (1)" of Section 1554(a), TSA shall evaluate new information about the cost and benefits of tracking technology that was not already identified in the 2004 FMCSA study, Hazardous Materials Safety and Security Operational Field Test. Related to this, detailed cost and technology evaluations, performed under Section 1554(a)(2)(c) and completed December 2013, evaluated new information on costs and benefits. The evaluation concluded that the benefits of a tracking program contemplated by Section 1554 far outweigh the costs, a conclusion that the Committee understands was endorsed by TSA's economists. Please confirm that TSA views any assessments of cost and benefits, including benefits that could depend on TSA's assessment of risk, as assessments related to how to develop "a program to facilitate the tracking of motor

carrier shipments of security-sensitive materials" rather than a question of whether to develop the program.

ANSWER:

The Transportation Security Administration (TSA) is in compliance with Section 1554 of Public Law 110-53 - Implementing Recommendations of the 9/11 Commission Act of 2007 (9/11 Act). To date, TSA has obligated $5.5 million for the research and development of the program and an additional $1.0 million was spent by the Department of Homeland Security Science and Technology Directorate (DHS S&T) to initiate FEDTRAK™ prior to the passage of Section 1554 of the 9/11 Act (see funding table below). Currently, the Kentucky Transportation Center (KTC), at the University of Kentucky, is developing an interim emergency ready system which will allow TSA limited visibility into the movement of Highway Security-Sensitive Materials (HSSM) during an emergency. This interim emergency ready system is being developed under Phase II to include: (1) alternate in-transit scenarios, for example cases where the shipper reroutes the in-transit shipment; (2) extending FEDTRAK™ mobile to an Android operating system; (3) completion of the necessary infrastructure for shippers/carriers to input data; field testing; (4) demonstration by KTC to TSA of the capability of the interim system; and (5) a final written report prepared by KTC. Upon completion of Phase II, TSA will review and evaluate all information, including an assessment of the cost and benefits to determine the appropriate next steps. It is important to note that TSA cannot mandate the installation or utilization of a technology under these programs absent further congressional authorization.

FUNDING TABLE

Fiscal Year	Award Amount	Purpose
FY 2008	$ 1,000,000.00 - (DHS S&T)	Initial Development of FEDTRAK™
FY 2009-10	$ 1,000,000.00 - (TSA)	Additional Development
FY 2011	$ 900,000.00 - (TSA)	Cost/Benefit/Tech Study
FY 2012	$ 600,000.00 - (TSA)	Cost/Benefit/Tech Study
FY 2014	$ 900,000.00 - (TSA)	Phase I - Interim System
	$ 600,000.00 - (TSA)	E-manifest Development
FY 2015	$ 1,500,000.00 - (TSA)	Phase II - Complete Interim System
Total Funding	**$ 6,500,000.00**	

In addition to FEDTRAK™, TSA has taken many steps in cooperation with our Federal and stakeholder partners to enhance the security of HSSM shipments. To date, TSA has issued to industry Security Action Items for HSSM shipments. TSA has also coordinated with the Department of Transportation (DOT) to implement a security training program specific to transporters of HSSM, which is currently in use by the industry to comply with 49 Code of Federal Regulations (CFR) 172.704(a)(4), which requires security awareness training. Furthermore, TSA's security planning guidance issued in 2014 directly assists HSSM transporters to comply with DOT's requirements under 49 CFR 172.800, which requires the development and implementation of security plans to address security risks related to the transportation of hazardous materials in commerce.

QUESTION:

- Does TSA believe that additional assessment of the cost and benefits for tracking programs contemplated under Section 1554 is needed other than the detailed evaluations already provided within the cost and technology evaluations performed under Section 1554 (a)(2)(c) and completed December 2013? If so, what information on costs and benefits is lacking?

  (If TSA believes that additional cost and benefit evaluation is needed, please confirm that TSA will complete a final evaluation of cost and benefits after completion of the Fedtrak R&D program near the end of FY 2017, appropriately informed by the complete R&D findings.)

ANSWER:

As part of its commitment to risk-based security, TSA often relies on cost/benefit analysis to determine appropriate actions and future steps. TSA has engaged a third party to conduct a fault tree analysis as a continuation of the costs and benefits analysis of this program. This product will provide important process analysis to determine the efficacy of possible threat mitigations. TSA expects to receive this study in the fall of 2016 and will use it as an input in determining the appropriate way forward for this program.

QUESTION:

- The December 8th report seems to indicate that TSA believes section 1554(d) might constrain TSA from facilitating the development of a shipment tracking program. However, section 1554(d) does not preclude TSA from moving forward in developing a tracking program under Section 1554 including, for example, the development of telematics standards or even preliminary work on regulations that might require deployment of truck-based telematics systems. It says only that TSA must obtain Congressional approval before requiring the adoption of a specific technology by industry. Note that the cost and technology evaluations under Section 1554 (a)(2)(C) – completed December 2013 - are intended to provide TSA the basis for recommending a specific technology to Congress and to provide Congress a reasonable basis for assessing TSA's technology recommendation. Please confirm that TSA agrees with this interpretation of section 1554(d).

ANSWER:

TSA acknowledges that under section 1554(d) of Public Law 110-53 - Implementing Recommendations of the 9/11 Commission Act of 2007, TSA may not mandate the installation or utilization of technology described in section 1554 unless it receives additional congressional authority to do so. TSA will continue providing updates to the appropriate congressional committees regarding the results of future assessments of technology capabilities.

THURSDAY, MARCH 3, 2016.

UNITED STATES COAST GUARD

WITNESS

ADMIRAL PAUL F. ZUKUNFT, COMMANDANT, UNITED STATES COAST GUARD

Mr. CARTER [presiding]. We are calling the subcommittee to order.

Mr. Price, we are really glad that, with your experience, you are sitting in for Ms. Roybal-Allard. She is a little under the weather today, and thank you for being here. Thank you for stepping up like you always do.

Admiral, we are going to get started. I think we told you before we got started we have a vote pending in about 10 minutes. We will try to get through our opening statements and then we are probably going to be called to vote, we will come back as soon as we can after that vote, and we will proceed forward from there, okay?

Admiral Zukunft, thank you for being here. We look forward to getting your perspective on the Coast Guard's budget for fiscal year 2017.

Coast Guard is the principal federal agency in the maritime domain responsible for securing our borders, safeguarding our maritime commerce, ensuring environmental stewardship of our ports and waterways, interdicting drug trafficking and illegal immigration, and combating transnational crime. To be sure, the Coast Guard has a complex and diverse mission requiring significant resources including vessels, aircraft, and especially personnel.

To that end, Congress provided substantial funding in the fiscal year 2016 omnibus appropriations to improve the readiness, recapitalize vessels and aircraft, modernize shore facilities, and recruit and retain a quality force. From my assessment, the Coast Guard's fiscal year 2017 budget request appears to largely sustain these efforts, along with some limited though important recapitalization efforts to continue to address the Coast Guard's aging fleet, both vessels and aircraft.

Admiral, I know you support the President's budget, but I am concerned there are unmet needs within this budget request. That said, as I told the Secretary, the fiscal year 2017 DHS budget submission is a disappointment, given the budget gimmicks and large gaps in funding through the request.

Tough decisions are necessary to ensure critical priority programs are adequately funded, and that all funding appropriated is, in fact, executable.

While you have two vessel modernization programs underway—the NSC [National Security Cutter] and the FRC [Fast Response

Cutter]—we are moving towards a third with the award of a detail design contract on the OPC [Offshore Patrol Cutter], many of the remaining vessels in your fleet are past their useful life and replacements are years away from being delivered. The planned acceleration of the development and production of a new polar icebreaker will further strain modernization efforts.

And I understand in your recent State of the Coast Guard Address you stated a bigger force is needed, which will require even more resources. I look forward to hearing from you on what you see as your staffing requirements and what your strategy will be to fund this growth, especially in light of the recapitalization efforts that the Coast Guard will no doubt need to continue to address in future budget submissions.

Admiral, we fully understand the challenge you face recruiting and retaining a quality force, sustaining operations with aging assets, recapitalizing for the future, and taking care of the Coast Guard families—no easy task in today's constrained fiscal environment. So I look forward to a candid discussion about unmet needs that are not addressed in this budget. We are relying upon you to explain how the request balances the nation's needs for both fiscal discipline and robust security.

Before I turn to the Admiral for his statement, the text of which will be included in the record, let me first recognize Mr. Price, who is sitting in for our distinguished ranking member, as she is a little bit under the weather today, for any remarks he wishes to make.

Mr. Price.

[The information follows:]

Chairman John Carter

Subcommittee on Homeland Security
House Committee on Appropriations

Coast Guard FY 2017 Budget Request
March 3, 2016
Opening Statement As Prepared

Subcommittee will come to order –

Admiral Zukunft, thank you for being here today. We look forward to getting your perspective on the Coast Guard's budget for Fiscal Year 2017.

The Coast Guard is the principal Federal agency in the maritime domain responsible for securing our borders, safeguarding our maritime commerce, ensuring environmental stewardship of our ports and waterways, interdicting illegal immigration, and combating transnational crime. To be sure, Coast Guard has a complex and diverse mission requiring significant resources, including vessels, aircraft, and, especially, personnel.

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While you have two vessel modernization programs underway (the NSC and the FRC) and are moving toward a third with the award of a detailed design contract on the OPC, many of the remaining vessels in your fleet are past their useful life and replacements are years away from being replaced. The planned acceleration of the development and production of a new Polar Ice Breaker will further strain modernization efforts. And, I understand, in your recent "State of the Coast Guard" address you stated a bigger force is needed, which will require even more resources. I look forward to hearing from you on what you see as your staffing requirements and what your strategy will be to fund this growth, especially in light of the recapitalization efforts that the Coast Guard will no doubt need to continue to address in future budget submissions.

Admiral, we fully understand the challenge you face recruiting and retaining a quality force, sustaining operations with aging assets, recapitalizing for the future, and taking care of Coast Guard families. No easy task in today's constrained fiscal environment, so I look forward to a candid discussion about unmet needs that are not addressed in this budget. We are relying upon

you to explain how the request balances the Nation's needs for both fiscal discipline and robust security.

Before I turn to the Admiral for his statement, the text of which will be included in the record, let me first recognize the distinguished Ranking Member for any remarks she wishes to make.

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Mr. PRICE. Thank you, Mr. Chairman. We are sorry to hear that Ms. Roybal-Allard is not feeling well today, but I am happy to sit in and to be a part of this hearing.

Admiral, I want to welcome you. And let me just say a word as we begin this hearing, and then we will return after the votes.

I was pleased, as was Ms. Roybal-Allard, that we were able to provide funding above the fiscal 2016 request for the Coast Guard, including $928 million above the request for the acquisitions, construction, and improvements account (ACI) which funds the recapitalization of the Coast Guard air and marine assets; and $239 million above the request for operating expenses. Coast Guard has a critical set of missions that we must properly support.

Now, the fiscal 2017 request for the ACI account is $1.14 billion, which is $808 million below the fiscal 2016 level. I don't anticipate that we will be able to absolutely match the current-year ACI appropriation in the fiscal 2017 bill, but the request level is lower than what we would usually hope to see, and we are going to have to address that.

Admiral, your predecessor thought properly recapitalizing the Coast Guard fleet would require at least $1.5 billion per year. So this morning we will want to discuss the adequacy of the ACI request.

We also want to look at the other components of the budget, see whether the request adequately supports your important missions, including personnel and operations funding that you require, and that most certainly will include the Coast Guard's Arctic strategy and the icebreaker request.

So thank you again for joining us this morning. I look forward to our discussion.

Mr. CARTER. We see that the vote has been called and has started. Time is running, and they are getting kind of strict on getting there on time, so I guess we ought to recess now, get our votes done, and be back as soon as we can.

Sorry about the delay, but that is the nature of Congress. Thank you.

[Recess.]

Mr. CARTER. Admiral, I think you offered that you might forego your statement and just get right into the questions?

OPENING STATEMENT: COMMANDANT ZUKUNFT

Admiral ZUKUNFT. Yes, Mr. Chairman. I would just ask that my written statement be accepted as part of the official record——

[The information follows:]

U. S. Department of Homeland Security

United States Coast Guard

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TESTIMONY OF
ADMIRAL PAUL F. ZUKUNFT
COMMANDANT, U.S. COAST GUARD

ON
COAST GUARD FISCAL YEAR 2017 BUDGET REQUEST

BEFORE THE
HOUSE APPROPRIATIONS
SUBCOMMITTEE ON HOMELAND SECURITY

MARCH 3, 2016

INTRODUCTION

Good morning Mr. Chairman and distinguished members of the Committee. Thank you for the tremendous support you have shown to the men and women of the United States Coast Guard, including the significant investments provided in the FY 2016 Consolidated Appropriations Act.

As the world's premier, multi-mission, maritime service responsible for the safety, security and stewardship of the Nation's waters, the Coast Guard offers a unique and enduring value within the Department of Homeland Security and to the American public. At all times a military service and branch of the U.S. Armed Forces, a federal law enforcement agency, a regulatory body, a first responder, and a member of the U.S. Intelligence Community, the Coast Guard serves on the front line for a Nation whose economic prosperity and national security are inextricably linked to vast maritime interests.

To preserve these interests at home and abroad, the Coast Guard employs its broad authorities; an expansive network of interagency, military, and industry relationships; and unique operational capabilities and international partnerships to maximum strategic effect.

We are a maritime law enforcement service without peer and a unique instrument of international diplomacy. Many nations model their maritime forces after the U.S. Coast Guard to address transnational crime, human smuggling, maritime safety, and foreign incursions into their respective waters.

We live in a complex, diverse and rapidly changing world. To ensure we meet the demands of today while preparing for tomorrow, the Coast Guard aligns its actions and investments with the Department of Homeland Security (DHS) and our national strategies.

Since my testimony last year, we have developed a five-year Strategic Intent and continued to focus on our Western Hemisphere, Arctic, and Cyber strategies. By using these strategies as guideposts, leveraging the intelligence community, and employing a risk-based approach to focus our limited resources where they are needed most, we are able to address maritime threats with greater precision and effect.

Fueled by the Service's unique authorities and capabilities, our Western Hemisphere Strategy is bearing fruit. Working with interagency partners, the Coast Guard helped seize 191.8 metric tons of cocaine and detain over 700 smugglers for prosecution in Fiscal Year 2015; of which, 144 metric tons and 500 smugglers were seized by Coast Guard assets alone. I was aboard Coast Guard Cutter (CGC) STRATTON this past August when they off-loaded 32 metric tons of cocaine in San Diego. Not to be outdone, her sister ship CGC BERTHOLF, interdicted 22 metric tons of cocaine in one patrol, including a record eight metric ton cocaine seizure from a semi-submersible in the Eastern Pacific. Without question, the National Security Cutters (NSCs) have been a game-changer for our operations.

But our strategy is about more than just interdicting bales of cocaine; it is about supporting a broader interagency effort to promote regional stability in Central America that is being eroded by Transnational Criminal Organizations. The Coast Guard's offshore presence and associated interdiction efforts in the region are a critical element of this effort.

Looking further abroad, the Coast Guard is engaged around the world. In the Middle East, our squadron of six patrol boats continues to police the waters of the Northern Arabian Gulf in close cooperation with the U. S. Navy, promoting regional peace and stability.

As we look further toward our high latitudes, CGC HEALY led a scientific mission to the North Pole this past summer – the first United States surface ship to independently accomplish this feat. In another example of NSC capability and versatility, CGC WAESCHE deployed to the Arctic during the ice-free season, monitoring offshore drilling activity in the Chukchi Sea, while providing critical maritime domain awareness of an Arctic exercise among the combined navies of Russia and China. The Coast Guard is committed to the safety, security and environmental stewardship of the Arctic, and we will remain closely engaged with the Arctic Coast Guard Forum which includes members from every Arctic Nation, including Russia. By focusing on collaboration over conflict, we are ensuring that shared responsibilities for mass search and rescue, pollution response and safe navigation remain paramount among Arctic Nations.

Meanwhile, CGC POLAR STAR recently completed Operation DEEP FREEZE in Antarctica. CGC POLAR STAR was not only flying the flag as our Nation's sole operational heavy icebreaker capable of operating in ice up to 21 feet thick, but also supporting U. S. strategic interests and the National Science Foundation by breaking a navigable shipping lane to deliver fuel and supplies to the U. S. base at McMurdo Sound.

The daily activities of Coast Guard men and women are heroic, as they support nearly every facet of the Nation's maritime interests, protect our homeland and secure our economic prosperity. In addition to the large-scale success in our counter-drug mission, over the past year the Coast Guard responded to over 16,000 search-and-rescue cases, saving more than 3,500 lives; interdicted more than 6,000 undocumented migrants; completed over 9,300 Safety of Life at Sea (SOLAS) safety exams on foreign vessels; and responded to over 12,800 reports of pollution incidents.

The Nation expects that high level of performance from the Coast Guard and the Fiscal Year 2017 President's Budget allows us to build upon those successes and continue moving forward to meet emerging demands.

Coast Guard recapitalization remains my highest priority, and the Fiscal Year 2017 budget continues to reflect this vital investment in your 21st Century Coast Guard. While our new assets have significantly enhanced our capabilities, the maritime environment remains harsh and maintaining our aged assets presents an increasing challenge.

This is why I am particularly pleased the President's Budget includes $150 million to accelerate the acquisition of a new heavy Polar Icebreaker. This investment reflects our interests as an Arctic nation, and affirms the Coast Guard's role in providing access to the Polar Regions with heavy icebreakers. Since the President announced this initiative last summer, we made notable progress by finalizing operational requirements across the interagency and beginning robust industry engagement to ensure we develop and execute the most effective acquisition strategy. Make no mistake, this project will take time, but the President's Budget lays a trackline to rebuild the polar capabilities the Nation needs in the 21st Century. We look forward to working with the Congress to deliver this vital capability.

The President's Budget also includes funding for final design and procurement of Long Lead Time Materials for our first Offshore Patrol Cutter (OPC), a major milestone in the Coast Guard's largest acquisition. Continued progress is absolutely vital to recapitalizing our aging fleet of Medium Endurance Cutters (MECs), some of which will be over 55 years old when the first OPC is delivered. In concert with the extended range and capability of the NSC and the enhanced coastal patrol capability of the Fast Response Cutter (FRC), OPCs will be the backbone of the Coast Guard's strategy to project and maintain offshore presence.

History has proven that a responsive, capable, and agile Coast Guard is an indispensable instrument of national security, and funding 21st century Coast Guard platforms and people is an especially prudent investment given the challenging fiscal environment. Our greatest strength is undoubtedly our people. Coast Guard operations require a resilient, capable workforce that draws upon the broad range of skills, talents, and experiences found in the American population. In FY2017, the Coast Guard will maintain a proficient, diverse and adaptable workforce that responds effectively to changing technology, an increasingly complex operating environment and dynamic partnerships. Together, modern platforms and a strong, resilient workforce will maximize the Coast Guard's capacity to meet future challenges.

No other investment will return more operational value on every dollar than the extraordinary men and women of the U.S. Coast Guard – including 48,000 Active Duty and Reserve members, 8,500 civilians, and over 27,000 members of the Coast Guard Auxiliary.

FY 2017 REQUEST:

The FY 2017 President's Budget funds Coast Guard operations and continues recapitalization efforts for cutters, boats, aircraft, systems and infrastructure. The Budget also efficiently allocates resources to optimize Coast Guard mission performance. The Coast Guard must continue meeting today's operational requirements while investing in future capability to best serve the Nation.

The Coast Guard's FY 2017 budget priorities are:

1. Invest in the 21st Century Coast Guard
2. Sustain Mission Excellence
3. Maximize Value to Nation

Invest in the 21st Century Coast Guard
Coast Guard mission demands continue to evolve. The complexities and challenges facing the maritime environment require well-trained Coast Guard men and women with capable platforms providing the persistent presence necessary to conduct operations. Given the age and condition of the Coast Guard's legacy assets, future mission success relies on completing the planned recapitalization of Coast Guard boats, cutters, aircraft, systems and infrastructure.

The FY 2017 Budget accelerates acquisition of a new polar icebreaker to meet anticipated demands in the Polar Regions. It provides funds for the acquisition of four Fast Response Cutters, continues to invest in an affordable Offshore Patrol Cutter and funds vessel sustainment projects for two 140' WTGB Icebreaking Tugs and a 225' Seagoing Buoy Tender. The budget also continues sustainment and conversion work on in-service fixed and rotary wing aircraft, missionization of the HC-27J aircraft received from the Air Force, and investment in Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems.

Sustain Mission Excellence
The FY 2017 budget ensures the Coast Guard can conduct today's highest priority operations in support of national objectives. Most importantly, it sustains the Coast Guard's workforce and supports proficiency, maximizing operational safety and effectiveness.

In 2017, the Coast Guard will decommission four Coastal Patrol Boats (WPBs) that are being replaced by more capable Fast Response Cutters. The Coast Guard will also decommission one High-Endurance Cutter (WHEC) while accepting the delivery of a new National Security Cutter. In all, the FY 2017 budget increases the workforce by 328 FTE to support the Coast Guard's eleven missions.

Maximize Value to Nation
In best serving the Nation, the Coast Guard must continue to meet evolving mission requirements stemming from national priorities and remain a trusted steward of public resources.

The 2017 Budget sustains frontline operations by efficiently allocating resources across all mission programs. Coast Guard Operational Commanders will maintain search and rescue coverage, protect critical infrastructure, counter illicit threats from entering the United States, facilitate safe navigation within the vital Maritime Transportation System (MTS), safeguard the maritime environment and support foreign policy objectives and defense operations.

FY 2017 Highlights:

Acquisitions, Construction, & Improvements (AC&I)

Surface Assets.....$704.1M (0 FTE)
The budget provides $704.1 million for the following surface asset recapitalization and sustainment initiatives:

- **National Security Cutter (NSC)** – Provides funding for Post Delivery Activities for the fourth through eighth NSCs, test and evaluation activities, and unmanned systems. The acquisition of the NSC is vital to performing DHS missions in the far off-shore regions, including the harsh operating environment of the Pacific Ocean, Bering Sea,

and Arctic. The NSC also provides a robust command and control platform for homeland security contingency operations;

- **Fast Response Cutter (FRC)** – Funds procurement of four FRCs. These assets replace the less capable 110-foot patrol boats, enhancing the Coast Guard's coastal capability to conduct Search and Rescue operations, enforce border security, interdict drugs, uphold immigration laws, prevent terrorism, and enhance resiliency to disasters;
- **Offshore Patrol Cutter (OPC)** – Supports technical review and analysis of preliminary and contract design phase deliverables for the OPC project. Funding also provides for procurement of Long Lead Time Materials for the lead ship. The OPC will replace the Medium Endurance Cutter classes that conduct missions on the high seas and coastal approaches;
- **Polar Ice Breaker** – Accelerates the acquisition of a new polar icebreaker to begin production activities in 2020. The new icebreaker will provide continued U.S. Polar icebreaking capability for years to come;
- **Cutter Boats** – Continues funding for production of multi-mission cutter boats that will be fielded on the Coast Guard's major cutter fleet beginning with the NSC;
- **In-Service Vessel Sustainment** – Continues funding for sustainment projects on 140-foot ice breaking tugs, 225-foot seagoing buoy tenders, the training Barque EAGLE, and 47-foot motor lifeboats;
- **Survey and Design** – Continues funding for multi-year engineering and design work for multiple cutter classes in support of future sustainment and acquisition projects. Funds are included to conduct engineering survey and design work to either reactivate or extend the life of an existing heavy polar-class icebreaker.

Air Assets.....$201.3M (0 FTE)
The budget provides $201.3 million for the following air asset recapitalization or enhancement initiatives:

- **HC-144A** – Funds mission system processor upgrade on the HC-144A Ocean Sentry aircraft;
- **HC-27J** – Funds continued activities of the HC-27J Asset Project Office (APO). The APO organizes logistics, training, maintenance support, and ensures these newly acquired aircraft are ready for induction into the operational fleet. Funds aircraft regeneration, spares, initial training, mission system development, ground support equipment; also includes missionization of two aircraft;
- **H-65** – Continues modernization and sustainment of the Coast Guard's fleet of MH-65 Short Range Recovery (SRR) helicopters. The modernization effort includes reliability and sustainability improvements, where obsolete components are replaced with modernized sub-systems, including an integrated cockpit and sensor suite;
- **HC-130J** – Funds upgrade of the mission system processor and initial spare parts and equipment required to maintain the operational availability of the HC-130J Long Range Surveillance aircraft.

Other (Asset Recapitalization).....$59.355M (0 FTE)
The budget provides $59.355 million for other initiatives funded under the Acquisition, Construction and Improvements account, including the following equipment and services:

- **Program Oversight and Management** – Funds activities associated with the transition of the Coast Guard's assets from acquisition to operations, including delivery, provision of logistics, training and other services necessary to ensure seamless integration into the operational fleet;
- **Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR)** – Provides design, development, upgrades and assistance on C4ISR hardware and software of new and in-service assets;
- **CG-Logistics Information Management System** – Continues development and deployment of this system to Coast Guard operational assets.

Shore Units and Aids to Navigation (ATON).....$51.1M (0 FTE)
The budget provides $51.1 million to recapitalize shore infrastructure that supports Coast Guard assets and personnel, as well as construction and improvements to ensure public safety on waterways:

- **Specific Projects** – Funds a service life extension of Air Station Elizabeth City airfield apron and taxiways and minor shore infrastructure projects;
- **ATON Infrastructure** – Maintains transportation safety on Federal waterways through construction and improvements to short-range aids and infrastructure. Funds initial phase of an aid to navigation relocation in the Delaware River;
- **Major Acquisition System Infrastructure** – Funds modification and construction of facilities to support newly delivered assets. Includes upgrades and construction for a Fast Response Cutter homeport and upgrades to existing aviation facilities.

Acquisition Personnel and Management.....$120.933M (897 FTE)
The budget provides $120.933 million for pay and benefits of the Coast Guard's acquisition workforce.

Operating Expenses (OE)

Operating and Maintenance Funds for New Assets..... ....+$121.1M (+300 FTE)
Increases funding for operations and maintenance of shore facilities and provides sustainment funding for new cutters, boats, aircraft, and associated C4ISR subsystems delivered through acquisition efforts:

- **Shore Facilities** – Funds operation and maintenance of shore facility projects scheduled for completion prior to FY 2017;
- **Rescue 21 (R21)** – Provides funding to support Rescue 21, the Coast Guard's primary system that facilitates command, control, and communications in the inland and coastal zones, which will be fully delivered to the Western Rivers and Alaska in FY 2017;
- **FRC** – Funds operation and maintenance of FRCs #22-25, provides funding for crews for hulls #24-28, and funds shore-side support personnel for hulls #23-26;
- **NSC** – Funds operations, maintenance, and personnel for NSC #6 and 7 and funds a permanent increase in crew size for all NSCs deployed or under contract (#1-7).
- **HC-27J Aircraft** – Funds operations, maintenance, and personnel for HC-27J airframes #5 and 6, as well as support personnel at the Aviation Logistics Center, Aviation Technical Training Center, and Aviation Training Center;
- **HC-130J Aircraft** – Funds operations, maintenance, and personnel funding for HC-130J airframes #8 and 9, as well as upgrades necessary to ensure two airframes comply with FAA requirements and remain usable in all flight regimes and airspace;

- **MH-60T Helicopter** – Funds operations, maintenance, and personnel funding for MH-60T helicopter #45.

Pay & Allowances.....+$99.9M (0 FTE)
Maintains parity with DoD for military pay, allowances, and health care, and for civilian pay raise and retirement contributions, including providing a 1.6% military and civilian pay raise in FY 2017. As a branch of the Armed Forces of the United States, the Coast Guard is subject to the provisions of the National Defense Authorization Act, which include pay and personnel benefits for the military workforce.

Operational Adjustments
In FY 2017, the Coast Guard will make sound, risk based adjustments while investing in critical recapitalization and new workforce initiatives:

- **National Capital Region Footprint Consolidation.....-$3.9M (0 FTE)**
  Savings generated by reduction of the Coast Guard's physical footprint in the National Capital region through consolidation of personnel and offices into the Douglas A. Munro Coast Guard Headquarters building at St. Elizabeths; completes the transfer of all staff from Ballston;
- **National Security Cutter Energy Efficiency.....-$13.5M (0 FTE)**
  Reflects savings from a re-calculation of National Security Cutter (NSC) energy costs based on observed energy expenditures during NSC operations, without impacting the ability to carry out those operations;
- **Workforce Support Improvement.....+$8.6M (27 FTE)**
  Provides necessary funding and personnel to enhance military justice capabilities, including the handling of sexual assault allegations, and to conduct Personnel Security (PERSEC) and suitability background investigations required to maintain the Coast Guard workforce.

Asset Decommissioning and Retirement
As the Coast Guard recapitalizes its cutter and aircraft fleets and brings new assets into service, the older assets that are being replaced will be decommissioned.

- **Patrol Boat (WPB).....-$4.6 M (-55 FTE)**
  Decommissions four 110-ft WPB patrol boats. These assets are being replaced with Fast Response Cutters (FRCs).
- **High Endurance Cutter (WHEC).....-$7.3M (-92 FTE)**
  Decommissions one 378-foot High Endurance Cutter (WHEC). These assets are being replaced with National Security Cutters (NSCs).

CONCLUSION

In closing, I firmly believe you will not find a better return on investment than the United States Coast Guard. As we have for more than 225 years, your Coast Guard stands ready to meet the persistent threats in our complex global maritime environment. We have been and will remain *Semper Paratus* – Always Ready.

Mr. CARTER. We will make a record—I will get Mr. Price seated and we will get back into it.

I call this subcommittee back into session.

Admiral, we were just talking about you submitting your statement to us in writing, and we will make it a part of the record and we will go straight to questioning. Is that satisfactory with you?

Admiral ZUKUNFT. Absolutely. Thank you.

Mr. CARTER. Mr. Price, is that okay with you?

All right, then we will get started.

Admiral, as has been pointed out, the missions of the Coast Guard run the gamut from search and rescue, to ensuring the safe flow of commerce, to combating criminal trafficking of drugs and people. And no one appreciates more than I do the successful execution of those missions.

And we know it is due to the sacrifice and service of men and women in the Coast Guard. It is our duty to provide them the best possible equipment and facilities we can, and we have been—in the last several appropriations bills—doing just that.

You state that your recapitalization remains your highest priority. However, many of the vessels the Coast Guard operates today have reached or surpassed their projected service life.

Admiral, the magnitude of a recapitalization and modernization effort will require tradeoffs annually. What strategic risk do you face to fund this recapitalization while executing the spectrum of missions assigned to the Coast Guard? What keeps you up at night?

Admiral ZUKUNFT. Thank you for that question, Mr. Chairman.

And what does help me sleep at night is we have also made a significant investment in the intelligence community. The Coast Guard is an official member of the intelligence community.

And so when I look at managing risk, recognizing if the Coast Guard can't be at all places at all times, where must we be? And we look at transnational crime, drug flows, but more importantly, the illicit proceeds from those drug-trafficking activities that have created violence in Central America that eight of 10 of the most violent countries in the world are not in the Mid-East; they are right here in our backyard.

These are countries that are thoroughfares to bring drugs into the United States for ultimate consumption where 50,000 Americans died last year due to drug abuse—and many of these deaths in your districts, as well. I know you are well aware of this fact.

So that is one area where I cannot accept risk. I can't accept risk if there is a threat to the homeland, but at least I can make informed decisions and not shoot from the hip when it comes to risk if we don't get the full appropriation that we need to invest in the Coast Guard.

Mr. CARTER. Admiral, funding a capital ship like the NSC is expensive. There is no question that the national security cutter is a tremendous asset and performing well above expectations.

However, I believe it is just one of the many tools in the toolkit that the Coast Guard needs to successfully execute its complex and diverse missions. I am concerned there may be a growing misperception that adding more national security cutters and fore-

going other recapitalization like the OPC would better serve the Coast Guard.

Admiral, let me ask you today, just as I asked the Secretary last week: Does the Coast Guard need more national security cutters to execute any of its 11 statutory missions?

Admiral ZUKUNFT. Mr. Chairman, our number one priority is the offshore patrol cutter, and I always look at any new adds that might jeopardize that program of record. I am indebted to this subcommittee when a ninth national security cutter was added into our 2016 appropriation. That could have potentially offset the offshore patrol cutter.

In fact, this committee added the final $89 million for final design work. I am encouraged that there is $100 million in long lead time materials in our 2017 budget.

But this is the platform that we really need to move out on, because I look at, one, affordability; and I also look at what the outyear costs are of adding these newer platforms onto our base. The shore infrastructure cost alone is $140 million to home-port that ship; the annual operating expenses, including salaries, fuel expenditures is another $45 million.

So I look long-term that these are ships that will be around for 60 years, and what is the commandant—three or four commandants, what are those challenges going to be of how do you sustain this mixed fleet?

And when I look at our fleet mix analysis that was eight national security cutters, 25 offshore patrol cutters, 58 fast response cutters—we got it right. And so now we are going back to our force mix analysis again now with the ninth.

But I am quite satisfied with where we are now that we have a ninth. But really, the offshore patrol cutter is my number one priority going forward.

Mr. CARTER. Would a 10th national security cutter endanger other priority recapitalization programs like the offshore patrol cutter and fast response cutter, and the polar icebreaker, which is a huge-ticket item? Let's speak specifically about that.

Admiral ZUKUNFT. Specifically, absent any topline relief to our acquisition budget—and actually, it was me last year who said, you know, we need a reliable, predictable AC&I budget—a floor of $1.5 billion to keep all of these acquisition projects moving forward. But within that base, it does not give me the latitude, a 10th national security cutter, to build out the offshore patrol cutter, finish out the fast response cutter program, and now look at building new icebreakers as well.

So something would have to give if we were to look at a 10th national security cutter. And so that would jeopardize our other programs within the funding climate that I see going forward.

Mr. CARTER. And as your answer to the previous questions was that the 11 statutory missions that you have are—as far as they relate to the national security cutter—are well-served with the number that you have got now.

Admiral ZUKUNFT. I am happy with what we have.

Mr. CARTER. Yes, sir. Okay.

Mr. Price.

Mr. PRICE. Thank you, Mr. Chairman.

Mr. CARTER. I am going to have to go to a Defense subcommittee meeting right now because the Chief of Staff of the Army is from my district and I need to get on him about some stuff, so—but I will probably be back.

Mr. PRICE. Thank you, Mr. Chairman.

Admiral, I want to read a sentence from the Coast Guard's recent Arctic strategy paper. "Numerous studies have examined national and Coast Guard shortfalls in the Arctic, from the need for additional icebreakers and long-range patrol vessels, to improved communications and maritime domain awareness capabilities and aviation assets."

Pretty large menu implied there by changes in Artic waters and climate, and certainly international activity that we are looking at. I would like to get to as much of this as we can, but I do want to focus on the most immediate item, which is the icebreaker.

You identify in this same study icebreaking capability as a significant gap in the Coast Guard's current fleet, so we are pleased that the President has announced he wants to expedite the acquisition of a new heavy polar icebreaker.

This is not going to happen quickly, however, so it—I wonder if you could describe in more detail how the $150 million proposed in this budget for this year would be used. Is there any way to further expedite the acquisition?

And let me just ask you a follow up while I am at it, because I want you to set the context here. We often hear that Russia has 20 to 30 icebreakers already. I don't know of what size or what quality, but maybe you can fill that in.

How many do you think the Coast Guard will need? Do we need to match the Russian fleet or is there a particular number that would give us the capability we need? And assuming we stay on track to begin constructing this first icebreaker by 2020, when could we realistically begin acquiring a second or third ship?

Admiral ZUKUNFT. Thank you, Congressman.

And I will first talk to the $150 million that had been identified in the President's budget for 2017. We are already moving out on hiring the acquisition staff professionals that would oversee the buildout of a heavy icebreaker.

We have published in FedBizOpps what the requirements for a heavy icebreaker are, and we have actually worked with the—at least six other stakeholders that have equity in the Arctic to identify what would they require of an Arctic heavy icebreaker.

So we have done that up front, and now we are reaching out to industry. The shipbuilders of the United States are convinced that they can build a heavy icebreaker here in the United States. To accelerate this timeline we are also looking at parent craft designs in other countries, but that design would be built here in the United States to accelerate that timeline.

What the $150 million does is it incentivizes industry. It also provides a stable platform, as we have seen in years past with sequestration, budget control acts, in the last 4 years we have been through a number of continuing resolutions, two funding lapses that would cause an acquisition of this magnitude to stall out at a point in time where the Polar Star, our only heavy icebreaker,

has maybe 5 to 7 years of service life. We are doing everything we can to sustain it before its relief arrives.

Russia has about 40 icebreakers. About eight of those are heavy and they have six more under construction today.

This last year I hosted all eight of the Arctic Council nations, and through the State Department I was allowed to invite Russia here to the United States to have a strategic dialogue and establish an Arctic Coast Guard Forum to not look at the Arctic as the next battlefield, but to look at the Arctic for the safety of life at sea, the amount of human activity, fisheries activities, indigenous populations, search and rescue, oil spill response, all of that.

And other Arctic Council nations look to the United States, as the most powerful nation among the Arctic Council, to really have a leadership role because there are sovereignty issues at play up in the Arctic, as well. So on a global scale, we are seeing internationally a desire for the United States to step up to the plate and be a more active player in the Arctic region, as well.

There is a high-latitude study that said—you know, independent—said that the nation would require three heavy and three medium icebreakers. One, it would be under consideration right now to at least provide some self-rescue capability.

And we will have to see what happens over time, but right now the baseline study says three heavy icebreakers, three medium, but not peer-to-peer competition with Russia to be, you know, "If you have 40 then we need 41." There is really no good return on investment when it comes to that.

Mr. PRICE. That is your own projection you are talking about, three plus three?

Admiral ZUKUNFT. So mine is—would be three heavy and three medium. And ironically, when I was an ensign many years ago we actually had seven icebreakers in the Coast Guard inventory.

Mr. PRICE. Thank you, Mr. Chairman.

Mr. FLEISCHMANN [presiding]. Admiral, good morning, sir.

Admiral ZUKUNFT. Good morning.

Mr. FLEISCHMANN. Want to thank you for your outstanding service to our country, and I want to thank the Coast Guard for all the great work that you all do.

Before I ask my questions, couple of things: I represent the 3rd District of Tennessee. That is Chattanooga. And the Coast Guard does an exemplary job in my part of the world with the inland waterways. And I wanted to note that for the record. It is a very important function in our part of the world, and you all fulfill that very well.

I also wanted another point of thanks: We hold two military academy days in our district. We are very proud of the fact that the 3rd District has provided some of the best students to our military academies, and—all five. And the Coast Guard without fail has sent personnel and alums—I understand you are a graduate of the Coast Guard Academy—to our academy days, and I want to thank you for that because I want all the students in the 3rd District to have opportunities for our military academies, and the Coast Guard Academy is doing a great job, sir.

Admiral, last year you testified that the offshore patrol cutter was the very top priority for the Coast Guard. As a result, Con-

gress provided the funding needed for you to award a contract this fiscal year for detail design that will lead to production in 2021.

I am pleased to see that you included $100 million in your request to complete the design and procure the long lead time materials required to meet that date. However, I am concerned, sir, with the timing of that award.

Where does the process stand today, and how confident are you that you will be in a position to make that award before the end of this fiscal year?

Admiral ZUKUNFT. Congressman, I have the utmost confidence that we will down-select to one shipbuilder before the end of this fiscal year. The detail design funding certainly provides the impetus for us to move forward.

And, quite frankly, the $100 million for long lead time materials for fiscal year 2017 really sets that first platform up for success because this will be a one-ship build initially before we go into full-rate production. But at least to get this first one on the starting blocks, we are very well postured going forward.

Mr. FLEISCHMANN. Follow-up question: What would be the impact to the program if that contract awarded needed to be shifted to early fiscal 2017, sir?

Admiral ZUKUNFT. Right now I would be loath to see any delay in this moving forward. When the first offshore patrol cutter is delivered in about the year 2021, the ships that it will replace, if I don't have to decommission them before that, will be reaching 55 years of service.

In our fast response cutter fleet we have had to take two ships offline, and we will decommission those, just in the last 2 months because of deterioration. So really we are at an inflection point right now where any delay on the offshore patrol cutter will impact front-line operations.

Mr. FLEISCHMANN. Thank you, sir.

Mr. Cuellar.

Mr. CUELLAR. Chairman, thank you so much.

And, Admiral, thank you for your service and, of course, what your men and women do.

Let me talk about immigration a little bit and part of the work that y'all do. Traditionally Cubans who are coming into the U.S. would cross the water and then go to Florida most of the time.

The last 2 or 3 years they have been coming through my home town of Laredo, which is a port—a land port. In fact, the last 2 years out of the 67,000 Cubans that came in, 47,000 of them came through a port of Laredo—a land port.

And, as you know, the wet-foot-dry policy, the 1966 Cuban Adjustment Act, says basically if you touch the U.S. you get to stay. The wet-foot policy came in, and basically you know what that means.

Now there is no more wet-foot-dry policy, at least for some of them, because they are coming in—they were coming in through Ecuador, Colombia, Panama, and then, you know, Costa Rica till Nicaragua said, "Put a hold on them."

And then they would come in through Laredo, not come through a river, not come in and see border patrol; they actually would see only CBP, which are the men and women that we have at our

bridges. They just come through a bridge, show their passport; 45 minutes or so, they come through and that is it.

And then they are fast-tracked: 1 year they become legal residents, and then in 3 years they become a U.S. citizen so they can ask for immediate federal benefits on the moment they come in.

So you can understand what has been happening on the border. If you can tell us—and I am looking up some numbers as to what y'all have—I think for fiscal year 2015 Coast Guard made a total of 3,800 maritime migrant interdictions, which 2,900 of them were Cuban nationals.

Do you have any thoughts whether the Joint Task Force East is taking to extend this SONAR security that helps us address this issue? Because now they are—somebody got real smart and said, "Forget about the water"—they are still doing that, but now they are coming in in the thousands, and what they are doing is now they are flying directly from Costa Rica—Iberia, Costa Rica.

They will fly into Nueva Laredo, which is a city right across from Laredo, and they fly in, they take a bus—maybe not a Uber, but they will take a bus or a taxi, and then they get to the bridge and they are in.

Any thoughts on how we address this issue, besides changing the 1966 Cuban Adjustment Act, which I think is the magnet in this case.

Admiral ZUKUNFT. Yes, Congressman. What happened in the last year or year-and-a-half, there was a four-fold increase in remittances that could be sent back to Cuba. So those who were the benefactor of these remittances then had the wherewithal to get on an airplane, get to Central America, ultimately Mexico, cross our land port of entry in Laredo, and as soon as they cross that border they are feet-dry.

Not everyone is a recipient of these remittances. Just in the last quarter our numbers in maritime flow is up about 45 percent from where it was a year ago. And what we are seeing are those that don't get these remittances.

And in fact, one of our most recent interdictions we asked, "How many of you is this the first time you have been stopped by the Coast Guard?" Some it was the fourth or fifth time.

And he says, "Well, what are you going to do when you go back?"

He says, "Well, we will come back again." And they will keep trying and trying until they ultimately go feet-dry and are welcomed into the United States.

So it is a policy, but it is also a policy that is folded in with 'is Cuba a country that honors human rights?' So if we are going to address this policy, I think in the same breath we have to take stock of the government of Cuba and is this a country that abides by human rights policies.

In the interim we need to protect our borders.

Mr. CUELLAR. Yes. And I understand that, and certainly I think maybe when President Obama goes down there he can address some of those issues because, you know, my good friend Mario Diaz-Balart and some of us, we have talked about that.

But it is more political freedom. The Central Americans are escaping. It is a life-and-death situation for them because they are

escaping drug cartels, try to put them into prostitution, try to get them to join the gang. So it is a little different.

But for those folks we deport—so you can understand how the Central Americans and the Mexicans and even people on my side of the, you know, on this side of the river feel. It is a little unfair. One is trying to escape political freedom, and here they are trying to escape deaths in many cases.

So it is, you know, I understand what you are saying. It is a politically correct answer.

But understand that at least us on the ground on the southern border, we are facing two folks: folks coming in trying to escape the death—and I think you know this. We have talked about this. People are trying to escape the drug cartels and the violence, and some of the most violent places in the world are in Central America. And we deport them after a while. But here it is they touch and they are in.

So I do understand your answer, but my question is, any way we can at least put a speedbump for some of the folks coming in on the land area? And I know you are more water, but any thoughts on that question?

Admiral ZUKUNFT. And again, through the joint task force approach, looking at who are the enablers of moving these individuals. They generally don't move on their own, so there is a human trafficking, organized crime element to this as well, and I think that is really what we need to be focusing our attention to, as well, you know, exploiting this—seeing this policy that we have in that regard.

Our biggest challenge in the maritime domain, people taking such acts of desperation as to shoot themselves and not damage any vital organs, swallow bleach, use babies as fenders to keep our ships away from boarding them, but truly desperate measures to find a better life here in the United States, which is really no different than what we are seeing in Central America as well.

Mr. CUELLAR. Okay. Thank you, sir.

Mr. FLEISCHMANN. Mr. Young.

Mr. YOUNG. Thank you.

Welcome, Admiral.

Recently I asked Secretary Foxx, of the Department of Transportation, about the United Nations rule regarding International Maritime Organization's requirement that shippers verify the weight of cargo containers for steamships and terminal operators before being loaded on the vessels. You are aware of this issue?

Admiral ZUKUNFT. I am, Congressman.

Mr. YOUNG. Thanks.

I had a roundtable—an agriculture transportation roundtable—a few weeks ago in my district, 3rd District in Iowa, with retailers, transportation folks—great way to get people together and discuss issues. But this is a real concern that a lot of our retailers had in the agriculture community.

They are worried there may be some real concerns that could create delays and turmoil at our ports and repercussions on our economy. How can retailers be assured that this is not going to be an issue that is going to choke things up and cause delays?

What current procedures are there for verifying cargo weight? And can you, again, reassure agriculture exporters that they will not have to be really concerned about this regulation?

And if there are unintended consequences that result from this—the July 1st date is coming up—is there a way out of this? Can an extension be given to become compliant or can there be an exemption altogether?

Admiral ZUKUNFT. Again, Congressman, as you noted, this was a—you know, run through the International Maritime Organization, not a regulatory process per se. But it really does apply to exporters to verify the weight of a container before it is loaded onto a ship and then exported to a foreign country. So if there is not verification of weight then the shipper can refuse to load that particular container.

Now, the same container in all likelihood has to go on another mode of conveyance—maybe the highway, maybe a train—where there are typically weight requirements as well. So it is rare where we encounter containers today that have not been weighed prior to loading aboard a ship, and it really is designed for safety of life at sea: What is the load of these containers, with ships carrying upwards of 18,000 container equivalent units on there, but what is the ultimate weight of that? And then how are they loaded and how it might affect stability, as well.

We do not foresee any disruption to shipping activity. We have had significant outreach with both exporters, shippers at container terminals. One of my admirals was in Houston earlier this week. We had 2,000 people in attendance.

So I think much of this is really in the communication realm right now, and we will continue to do that outreach effort and assure folks that there will not be a disruption in getting their products into the international commerce stream.

Mr. YOUNG. Well, I would appreciate your commitment as the July 1st date comes that you will be monitoring this and listening to the stakeholders and seeing what they are experiencing with this new rule.

Secondly, like my colleague from Tennessee regarding inland waterways, Iowa is very unique. We have the Missouri River on one side, Mississippi on the other side. And it is a great way to help us get our agriculture goods to market.

Can you share with the committee the work the Coast Guard is doing to protect our inland waterways and facilitate trade for a lot of the landlocked states?

Admiral ZUKUNFT. Absolutely. We work closely with the Army Corps of Engineers; we work real close with the American Waterways Operators.

As you are well aware, this was almost a biblical flood season on our inland river system, and so there are occasions where the size of tows have to be broken down into smaller units so they can safely transit going downstream.

We are making investments in our inland river tender fleet to keep those viable. The good news: They operate on freshwater, not salt. They are getting up there in age, but we are attending to that as well.

We have had a lot of outreach with the operators as we look at being a little bit more efficient on how we mark the inland waterways—do we need visual aids to navigation or can you use electronic virtual aids to navigation—and try to strike a fine balance. But none of that is done in the absence of input and consultation with the American Waterway Operators.

What we have seen is a reduction in flow coming downstream here of late, because a year ago I would say every day we are putting a new tank barge into the inland waterway system, and it was typically carrying Bakken crude going downriver. And a year ago oil was triple what it is today, in terms of that value.

So we are seeing that immediate impact there, but in terms of agricultural goods and the like, you know, those are moving at—within normal rates.

Mr. YOUNG. Well, thank you for mentioning ways to address some of these problems, and I just encourage you to keep that outreach with the stakeholders and the operators because this is a big deal for not just the state of Iowa and the 3rd District, but other states as well. We mentioned Tennessee here—my colleague—and the inland waterways, and so thank you for paying attention to this issue, and please stay engaged with it.

Thank you. I yield back.

Mr. FLEISCHMANN. Thank you, Mr. Young.

And, Admiral, we are going to begin a second round of questioning, sir.

I note that the fast response cutter, the FRC, which we are acquiring to replace the aging fleet of 110-foot patrol boats, is an important asset in the interdiction of illicit drugs. But the fiscal 2017 request only includes funding for four FRCs. This request, sir, is down from the six that were funded in fiscal 2016.

Is the goal still to acquire 58 fast response cutters? And if so, why is there a reduction in the number requested this year? Will this drop in production significantly delay your ability to complete this acquisition goal or negatively impact your ability to prosecute your interdiction missions?

Admiral ZUKUNFT. Congressman, we looked at when the full production run of these fast response cutters need to be complete, and that year is 2023. The reason that year is important, because that is when we go to full-rate production on our offshore patrol cutters. So we need to close that one account before we go full-bore on the offshore patrol cutter.

We can go at risk this year with four, but part of this is driven by a $1.1 billion AC&I budget, so those were some of the tradeoffs that we had to make going forward with four, but recognizing we need to get up to full-rate production of six per year to deliver all 58 by 2023.

Mr. FLEISCHMANN. Yes, sir. I understand that you are in the process of contracting for the remaining 26 ships that will complete the program of record. What risk do you face if you are unable to reach an agreement on a fair and reasonable price for the remaining hulls, and what effect would a pause in production have not only on the cost of the ship but also on your ability to meet the Coast Guard's missions.

Admiral ZUKUNFT. Congressman, we are in I would say very emotional negotiations with the vendor as I speak today to come to closure on the cost of these final 26 cutters. We have a lot of experience with this program of record. We have held requirements steady and we know what the unit cost is, and we know what a fair and reasonable price is.

That is the subject of the negotiations going forward, but we need to come to closure on this within the next 2 months so we can move forward. Otherwise—and I will just leave this vague—we will have to explore other options. But fair and reasonable is absolutely paramount.

The immediate impact, as I said earlier, we had to take two 110-foot patrol boats offline and we will decommission them. It was on plan, but when they went in for their routine dry-dock availability, the hulls are deteriorated to a point where we would be throwing good money after bad, and we are not going to do that. All the more reason we need to keep this program moving along.

But I am encouraged that we will come to closure on these negotiations, which are critical, one, to the taxpayer, we get a good value; but more importantly, for our men and women who are operating these platforms and just doing fantastic things for our country out there on the water.

Mr. FLEISCHMANN. Thank you, sir.

Mr. Price.

Mr. PRICE. Thank you, Mr. Chairman.

Admiral, I want to pick up on some of the issues raised regarding Cuban migration by my colleague, Mr. Cuellar. But first I want to wrap up where we got cut off on the icebreaker and the Arctic strategy.

I do want to make sure I understand the fiscal 2017 request and how it relates to the bigger picture, in terms of this initial icebreaker project.

You asked for $150 million in the way of an initial appropriation for fiscal 2017. That is with a total projected cost of how much?

Admiral ZUKUNFT. Right now we are using a place marker of $1 billion, but I would not use that as a figure to go on record with. But that is a nominal value right now until we do the full scoping requests for proposals and we see what comes back.

Mr. PRICE. All right. And the way that would be parceled out over how many years? What is the completion date?

Admiral ZUKUNFT. Right now we are talking upwards of 8 years to produce a heavy icebreaker. Part of that depends on if we can go with a parent craft design to accelerate that timeline.

Mr. PRICE. Eight years does seem like a very long timeline, or is that not unusual for icebreakers?

Admiral ZUKUNFT. Well, we haven't built a heavy icebreaker in over 40 years, Congressman, so there will have to be investments in technology by our industrial base to be able to build ships with that hull thickness. And so there will be some front-end investments required, which is why we have given this nominal value of $1 billion. Because we don't know what it will take industry to be able to build this because we have not built a ship of this type in such a long period of time.

Mr. PRICE. That does bring to mind, though, the way you described the $150 million down payment. You talked about incentivizing industry. That was your phrase, and you implied that there might be some degree of incentivizing required to carry out this project.

What does that mean exactly? And does this add up to obligating, you think, the entire $150 million in the fiscal year?

Admiral ZUKUNFT. I can't project out whether we will be able to obligate that $150 million, but certainly to accelerate detail design and then get ourselves to construction of an icebreaker.

Our biggest challenge in the past has been the vagaries in the budget process. We have seen our acquisition budget ebb and flow 40 percent in some cases. And even with a continuing resolution that prevents no new starts in acquisition, it has really challenged our ability to move forward in some of these large acquisition projects of ours.

So what it does do is it provides us some surety to overlap a fiscal year, but more importantly, to keep industry keenly interested in this as well. It does signal to our industrial base that we are serious about making this particular investment.

Mr. PRICE. Well, we are serious, and this committee is serious. I fully sympathize with the desire to protect the project against the vagaries of the process. Believe me, we—I understand that and share that concern.

At the same time, we need to assure ourselves that there is some reasonable relationship between the amount requested and the amount likely to be actually obligated within the timeframe.

Let me turn to the questions Mr. Cuellar was raising. He has returned; he may want to raise some more himself.

But with respect to the Cuban migration and the way it has stepped up since the President's opening to Cuba, which I fully support that. I know that there are some challenges to the Coast Guard which result, however. And I want to focus on the people that are interdicted at sea, as opposed to the land migration.

First of all, I want to know if our budget—if the budget proposal is sufficient in what you anticipate in terms of interdiction and rescue. And then I just wish you could clarify the process. I understand wet-foot, dry-foot; I am not sure I understand what differences, if any, might pertain to people you apprehend at sea, the process for returning these people to Cuba. And then how does that compare to the process for returning people let's say from the Triangle countries of Central America?

Mr. Cuellar has a very compelling point here: These people are all fleeing tough situations and threatening situations, but the threats are very different. And in the case of the Central Americans, in many cases it is a more dire and more immediate threat.

How do we treat these migrants who you pick up at sea? Do we treat the ones from Central America differently from the Cubans?

Admiral ZUKUNFT. There are two different policies. So with the foot-dry policy, when we apprehend Cuban migrants at sea they are detained aboard our Coast Guard cutters. They go through an interview with an Immigration Service official to ascertain whether there is a bona fide claim of political asylum.

And these are economic migrants. Very rarely does one raise to a threshold where there is a bona fide claim of political asylum.

Mr. PRICE. This is the Cubans you are talking about.

Admiral ZUKUNFT. These are the Cubans. So they are repatriated.

The other countries, historically it has been Dominican Republic and Haiti that we apprehend at sea, and they are directly repatriated upon recovery aboard a Coast Guard cutter.

In each and every one of these cases, first and—these are actually safety-of-life-at-sea events. You don't see like you do in the Mediterranean Sea corpses coming ashore, which—so there is a human element to this as well.

But it demonstrates the magnitude of risk that these people will go through to try to find a better life here in the United States. But these are two separate and distinct policies.

Mr. PRICE. Is there any substantial number of people attempting to come through this—through the Caribbean from these Central American countries, the ones under such duress, at present?

Admiral ZUKUNFT. No, Congressman. All of those typically arrive at our land ports of entry. But to date we are seeing few, if any, migrants taking to the water from the tri-border region of El Salvador, Guatemala, and Honduras.

Mr. PRICE. All right.

Thank you, Mr. Chairman.

Mr. FLEISCHMANN. Admiral, that bell that we hear is the voting bell, which necessitates our members to go and vote, as you know; we talked about this earlier.

If any of the members had a very brief—very brief question—I had some more, but I will defer.

Mr. Cuellar, did you have any really quick questions?

Mr. CUELLAR. Just a real quick question.

Mr. FLEISCHMANN. Yes, sir.

Mr. CUELLAR. Thank you, Chairman.

Just real quick on the aids to navigation—I don't represent Corpus Christi, but it is part of Texas—that I would like to ask you is your budget requests, what, about $51.1 million for shore units and aids to navigation? Could you tell us real quickly what the process and the criteria for prioritizing aid to navigation projects?

And more importantly, do you have the authority right now to do a reimbursement to nonfederal entities that choose to advance the aid to navigation projects pursuant to your specifications? We are doing that because we did that for CBP, myself and Chairman Carter, we added language to do reimbursement.

Are you allowed to do that reimbursement? Are you allowed to get money if let's say the city of Corpus Christi decides to move forward and advance that funding?

Admiral ZUKUNFT. Congressman, right now we do not have a reimbursement vehicle, but we certainly—with private aids to navigation we routinely consult with those to assure that they properly mark a federal waterway.

Mr. CUELLAR. Okay. And like to follow up with your folks. I know you have met with them. I know that my friend Senator John Cornyn I believe sent a letter, and Senator Cruz also. So I just want to follow up on that and see if we can find a way.

And, Mr. Chairman, we are going to try to look at—possibly we will talk to Chairman Carter about the same thing we did for CBP, to look at giving you authority to allow a reimbursement. That is a call from Chairman Carter and we will definitely work with them.

Mr. FLEISCHMANN. Thank you.

Mr. CUELLAR. Thank you. Thank you so much.

Mr. FLEISCHMANN. Thank you, Mr. Cuellar.

And, Admiral, again, thank you for being before this subcommittee. We appreciate your testimony today and we wish you and the Coast Guard the best in your endeavors.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE John Carter

Admiral Paul Zukunft, Commandant
United States Coast Guard
Committee on Appropriations
Subcommittee on Homeland Security
FY 2017 Budget Request
March 3, 2016

POLAR ICE BREAKERS

Background (included with congressional submission): On September 1, 2015, the President announced his plan to accelerate the acquisition of a new heavy icebreaker to 2020 from 2022. In line with that strategy, the FY17 budget requests $147.6 million to fund all design activities to support production of a new Polar Icebreaker by 2020. However, the budget justification states that this is "advanced funding" and that only $25 million will be obligated in FY 2017. When asked about this, the Secretary testified that all would be obligated in FY 2017, albeit on an aggressive timeline. It is unclear what the total procurement funding strategy is, and in the context of the overall DHS budget request, we cannot afford to appropriate funds that will not be obligated until future years when there remains significant gaps within the Secretary's budget request.

1) **Question:** Admiral, your budget includes $147.6 million in acquisition funding for the design work necessary to accelerate the planned production of a new heavy icebreaker by two (2) years. I recognize the need for the icebreaker, and I commend the effort to accelerate the timeline. However, I am concerned your plan reflects that most of this funding will remain unobligated after FY 2017. As I said in my opening remarks, the DHS budget leaves other critical programs underfunded. The request for funding in advance of need will be difficult to support when there are so many programs that could execute this funding in 2017.

a) Why is a two year acceleration of a replacement ice breaker necessary before you know the disposition of the material assessment of the Polar Sea and why do you need $147 million in FY 2017 when you only plan to obligate $25 million?

ANSWER 1 a)

The Materiel Condition Assessment of POLAR SEA is unrelated to the acquisition of a replacement Polar Icebreaker, and is meant to facilitate an informed decision regarding the disposition of the vessel. The Nation's only operational heavy icebreaker, POLAR STAR, is currently anticipated to reach the end of its service life by 2023. The Coast Guard is performing an analysis of alternatives between POLAR SEA and POLAR STAR to determine what actions may be feasible to sustain this capability until the first icebreaker is delivered. Accelerating the acquisition of the replacement Polar Icebreaker is required to ensure this capability is recapitalized as quickly as possible.

The Coast Guard is assessing the viability of several acquisition strategies for the Polar Icebreaker Replacement Program. The funding requested for FY 2017 provides flexibility to pursue acquisition strategies that require early obligation of funding and support acceleration. The request also signals a clear commitment to industry of the Administration's commitment to recapitalization.

b) What is the long-term plan for polar ice breaker capability in the U.S. Coast Guard?

ANSWER 1 b)

The long-term plan for polar icebreaking capability in the Coast Guard is still being assessed based on mission needs and future demand. Current efforts have focused on acquiring a minimum of two heavy icebreakers. The Coast Guard will work with the Department, the President, and Congress to meet the Nation's Polar Icebreaking needs.

c) What is the current status of the polar icebreaker acquisition?

ANSWER 1 c)

The Coast Guard is currently in the Analyze and Select phase of the Polar Icebreaker acquisition. The Analyze and Select phase includes identifying and documenting the following: (1) operational requirements (complete), (2) alternatives to meet the operational requirements (in progress), (3) acquisition and lifecycle costs (in progress), (4) acquisition plan and schedule (in progress), (5) logistic support plans, (6) test and evaluation plans, (7) systems engineering tailoring plans and (8) configuration management plans. The Program recently held an Industry Day with significant representation from designers and shipbuilders, and will soon hold one-on-one meetings

with participants to gain additional insight and information to shape the timeline and strategy.

d) A heavy ice breaker is a national asset serving the needs of several agencies. What is the procurement funding strategy for this program?

ANSWER 1 d)
The FY 2017 President's Budget and FY 2017-2021 Capital Investment Plan outlines the Coast Guard's anticipated funding profile. The Coast Guard will work with the Administration and Congress to develop an efficient and effective funding strategy for this critical national capability as the acquisition strategy is refined.

COAST GUARD HUMAN CAPITAL STRATEGY

Background (included with congressional submission): On Tuesday, February 23, Admiral Zukunft delivered the 2016 State of the Coast Guard Address. In it, the Admiral stated:

> As Commandant, I must ensure we have an appropriately sized and trained force that represents the rich diversity of our Nation. As I take inventory of our Coast Guard – including 41,000 active, 7,000 reserve, 8,500 civilian and 30,000 Auxiliary – we are well-equipped but under-manned. We will formally define a force size informed by strategy, analysis and risk management.

Admiral Zukunft recently (January 7, 2016) signed a 10-year Human Capital Strategy that provides a 10-year roadmap to develop and execute the processes necessary to hire, train, and maintain the civilian and military workforce needed to meet the Coast Guard's missions. Last year, Congress provided an additional $14 million (above the request) to restore unjustified cuts to military special pays and bonuses. This funding is sustained in the FY 2017 request.

2) **Question:** Admiral, the FY 2017 request appears to continue funding for military special pays and bonuses that Congress added in FY 2016. This is an important investment for recruiting and retaining men and women of the Coast Guard. In your State of the Coast Guard Address, you stated that the U.S. Coast Guard was well-equipped, but under-manned.

   a) Please elaborate. Are you spread too thin? If so where? How are you mitigating this risk?

ANSWER 2 a)
Our people are our greatest asset and it is important to ensure we are not only well equipped, but also appropriately manned. During the recent economic downturn, we enjoyed high levels of military retention; however, as the economy has improved our attrition has increased back to normal levels. Simultaneously, we have experienced some accession and retention

challenges that we are working to address by increasing officer and enlisted accession targets and authorizing bonuses to attract and retain enlisted members.

I am happy that the FY 2017 budget requests an additional 325 positions to crew and support our new assets, and address high priority workforce concerns, including military justice and security investigations. It will be critical that we fill every position in order to meet mission demands and that is my near term focus. To accomplish that, I am adding capacity to our recruiting offices, and will evaluate our progress later this year. We are also making best use of the additional bonus funding you provided in FY 2016 ($7.5 million) to help retain personnel in our most critical rates.

b) What effect is this having on recruiting and retention?

ANSWER 2 b)
We are offering bonuses for recruits entering our most critical rates, and we have seen a slight increase in accessions as a result. We project higher recruiting and retention rates in FY 2017 due to increased recruiting of personnel and additional bonuses.

3) **Question:** I understand that you will be initiating a Manpower Requirements Plan that will determine the size of the force based on strategy, analysis, and risk management. I look forward to hearing from you as to what you see as your staffing requirements and what your strategy will be to fund the growth of the force, especially in light of the continued recapitalization efforts that the Coast Guard will no doubt need to continue to address in future budget submissions.

a) Do you expect this manpower analysis to be complete in time to inform your FY 2018 budget request?

ANSWER 3 a)
As part of the recently published Human Capital Strategy, the Coast Guard is in the process of developing a plan to conduct a Manpower Requirements Analysis (MRA), as directed by Section 101 [14 USC §2904] of the Coast Guard Authorization Act of 2015. We do not expect this analysis to be complete in time to fully inform our FY 2018 budget request.

b) As we near the end of the second quarter of FY 2016, how are you doing in terms of hiring, recruiting, and retaining both your civilian and military workforce?

ANSWER 3 b)
For all parts of the Coast Guard's workforce, we are making adjustments to our recruiting and retention efforts to ensure we continue to meet our growing mission demands. The results of those efforts are difficult to quantify due to the sheer volume of moving parts of the workforce equation; however, we see our efforts beginning to pay off in all segments.

While the Coast Guard is close to meeting its civilian hiring expectations, we have experienced slightly lower civilian retention rates. Both civilian hiring and retention statistics are within four percent of the original forecasts and the cumulative impact is a slight improvement.

Recruiting and accession goals have been increased to address current enlisted workforce shortages, and enlisted workforce retention is within an acceptable range. Additionally, bonus funds have been authorized to attract and retain enlisted members in critical rates. We expect to stabilize the enlisted workforce by the end of FY 2017 and meet our increased recruiting and accession goals by the end of FY 2018.

Officer accession targets increased this year by over 30 percent to account for current officer shortages. Officer retention is also within an acceptable range. We expect to meet the increased accession targets by the end of FY 2016.

TRANSNATIONAL CRIMINAL ORGANIZATIONS

Background (included with congressional submission): The Coast Guard is the lead Federal maritime law enforcement agency for enforcing national and international law on the high seas, outer continental shelf, and inward from the U.S. Exclusive Economic Zone to inland navigable waters, including the Great Lakes. The Secretary's written testimony and his FY 2017 Budget-in-Brief state that $2.0 billion of the Coast Guard's budget is dedicated to counter-drug and alien migration interdiction operations though it is unclear from the justification materials what is exactly being funded.

4) **Question:** Admiral, there is increasing instability in Central and South America related to Transnational Criminal Organizations that smuggle people, weapons, drugs, and potential terrorists. The Secretary's written testimony stated that $2.0 billion of Coast Guard's FY 2017 budget request is dedicated to counter-drug and alien migration interdiction operations.

a) What efforts are planned within your FY 2017 request to combat these organizations?

ANSWER 4 a)
The Coast Guard continues to address a significant threat in the drug transit zones of the Western Hemisphere, and the southern maritime approaches to the United States. Transnational Organized Criminal (TOC) networks are advancing illicit activity, and the effects routinely show up on our southwest border and beyond.

The Coast Guard is uniquely positioned to fight against these TOC networks in the maritime environment. Our broad authorities, major cutters with embarked airborne use of force-equipped helicopters, and maritime patrol aircraft allow us to operate on the high seas where these illicit networks are largely unchallenged by regional partners - and where they are most vulnerable to enforcement action by the United States. Our objective is to confront the threat beyond our land borders.

In FY15, the Coast Guard removed 144 metric tons (MT) of cocaine from the maritime transit zone. Through a number of record breaking seizures, we found that a Sensitive Compartmented Information Facility (SCIF) equipped National Security Cutter (NSC) operating with an overhead maritime patrol aircraft, an airborne use-of-force helicopter and an over-the-horizon cutter boat was the most effective force package the Coast Guard has ever operated. The FY17 budget request includes new funding for this NSC force package, including C-27J aircraft, and HC-130J aircraft and expanded capacity for SCIF operations. The 2017 budget also funds four more Fast Response Cutters (FRCs) and the operating expenses necessary for continued presence in the high threat areas. New, extremely capable assets and the highly trained personnel operating them continue to improve our ability to combat TOC networks.

b) Are you sufficiently manned and equipped to effectively execute this mission now and in the future?

ANSWER 4 b)
Coast Guard personnel utilize a mix of legacy and new equipment to aggressively pursue and target TOC networks. As a member of the national intelligence community, the Coast Guard bridges traditional authority gaps between military and law enforcement organizations to maintain a persistent presence in areas where other partners are unable to operate. Our recapitalization efforts are critical to confronting these threats beyond our land border.

Though our medium-endurance cutters have served the Nation well, they are significantly beyond their service life and their age, condition, and capabilities expose us to operational risk. Recapitalizing the Medium Endurance Fleet with the Offshore Patrol Cutter (OPC) is the Coast Guard's number one investment priority.

CYBER SECURITY

Background (included with congressional submission): The National Infrastructure Protection Plan designates the Coast Guard as the Sector Specific Agency responsible for ensuring the protection of infrastructure in the maritime domain, including cybersecurity. American ports, terminals, ships, refineries, and support systems are vital components of our nation's critical infrastructure, national security, and economy. Cyber-attacks on industrial control systems could kill or injure workers, damage equipment, expose the public and the environment to harmful pollutants, and lead to extensive economic damage. The loss of ship and cargo scheduling systems could substantially slow cargo operations in ports, leading to backups across the transportation system. A less overt cyber-attack could facilitate the smuggling of people, weapons of mass destruction, or other contraband into the country. The Coast Guard published their first Cyber Security Strategy last June that outlines the objectives and goals needed to protect this domain.

5) **Question:** Admiral, the Coast Guard has a statutory role to ensure the maritime transportation system is secure and resilient against cyber threats. Last June you published your cyber-strategy for the United States Coast Guard to guide your efforts in the cyber domain. This strategy identifies three strategic priorities for mission success: Defending Cyberspace, Enabling Operations, and Protecting Infrastructure. In FY 2016 you requested $5 million for cybersecurity remediation efforts. I do not see a specific request for cybersecurity in your 2017 request.

   a) Can you please provide insight into your priorities as it relates to cyber security, and discuss how that is addressed in your FY17 budget?

   ANSWER 5 a)
   The Coast Guard's Cyber Strategy outlines our framework for operating in the cyber domain. This work is being accomplished with recurring funds and we are not requesting new funds in FY 2017 for cyber-related efforts. The Coast Guard's first responsibility is to protect its own networks. We are improving situational awareness of network operations and are appropriately hardening systems against cyber threats. We will continue to conduct risk assessments that prioritize internal security measures where they are necessary, and continually evaluate the best mitigation options in the context of effectiveness and cost. Furthermore, we lead the federal efforts to secure the Maritime Transportation System (MTS) and are working closely with the maritime industry to promote cyber risk awareness and management. This includes developing a framework to help industry address risk through their vessel and facility security plans. Our Cyber Strategy is executed in close coordination with DHS, DOD, the Intelligence Community, as well as global and private sector partners.

CUBA

Background (included with congressional submission): In December 2014, the President announced a policy shift to restore diplomatic relations with Cuba. As a result, there was an

immediate uptick in migrant flow from Cuba to the U.S. Late last fall, when a bill was introduced to eliminate the "wet foot/dry foot" policy of granting Cuban immigrants immediate status upon reaching US soil, the Coast Guard saw a significant spike in the number of immigrants attempting to cross the Florida straits, requiring multiple interdictions and rescues by Coast Guard assets responsible for patrolling those waters.

6) **Question:** Admiral, the recent opening of the US Embassy in Havana and continued normalization of relations with Cuba, like the recent announcement that US air carriers will begin flying in and out of Cuba, is likely to lead to the repeal of the Cuban Adjustment Act, better known as the "wet foot/dry foot" policy towards Cubans that make it to the United States. Undoubtedly, normalization of relations will not only increase commerce, but also will likely cause a huge spike in the number of Cuban citizens attempting to reach the United States before the policy is ended.

   a) Can you describe how the restoration of diplomatic relations with Cuba changes your posture in the Florida Straits, and how it is taken into account in your FY17 budget request?

ANSWER 6 a)
Since President Obama's announcement in December 2014 of his intent to normalize relations with Cuba, the Coast Guard has seen an increase in the flow of Cuban migrants across the Florida Straits en route the United States. Since December 2014, the flow of Cuban migrants has exceeded previous five and ten year averages. In FY 2015, the Coast Guard interdicted the most Cuban migrants ever for one fiscal year. Interviews of migrants indicate many believe a change to the Cuban Adjustment Act or the associated Cuban Parole Policy ("Wet-Foot/Dry-Foot") is imminent, even though the Administration has made it clear that no change is forthcoming.

The Coast Guard has also seen an increase in extreme measures taken by migrants, such as self-inflicted injuries, to compel the Coast Guard to medically evacuate them ashore for treatment. Such increases are typically seen whenever policy changes are perceived by those wishing to emigrate.

When these spikes occur, the Coast Guard increases the regular deployment of major cutters to the Florida Straits to serve as migrant holding platforms and deploys additional Law Enforcement Detachment (LEDET) personnel to augment security watchstanders aboard migrant interdiction and holding platforms.

The Coast Guard's Fiscal Year 2017 budget request provides follow-on funding for new assets, which are more capable than the legacy assets they are replacing. This recapitalization strategy provides the Coast Guard with resources which can be deployed where needed most, including the Florida Straits to support increased migrant activity.

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February 9, 2016

Congressman John Carter, Chairman
Subcommittee on Department of Homeland Security
Committee on Appropriations
United States House of Representatives
H-305, The Capitol
Washington, D.C. 20515

RE: Testimony on Appropriations under the Coast Guard Authorization Act of 2015 for the National Coast Guard Museum in FY2016-FY2017.

Dear Congressman Carter:

I oppose budgeting funds authorized by the Coast Guard Authorization Act of 2015 ("Act") for the reasons set forth below. I hope that you can see through the misinformation put forth by the Connecticut Congressional Delegation.

The Act contains language that allows federal funding to support displays and exhibits, which would include, for example, structures inside the National Coast Guard Museum ("Museum") planned for downtown New London, Connecticut. The Act revises 14 United States Code 98 to permit appropriating funds for the design, fabrication, and installation of exhibits or displays in the Museum.

The proposed Senate and House passed bills would inappropriately violate the water dependency provisions of the Federal Coastal Zone Management Act as enforced by the Connecticut Coastal Management Act ("CCMA") in light of the feasible and prudent alternatives.

I am deeply concerned that the Coast Guard ("CG") has made a poor choice in seeking to locate the Museum behind the Union railroad station in downtown New London, Connecticut. There is no question that New London is the right host city, it is the downtown location that is dead wrong. There are two alternatives: (1) Fort Trumbull, New London and (2) the far better alternative, which is a Virtual Museum over the Interest necessitating zero energy consumption and no production of Green House Gases.

The railroad site is cramped - only one-third acre with no room for expansion. Traffic congestion in that area is terrible now, but an influx of possibly 200,000 to 1 million visitors per year - according to CG estimates - traveling mostly by car would cause gridlock on an unprecedented scale for the downtown, which already acts as a chokepoint.

Also, the selected site is at sea level, the area hard hit by the infamous 1938 hurricane. As the planet warms and the seas rise, severe storms are expected to become even more destructive. A 1938-type hurricane will surely come again to this vulnerable area. It now appears that statutory and regulatory restrictions imposed under CCMA and the Federal Emergency Management Agency will prohibit building the Museum in the proposed location. Since the location is in the Velocity Zone on the Federal Insurance Rate Map for New London, the structure must be raised on pilings to allow for storm tides and breaking waves. Also, the building cannot extend into the Thames River beyond the Mean High Water Mark.

Frugality makes me shudder when I consider the $80 million museum connected by a $20 million pedestrian bridge over the railroad tracks and the expense to build a new pier for the Eagle. All unnecessary expenses if the museum were built elsewhere.

Fortunately, there is an elsewhere. The Fort Trumbull area is the logical site. It consists of 13 acres of upland in close proximity to the state park. The land has been cleared, there is plenty of room for expansion, and parking for cars and tour buses and GD employees. David Fox, Senior Environmental Analyst for the former Connecticut Department of Environmental Protection ("DEP") – now Connecticut Department of Energy and Environmental Protection - wrote to Commandant Winston E. Leslie in 2006: "The Department believes that locating the Museum on the Fort Trumbull peninsula would result in benefits to both the Park and the Museum, providing additional reasons for selection of this site." Furthermore, the CG Research and Development Center, CG Station and cutter are located at the Fort.

The CCMA also stresses the importance of scenic views/vistas. The views from Fort Trumbull's rocky heights are spectacular. The river traffic is in the foreground, several lighthouses are nearby, and the active CG Station and the Eagle, when berthed there, are right below.

Endorsements of the Fort Trumbull site for the Museum were strongly recommended by: the 2006 Site Selection Committee appointed by the Commandant in 2005; the DEP statement supporting the site in 2006; the White Oaks Strategic Master Plan, and the 2010 CG Academy's Facilities Master Plan. That magnificent site is now a wasteland.

Additionally, there is a lot of significant CG history at Fort Trumbull. It was the site of the earlier academy. It played a very active role in the Prohibition-era Rum War when numerous captured rum-running boats were converted into CG patrol boats. And in 1938, a Maritime Service Training School was established there and run by the guard for training Merchant Marine officers - the forerunner of today's King's Point.

So, it would be highly unwise for the Congress to fund the Museum unless the CG re-selected Fort Trumbull. The proponents of the Museum - which should more aptly be called the "**National Glass Monstrosity**" - are driving a political steamroller that attempts

to foist a building upon the New London waterfront that will defile the railroad station and surrounding landscape, all under the desperate hallucinatory vision of economic development for the city.

This dream is a nightmare: Proposed Museum runs contrary to well-thought-out land use plans, common sense

Moreover, I oppose the Museum because:

- There are six existing and active CG museums around the country, including at the Academy, with thousands of artifacts;
- The Academy's Facility Master Plan for its museum (updated in 2010) recommends relocation to Fort Trumbull;
- The prior site selection committee appointed by the then Commandant in 2005 strongly recommended Fort Trumbull;
- In 2006, the former DEP strongly urged situating the facility at the Fort to compliment the state park;
- The proposed building has the wrong orientation to take advantage of solar energy;
- The proposed pedestrian overpass is not a recommended project in the Regional Transportation Plan;
- The building is not a water dependent use on a site suitable for such development, as required under the Coastal Management Act ("CMA");
- Physical museums are an anachronism in the 21st Century; and
- It would be a gross waste of energy considering the alternative of a virtual museum using three-dimensional holographic images of all artifacts.

Although the proponents continually allege that the CG is the only branch of the services without a museum, **this is not the case**. The CG Museum Northwest in Seattle, Wash. is dedicated to preserving the service's heritage in the Northwest. It has thousands of artifacts; a library of over 3,000 books and periodicals; over 2,500 historical documents; clippings and vessel plans; over 15,000 photographs; numerous detailed ship models; portions of historic ships; uniforms; lenses from lighthouses and buoys; and the Coast Guard flag carried on the first Space Shuttle flight.

The Old CG Station Museum in Virginia Beach honors and preserves the history of Virginia's maritime heritage, coastal communities, the U.S. Lifesaving Service, and services along the Atlantic coast. In 2000, the Cape Blanco Heritage Society opened the Port Orford Lifeboat Station in Oregon as a museum and interpretive center.

And, there is the former CG Life Saving Station, now restored as the Sleeping Bear Point Coast Guard Station Maritime Museum in Glen Haven, Michigan. The exhibits focus on the U.S. Life-Saving Service and Great Lakes shipping history. In the summer, demonstrations are given of rescue drills and equipment used to fire a rescue line from shore. Further, there is the Military Sea Services Museum, Sebring, Fla., containing

artifacts and exhibits. Finally, there is the Heritage CG Museum in Barnstable ("Cape Cod"), Massachusetts. Also, don't forget the CG Alaska series on the Weather Channel.

With 137 million objects, the Smithsonian Institution has launched a new 3-Dimension scanned hologram and printing initiative to make its collection accessible to schools, researchers and the public worldwide. Physical museums are obsolete. The CG could provide viewing of all artifacts over the Internet.

Under Coastal Management rules, the city must give the highest priority and preference to water-dependent uses requiring water access. The Museum does not qualify as water dependent because it does not require such access. Locating the sailing ship Eagle at City Pier would not make the Museum water dependent - it must qualify alone.

With six existing museums, the latest digital technology available for scanning and displaying artifacts on the worldwide web, the lack of water dependency, the incorrect orientation of the building for solar access, the problematical future of funding for operations, the national debt, and a modernistic structure defiling the historic landscape, the preferred alternative is a virtual Internet museum or Fort Trumbull as a second choice.

Hopefully, your subcommittee will determine funding to support displays and exhibits for the proposed Museum imprudent and wasteful.

Very truly yours,

Robert Fromer

Robert Fromer
Environmental Consultant

TUESDAY, MARCH 15, 2016.

UNITED STATES SECRET SERVICE

WITNESS

JOSEPH CLANCY, DIRECTOR, UNITED STATES SECRET SERVICE

Mr. CARTER [presiding]. Good morning, everybody.

Let me start off by saying I am cursed by a bunch of allergy attacks right now, and I may sound like I am either dying or have escaped from a tuberculosis isolation, but I am not contagious, I am just congested, okay? And please forgive me for that.

When I get allergies they all settle in my bronchial tubes, so I sound like heck. But anyway, that is the—you know, live as long as I have you get certain problems that stay with you for a while.

Well, this hearing is called to order and I want to thank all of you for being here. Today we welcome Joe Clancy, the director of the United States Secret Service—his second appearance before the subcommittee.

Director Clancy, welcome. We appreciate you being here. Thank you for your service to DHS and to our nation. We appreciate you.

Before I begin, or we begin, I want to take a moment to remember former Congressman Martin Sabo, who passed away this weekend in his home in the state of Minnesota. Congressman Sabo served 28 years in Congress, and for 2 years served as the ranking member of this subcommittee. Please remember his friends and family in your prayers.

I want to commend you and the Secret Service on successfully and, most importantly, safely completing multiple national security events last September. And you remember that September, especially since the events overlapped as the Pope visited Washington, New York, and Philadelphia at the same time the United Nations General Assembly hosted 162 heads of state in New York. It was truly a whole government response.

Thank you and everyone in the service for a job very well done, and I know you took the responsibility very seriously and we are very proud of you—the kind of pride we like to always have in the Secret Service.

Fiscal year 2017 budget for Secret Service is $1.9 billion, a decrease of $42.4 million below fiscal year 2016, which is largely due to the close of the 2016 presidential campaign cycle. I am pleased to see a continued investment in communications with the inclusion of $27 million to complete a long-needed reinvestment in radios and significant increases to explosive detection systems; chemical, biological and radiological detection systems; and upgrades to the White House physical protective structure.

Director, while you have tackled many challenges over the last year, I remain concerned about the rate of hiring and associated at-

trition, which is forcing unsustainable overtime. On this note, a few weeks ago you and I discussed a new agent career track path you instituted last summer to improve morale. However, your budget underfunds the program's latest initiatives by $29 million, or 130 percent.

I look forward to hearing from you on what you are doing to address these continuing challenges.

Before I turn over to you to make your opening statement, I would like to recognize Ms. Roybal-Allard, our distinguished ranking member, for any remarks she would like to make.

[The information follows:]

Chairman John Carter

Subcommittee on Homeland Security
House Committee on Appropriations

FY 2017 U.S. Secret Service Budget Request
March 15, 2016
Opening Statement As Prepared

Hearing is called to order –

Today we welcome Joe Clancy, the Director of the U. S. Secret Service, in his second appearance before the subcommittee. Director Clancy, welcome…we appreciate you being here and thank you for your service to DHS and our Nation.

Before we begin, I want to take a moment to remember former Congressman Martin Sabo who passed away this past weekend in his home state of Minnesota. Congressman Sabo served 28 years in Congress and for two years served as the ranking member on this subcommittee. Please remember his friends and family in your prayers.

First, I want to commend you and Secret Service on successfully and, most importantly, safely completing multiple National Security Special Events last September; especially since several of the events overlapped as the Pope visited Washington, New York, and Philadelphia at the same time the United Nations General Assembly hosted 162 heads of state in New York. It was truly a whole of government response. Thank you and everyone at the Service for a job well done.

The fiscal year 2017 budget for Secret Service is $1.9 billion, a decrease of $42.4 million below fiscal year 2016, which is largely due to the close of the 2016 Presidential Campaign cycle.

I am pleased to see continued investment in communications with the inclusion of $27 million to compete a long needed reinvestment in radios and a significant increase to explosive detection systems, chemical, biological and radiological detections systems and upgrades to the White House physical protective structures.

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Before we turn to you for you opening statement, I would like to recognize Mrs. Roybal-Allard, our distinguished Ranking Member, for any remarks she'd like to make.

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Ms. ROYBAL-ALLARD. Thank you, Mr. Chairman.

And I, too, would like to take a moment to send my condolences to former Representative Martin Sabo's family. He was a tireless advocate for the people of Minnesota and our country, and we have lost a truly remarkable person and I am saddened by his passing. I hope his family and the people of Minnesota will find comfort in the legacy he built and in the foundation he built for members of this subcommittee and for his state.

Director Clancy, welcome to this morning's hearing. I know the past few years have been challenging for the Secret Service, but I am very hopeful that you have now turned a corner on putting the agency back on the right track.

Beyond incidents that have brought negative attention to the agency, the Secret Service faced a significant operational challenge last September when it provided protection for the Pope's visit and the United Nations General Assembly while also preparing for the beginning of the presidential nomination and transition process.

By all accounts, the Secret Service performed admirably, and I congratulate you, your senior staff, and all the men and women of the Secret Service on a job well done. I understand a number of TSA and ICE personnel also pitched in and supported the efforts, so this was truly a DHS unity-of-effort initiative.

Other tests will be the nuclear summit coming up at the end of March, the ongoing presidential nomination contest, and the presidential transition next January.

Earlier this year you began providing protection for three presidential candidates in addition to protection already provided to Hillary Clinton as a former First Lady. By the summer, you will be protecting the nominated candidates, and shortly after that, setting up President Obama's post-presidency protective detail.

Since the Protective Mission Panel issued its report, the Secret Service has made a number of productive changes, including improvements to the hiring process for both officers and agents. But as we discussed, officer attrition continues to be a real problem.

Thank you for joining us this morning. I look forward to hearing from you about the progress you see at the agency, areas that you hope to address during the last year of the administration, and how the fiscal year 2017 budget request will help the Secret Service continue moving in the right direction.

I yield back.

[The information follows:]

Roybal-Allard statement at hearing on Secret Service budget request

March 15, 2016
Press Release

"Director Clancy, welcome to this morning's hearing.

I know the past few years have been challenging for the Secret Service, but I am very hopeful that you have now turned a corner on putting the agency back on the right track.

Beyond incidents that brought negative attention to the agency, the Secret Service faced a significant operational challenge last September, when it provided protection for the pope's visit and the United Nations General Assembly, while also preparing for the beginning of the presidential nomination and transition process. By all accounts, the Secret Service performed admirably, and I congratulate you, your senior staff, and all the men and women of the Secret Service on a job well done. And I understand that a number of TSA and ICE personnel also pitched in to support the effort, so this was truly a DHS unity of effort initiative.

Other tests will be the nuclear summit coming up at the end of March, the ongoing presidential nomination contests, and the presidential transition next January.

Earlier this year, you began providing protection for three presidential candidates, in addition to protection already being provided to Hillary Clinton as a former first lady. By the summer, you will be protecting the nominated candidates, and shortly after that, standing up President Obama's post-presidency protective detail.

Since the Protective Mission Panel issued its report, the Secret Service has made a number of productive changes, including improvements to the hiring process for both officers and agents, but, as we've discussed, officer attrition continues to be a real problem.

Thank you for joining us this morning. I look forward to hearing from you about the progress you see at the agency, areas you hope to address during the last year of the administration, and how the FY17 budget request will help the Secret Service continue moving in the right direction."

Mr. PRICE. Mr. Chairman, before we turn to our director could I say just a word about our colleague, Martin Sabo?

Mr. CARTER. Certainly. David, I recognize you.

Mr. PRICE. I remember Martin Sabo very fondly as just a wonderful man, wonderful colleague, devoted member of this institution. He first entered public life at the ripe age of 22, I believe, when he was elected to the Minnesota House. He later served as speaker of the Minnesota House and then succeeded Donald Fraser, an esteemed member of this institution, in the U.S. House of Representatives.

Martin was a well-established, accomplished member by the time I got here in the in the late 1980s. He served as chairman of the House Budget Committee and then was the inaugural ranking member of this subcommittee when this—he had offered leadership on appropriations in a number of areas, most notably transportation. But when this subcommittee was first formed, Martin took on the leading Democratic role on the subcommittee, and that is where I served most closely with him and learned a great deal from him as we figured out what the Homeland Security Subcommittee was all about and what this new department was all about as we undertook that post-9/11 reorganization here in the House.

So it is with real sadness and very fond memories that we receive news of Martin's death. And since this is the first subcommittee hearing since that has occurred, I think it is appropriate that all of us pause to remember him and his service to our country.

Thank you, Mr. Chairman.

Mr. CARTER. Thank you, Mr. Price.

Anyone else want to comment?

All right.

Director Clancy, we have your written submission, but we are ready to hear from you and we yield the floor to you.

OPENING STATEMENT: DIRECTOR CLANCY

Mr. CLANCY. Thank you, Mr. Chairman.

Good morning, Chairman Carter, Ranking Member Roybal-Allard, and distinguished members of the committee. I am honored to join you to discuss the President's fiscal year 2017 budget request for the Secret Service.

This budget builds on the investments made over the past 2 years, moves our agency forward, and strengthens our capabilities to carry out our priority mission of protecting the President and the White House. The fiscal year 2017 budget will continue to advance initiatives centered on increased staffing and training as well as enhancements to technologies and infrastructure that directly support our front-line personnel. These investments are important contributors to our operational success.

Ultimately, it is the dedication and the professionalism of our people that ensures our success as an agency. I am proud of them and what we are accomplishing together every day.

The fiscal year 2017 budget for the Secret Service totals $1.9 billion. This amount is roughly $42 million below this year's enacted level, largely due to the drawdown of the presidential campaign operations.

Program increases proposed in the budget will allow us to complete the 2-year effort to upgrade the radios and associated infrastructure at the White House complex. Other enhancements at the White House complex include ongoing work to replace aging officer booths and security gates and necessary investments in classified protective countermeasures to address known and emerging threats.

In addition to these increases, the budget provides funding for the final months of the presidential campaign activities and to sustain the costs associated with the establishment of the former presidential protective division for President Obama, to ensure a smooth transition on January 20, 2017.

The Secret Service is focused on our human capital needs across the organization. Attaining appropriate staffing levels will ease overtime demands on individual employees and further increase training opportunities.

In fiscal year 2015 the agency hired 500 new employees. In fiscal year 2016 we are building on this momentum as we work to meet our goals of hiring 860 new employees. In fiscal year 2017 we will continue to maximize our hiring efforts as we work to keep pace with our 5-year human capital plan and fulfill the recommendations made by the Protective Mission Panel.

As we work to meet our hiring goals, it is critical that we recruit the highest-quality candidates. In 2015 more than 2,100 recruits representing 96 organizations attended the Federal Law Enforcement Training Center, or FLETC. Only eight received the prestigious Honor Graduate Award. I am proud to say that four of those recipients were Secret Service recruits.

As impressive as this achievement is, I am especially proud that one of our special agent trainees earned the distinguished title of 2015 FLETC Honor Graduate of the Year. I congratulate these individuals for their achievements and could not be more optimistic about our future when I see people of this caliber joining our ranks.

While the Secret Service has made significant progress in meeting our hiring goals, we have yet to see the desired impact on our overall staffing levels due to increased attrition. In order to maximize our hiring gains, we have turned considerable attention to the retention of our existing workforce. We have begun retention initiatives available to us within our existing authorities and are pursuing several options for more comprehensive retention initiatives, which will be inclusive of all members of our workforce.

Every presidential campaign increases the operational tempo of the Secret Service. This year a number of National Special Security Events, as well as overseas protective travel, have increased the tempo even further.

This increased operational tempo highlights two important points.

Number one, the success of these protective trips and events is dependent on more than just those agents and officers assigned to permanent protective details. The majority of the staffing and advanced planning that is required to fulfill the mission is a result of special agents and support staff working in field offices around the world.

Number two, our hiring and retention initiatives are especially critical this year so our employees across the agency can begin to see the benefits of increased staffing levels.

With respect to the presidential campaign, candidate protection details are currently in place for Secretary Clinton, Donald Trump, and Senator Bernie Sanders. Work has already been underway for months to establish the security plans for the nominating conventions which will take place later this summer.

In fiscal year 2017 the budget provides $72 million for presidential campaign activities. This includes protection costs for the nominees and their families through the general election, funding for the protection of the President-elect and Vice President-elect and their immediate families during the transition, and funding to secure the 58th presidential inauguration and associated events.

As we move further into the 2016 presidential campaign cycle, I recognize the next year will remain challenging. As our personnel continue to meet the considerable demands of the mission, my leadership team will support them by building on last year's staffing and retention initiatives.

We will continue to advance training as a central component of our success and aggressively pursue the equipment and technologies that are reflective of an elite organization and ensure our employees have the tools necessary to provide them every advantage.

Through the dedication and sacrifices of our employees around the world, the Secret Service has built momentum at a time when the demands of the mission are at its highest. I ask for the committee's support for this budget, which will continue this momentum at a critical time in our agency's history.

To close, I would like to take a moment to extend our condolences to the Reagan family on the passing of former First Lady Nancy Reagan. Protecting the President and first family is an honor unique to the Secret Service. Over the course of 35 years, many fine people served President and Mrs. Reagan with honor and distinction. I salute them all, past and present, for their service and thank the Reagan family for this privilege.

Chairman Carter, Ranking Member Roybal-Allard, thank you once again for the opportunity to be here to represent the men and women of the Secret Service. I will be happy to answer any questions you and the members of the committee may have.

[The information follows:]

Prepared Testimony

Joseph Clancy

Director
United States Secret Service

Before the

Committee on Appropriations
Subcommittee on Homeland Security
United States House of Representatives

March 15, 2016

Introduction

Good morning Chairman Carter, Ranking Member Roybal-Allard, and distinguished Members of the Committee. It is my honor to appear before you to discuss the President's Fiscal Year (FY) 2017 Budget for the Secret Service. Building on the investments made by the Committee over the past two fiscal years, I am pleased the Budget fully supports my number one priority, the protection of the President and the White House. Increased hiring and training, enhancements to protective countermeasures technology and infrastructure, and upgrades to communications that directly support our front line special agents and Uniformed Division Officers all contribute to our operational success. Many of the Secret Service's operational achievements over the past year were highly visible to people inside and outside of the organization. Most notably, the agency successfully executed the largest domestic security operation in history, while also investigating some of the most significant network intrusion cases ever prosecuted.

With respect to protection, the Secret Service faced unprecedented challenges in FY 2015 regarding the National Special Security Event (NSSE) designations for Pope Francis' visit to the United States, with stops in Washington, DC, New York, NY, and Philadelphia, PA. The Pope's visit coincided with the annual United Nations General Assembly, also designated an NSSE, where many world leaders under Secret Service protection convened for multiple days. While partners from state and local law enforcement, the military, the Federal Bureau of Investigation and across all of government supported these NSSEs as envisioned in Presidential directives, I am proud to say these recent events also demonstrated a tremendous "Unity of Effort" within the Department of Homeland Security (DHS). The Federal Emergency Management Agency, the U.S. Coast Guard, the Transportation Security Administration (TSA), U.S. Immigration and Customs Enforcement (ICE), U.S. Customs and Border Protection, and others were all critical to the security planning and execution efforts. This "all of government" approach to NSSEs will be implemented again later this month when the United States hosts the 2016 Nuclear Security Summit in Washington, DC, an event that is expected to attract an estimated 45 foreign heads of state and government.

Despite the added challenges of multiple NSSEs, the Secret Service ensured the safe arrival and departure for all 6,245 protective travel stops in FY 2015, while also completing 6,617 protective surveys and conducting 136 protective intelligence arrests, an increase of over 200 percent from FY 2014. Given the pace and volume of protective travel every year, it is easy to lose sight of the fact that protection of the President and other protectees involves more than the special agents assigned to protective details and Uniformed Division officers. The majority of the staffing and advanced planning that is required to fulfill the mission is the result of special agents working in field offices around the world. The success of these protective trips is dependent on the relationships those agents have with their state, local, and international law enforcement counterparts, which is developed largely through cooperative investigative work.

In a year that will be remembered for Pope Francis' historic visit, the Secret Service achieved quiet but notable successes in protecting the nation's banking and other financial infrastructure, especially through the agency's expertise in cybercrime investigations. As a result of the agency's investigative work, more than $589 million in cybercrime loss was prevented in FY 2015. In addition, special agents trained in the various disciplines of our Electronic Crimes Special Agent Program (ECSAP) processed 955 terabytes of evidentiary data during 3,099 forensic exams, while also supporting a 39 percent increase in terabytes examined by state and local law enforcement partners trained at the National Computer Forensics Institute (NCFI). Further, in FY 2015, the NCFI trained 764 law enforcement investigators, 286 state and local prosecutors, and 61 judicial officials for a total of 1,111 students.

Major investigative accomplishments in FY 2015 include dismantling the largest known computer hacking and securities fraud scheme ever prosecuted. As a result, nine individuals were federally charged for the international scheme, which generated approximately $30 million in illegal profits. Identifying and charging these individuals was the result of successful investigative work and collaborative efforts amongst several state, local, and international law enforcement partners. Another successful investigative highlight was the extradition of the alleged architect of three cyberattacks that resulted in $55 million in losses to the global financial system. As a result of this investigation, the Secret Service has expanded its knowledge of this criminal organization, and remains at the forefront of investigating emerging malicious cyber trends and tactics.

In a threat environment where the lines between physical and cyber security are increasingly blurred, the Secret Service's expertise and ongoing specialized training in cyber is vital. Special agents who demonstrate a technical proficiency in cyber through either the computer forensics or network intrusion disciplines of the ECSAP program are eligible to support Critical Systems Protection (CSP) advances. CSP-trained agents identify, assess, and mitigate risk posed by information and process control systems to the people and facilities protected by the Secret Service. The program supports a full spectrum of protective operations to include domestic and international trips, as well as NSSEs. In direct support of the Presidential, Vice Presidential, and Dignitary Protective divisions, agents assigned to CSP implement preventative, detective, and corrective controls to reduce the risk of a cyberattack during protective operations. In addition, the CSP Network Operations Center works closely with the Intelligence Community to safeguard the White House Complex, Vice President's Residence, foreign missions, and other high-profile sites.

Leadership and Morale

The operational successes of the past year are a direct result of our brave men and women serving on the front lines. These men and women deserve strong leadership and unwavering support, and to that end, I have rebuilt the Secret Service's command structure and implemented policies to increase transparency and communication between senior leaders, supervisors, and the rank and file across the agency to improve morale.

By aligning operational and mission support functions under two different executives, the Deputy Director and the Chief Operating Officer (COO), we now have a structure in place that allows us to focus on both our operational mission and the business needs of the agency, recognizing the specialized skills needed to effectively manage each. I also implemented the first ever Special Agent Career Progression policy, allowing employees to better plan and predict for themselves and their families when they should expect upcoming moves and transfers. Further, the agency published policies on promotions and implemented a new special agent promotion and reassignment bid process and schedule to increase transparency.

I also launched a completely new employee engagement web-based platform we named Spark!, which has already yielded positive feedback and change. One example of how Spark! is contributing to the mission is the recent announcement that the Secret Service will leverage newly graduated special agents in two week temporary assignments at the White House Complex. Driven in part by suggestions received on Spark!, this initiative will help address the demands on our Uniformed Division Officers while providing valuable experience for new special agents. These assignments will occur following the class graduations from the James J. Rowley Training Center (JJRTC).

FY 2017 Budget Request

The President's FY 2017 Budget for the Secret Service includes a total of $1.9 billion, which is $42.4 million below the FY 2016 enacted level largely due to the drawdown of 2016 Presidential Campaign operations. Net program increases proposed in the Budget total $54.9 million, and include $27.7 million to complete the White House/National Capital Region Radio System Upgrade project and $41.2 million for Operational Mission Support (OMS) program enhancements.

The two-year effort to upgrade the radios and associated infrastructure at the White House Complex is in response to the Protective Mission Panel's findings and recommendations, and was subsequently addressed by the DHS Office of Inspector General who noted that, "a single

missed transmission or delay could result in a national incident."[1] OMS is the Secret Service's key investment program that supports the protection of the President and Vice President, the White House Complex and Vice President's Residence, and temporary protective sites from known and emerging threats. Planned enhancements in FY 2017 include ongoing work to replace aging officer booths and security gates at the White House Complex and classified protective countermeasures. In addition to these increases, the FY 2017 Budget also provides funding for the final months of presidential campaign activities, and to sustain the costs associated with the establishment of the former presidential protective division for President Obama.

2016 Presidential Campaign

The 2016 Presidential Campaign is off to a busy start with candidate protection details already established for Secretary Clinton, Donald Trump, and Senator Bernie Sanders. Protection for Dr. Benjamin Carson, which began on November 11, 2015, was discontinued shortly after he suspended his campaign on March 4, 2016. In addition, work has been underway for months to establish the security plans for the Republican National Convention, which will be held in Cleveland, OH from July 18-21, 2016, and the Democratic National Convention, which will be held in Philadelphia, PA from July 25-28, 2016.

Consistent with previous campaigns and NSSEs, the Secret Service has a demonstrated track-record of working in close coordination with other DHS agencies. In support of the 2016 Presidential Campaign, the Secret Service will once again work with ICE and TSA. ICE personnel who have received protective operations training will assist with post-standing assignments, residence security, and other protective functions. In addition, TSA will continue to support our Uniformed Division magnetometer operations throughout the country. Over the years, the exceptional support provided by ICE, TSA and other Department components and agencies has been significant.

The FY 2017 Budget includes $72.1 million for 2016 Presidential Campaign protection activities. This includes the protection costs for the Presidential and Vice Presidential nominees and their families from October 1, 2016 through the General Election. The campaign budget includes funding to secure two Presidential debates—one in St. Louis, MO on October 9, 2016, and one in Las Vegas, NV on October 19, 2016—as well as one Vice Presidential debate in Farmville, VA on October 4, 2016. Following the general election, the Budget provides funding for protection of the President-elect and Vice President-elect and their immediate families, as well as costs associated with securing the 58th Presidential Inauguration.

[1] Department of Homeland Security, Office of Inspector General, U.S. Secret Service Needs to Upgrade Its Radio Systems, p. 5, January 21, 2016. Available at: https://www.oig.dhs.gov/assets/Mgmt/2016/OIG-16-20-Jan16.pdf

Post-Presidency Detail

When the next President is sworn into office on January 20, 2017 and the current President reenters private life, the Secret Service will be prepared with the establishment of a former Presidential protective division. The President's FY 2017 Budget will allow the Secret Service to sustain the salaries and benefits for the 108 special agents and 30 Administrative, Professional, and Technical personnel hired in FY 2015 and FY 2016 to establish the new division. FY 2017 funding also includes Permanent Change of Station moves, protective travel, facilities, and related equipment. In addition to a former Presidential protective division for President Obama, Vice President Biden and Mrs. Biden will be eligible to receive Secret Service protection for six months upon leaving office.

Staffing and Training

In addition to staffing a former Presidential protective division for President Obama, the Secret Service is focused on our human capital needs across the organization and is engaged in a two-pronged strategy focused on both hiring and retention. In FY 2015, the agency re-tooled and kick-started its dormant hiring process by hiring 207 special agents, 151 Uniformed Division Officers, and 142 Administrative, Professional and Technical staff members.

Building on this momentum, the Secret Service plans to hire 300 special agents, 300 Uniformed Division Officers, and 260 Administrative, Professional and Technical personnel this fiscal year. This is an ambitious goal, but we are working tirelessly to achieve it. As of last month, the agency had already placed 88 special agent recruits and 96 Uniformed Division Officer recruits into training classes, and the Federal Law Enforcement Training Center is working to accommodate our expanded needs, utilizing both the Glynco, GA and the Artesia, NM facilities. This initial progress is significant—re-tooling and producing are extremely hard to do at the same time—but employees across the organization will increasingly see the operational benefit as we move through the remainder of this year, as new personnel complete training and enter the mission.

The FY 2017 Budget supports 6,705 full time equivalents (FTEs) and 6,772 positions, which is 224 FTEs and 58 positions higher than budgeted for this fiscal year. Depending on the time it takes to on board these new hires, and its impact on our budgeted FTE, I believe the FY 2017 Budget will allow us to maximize our hiring efforts again next year, as we work to keep pace with our five-year Human Capital Plan and fulfill the recommendation made by the Protective Mission Panel to increase the Uniformed Division workforce by 200 officers.

While the Secret Service has made significant progress on our hiring goals, these achievements have the effect of running in place if attrition is ignored. As such, the retention of our existing

workforce is a priority. The agency's first retention effort to date was directed at our Uniformed Division workforce, where we were able to implement the Uniformed Division Retention Bonus Program. So far, over 1,000 uniformed officers have elected to participate in this two-year program and we are beginning to evaluate the effectiveness of this program using actual retention data. The Secret Service is also considering several options for a more comprehensive retention program aimed at all members of our workforce.

I am also pleased to report that the establishment of a standalone Office of Training (Training) is producing big results for the agency. Beyond the basic training necessary to support our expanded hiring activities, Training has increased its offerings for our existing workforce. In the past year alone, nearly 800 Uniformed Division officers have attended Emergency Action and Building Defense training, while another 650 officers attended mission in-service training. Training also conducted 30 candidate protection training sessions at the JJRTC and in the field for a total of 943 special agents. Another 11 detail training courses for 221 special agents were completed, all while maintaining an extremely demanding operational tempo.

The Secret Service has also expanded the training and activities necessary to deploy new equipment. Thanks to funding provided by the Committee last year, the agency procured a new shoulder weapon for our front line personnel. The Secret Service is currently providing instruction on this weapon system for all Uniformed Division basic and special agent protective detail trainees in preparation for its deployment.

Protective Mission Panel Recommendations

While on the topic of funding, I want to thank the Committee for providing $84.5 million in our FY 2016 Budget to address the recommendations of the Protective Mission Panel. This funding will be used in part to begin the permanent replacement of the White House perimeter fence, replace our canine training facility and refurbish our ranges and tactical areas at our training facility, and complete the feasibility study and design work for the White House Training Facility. Some of these initiatives, particularly those involving construction, were provided as multi-year funding and do not require additional funding in FY 2017, while others have second year or sustainment needs that are included in the FY 2017 Budget.

With respect to the White House perimeter fence replacement, the Secret Service participated in a study with the National Park Service that was completed in May 2015 and provided several options for the development and structural re-design of the current fence. After the study was completed, the Secret Service identified its preferred fence option, and in September 2015 awarded a contract through the National Park Service to an architecture/engineering firm to begin design of the fence. The Secret Service and National Park Service expect to bring the

initial schematic design concepts to the Commission on Fine Arts and the National Capital Planning Commission (NCPC) in April–June of this year.

The Secret Service is committed to implementing a permanent upgrade to the White House fence on a priority basis. Pending approval of all the stakeholders involved, the Secret Service expects to use the two-year funding appropriated in FY 2016 to complete the design and potentially begin the acquisition and procurement process late next fiscal year. This will allow for award of a phased construction contract to begin building useable segments of the permanent fence in FY 2018. Additional funding will be required in FY 2018 and beyond to complete the phased construction of the fence around the White House Complex, the Eisenhower Executive Office Building, and the Treasury Building.

In terms of training infrastructure enhancements, the Secret Service is working on a revised JJRTC Master Plan and will submit the plan for NCPC approval in October–December of this year, which is required prior to moving forward with the new canine facility and the White House Training Facility. One of the central recommendations of the Protective Mission Panel was for our special agents and uniformed officers to "train in conditions that replicate the physical environment in which they will operate."[2] To fulfill this recommendation, the Secret Service is finalizing the feasibility study and design plan for the White House Training Facility, which will also include a revised cost estimate to build the facility. Once constructed, the facility will allow us to more accurately recreate the operational environment at the White House Complex. For those members who have not been to the JJRTC, I encourage you to visit and see firsthand the challenges of the area currently used to facilitate White House training scenarios.

Information Technology and Operational Communications Modernization

In addition to the White House fence replacement and training recommendations, the Protective Mission Panel also reinforced the importance of technology systems that support security functions at the White House Complex. As previously mentioned, the FY 2017 Budget includes $27.7 million to complete the White House/National Capital Region Radio System Upgrade project. These funds will ensure full integration of the new radio systems with the Joint Operations Center (JOC) and other 24/7 operational locations. The FY 2017 Budget also includes $4.9 million to continue the JOC upgrades that will begin this year. These funds will provide for the procurement and installation of JOC interoperability systems, which include video feeds from the National Capital Region camera systems, including the Metropolitan Police, the Park Police, and the Capitol Police.

[2] United States Secret Service Protective Mission Panel, Executive Summary to [the] Report from the United States Secret Service Protective Mission Panel to the Secretary of Homeland Security, p. 7, December 15, 2014. Available at: http://www.dhs.gov/sites/default/files/publications/14_1218_usss_pmp.pdf

Much of the Secret Service's operational communications systems— secure voice phones, Secret and Top Secret messaging systems, Radio over Internet Protocol (ROIP) and Voice over Internet Protocol (VOIP) phone systems, Tri-Band and classified radios for special operations teams, secure video teleconferencing infrastructure—rely on the modern Information Technology (IT) infrastructure made possible through investments in the Information Integration and Technology Transformation (IITT) program. Last year, the agency finally retired its 1980s-era mainframe and is now operating in a modern, web-based environment. In FY 2017, funding requested through IITT will provide increased bandwidth, improved security to protect against illicit intrusions and viruses, enhanced data search and retrieval tools, and overall improvements in computing and network speeds as well as increases in reliability and system performance throughout the Secret Service.

Given the importance of IT to overall mission success, I recently reorganized all Secret Service IT under a strengthened Chief Information Officer (CIO) who reports directly to the COO. The new CIO is responsible for planning and directing all business and programmatic activities for the Secret Service to strengthen budgetary and strategic planning efforts.

Conclusion

As we move further into the 2016 Presidential Campaign cycle, I recognize the next year will be challenging for the men and women of the Secret Service. As our special agents, Uniformed Division Officers, and Administrative, Professional, and Technical staff continue to meet the high-tempo demands of the mission, my leadership team will be working to support them by building on last year's staffing and retention initiatives. We will also continue our push to provide our workforce with the training and equipment they need to do their jobs effectively and confidently. We will expand our special agent reintegration training and deploy on-going regionally based refresher training for special agents in the field. We will also create a working group to focus on the in-service training needs of our Administrative, Professional, and Technical workforce.

Thanks to the hard work, dedication, and many sacrifices of our employees around the world, I believe the Secret Service has built up momentum at a time when the demands of the mission are at its highest. I ask for your support of the FY 2017 Budget, which will continue this momentum and provide our front line employees in particular with the training, equipment, and technology to perform at their best.

Joseph P. Clancy
Director
United States Secret Service

President Barack Obama appointed Joseph P. Clancy as the 24th Director of the United States Secret Service on February 18, 2015.

A 27-year veteran of the Secret Service, Joseph P. Clancy was appointed Special Agent in Charge of the Presidential Protective Division on February 1, 2009. Mr. Clancy held this position until his retirement from the Secret Service on June 30, 2011. Following his retirement, Mr. Clancy served as the Executive Director of Cable Security at Comcast Corporation.

Mr. Clancy's career with the Secret Service began in May 1984 in the Philadelphia Field Office. In 1989, Mr. Clancy transferred to the Presidential Protective Division where he served for eight years. Following this assignment, Mr. Clancy returned to the field, assigned to the New York Field Office.

In 1999, Mr. Clancy entered the agency's supervisory ranks, returning to the Presidential Protective Division as the Assistant to the Special Agent in Charge. Two years later, Mr. Clancy transferred to Secret Service headquarters where he was assigned as a Staff Assistant in the Office of Congressional Affairs and was detailed to the Commerce, Justice and State Senate Appropriations Subcommittee. Mr. Clancy also served in the Secret Service Office of Inspection, the agency's internal affairs division.

In October 2001, Mr. Clancy was selected to serve as a Staff Assistant in the Office of Homeland Security. During this two-year assignment, he served as the Director for National Special Security Events.

Mr. Clancy returned to the Presidential Protective Division in March 2003 as Assistant Special Agent in Charge. He was then promoted to Deputy Special Agent in Charge in June 2005 and was selected for the Senior Executive Service. Mr. Clancy served in that position until his promotion to Special Agent in Charge of the Presidential Protective Division in February 2009.

Mr. Clancy attended the United States Military Academy at West Point and is a graduate of Villanova University with a Bachelor of Arts in Political Science/Criminal Justice. Prior to joining the Secret Service, Mr. Clancy worked as a high school teacher and football and baseball coach for the Philadelphia Archdiocese.

A native of Philadelphia, Pennsylvania, Joseph Clancy and his wife, Andrea, have been married for 31years. They have four children.

STAFFING

Mr. CARTER. Well, thank you, Director. We will try to stay to our 5-minute, but we have a little flexibility.

Right to something you mentioned in your conversation when you started. Given the amount of overtime being worked by agents on the President's detail on campaigns and within the uniformed division, it is obvious the service needs additional agents and officers. In fact, your own human capital plan says you will need 7,600 people by the end of fiscal year 2019, an increase of 1,300 above your current end strength of 6,287.

However, your fiscal year 2017 budget only requests 6,772 positions. Congress funded 6,714 positions in fiscal year 2016 for the Secret Service. Is that number obtainable in light of the fact that the service is losing more agents than they have brought onboard?

In the last 4 months you have lost 19 positions. Can you truly bring on 427 people by the end of September?

How is the service changing the recruitment and the hiring process to ensure that both quality and quantity officers are acquired?

Lastly, is 7,600 personnel truly the requirement of the Secret Service? If so, your future budget continues to build on this number? Is that correct?

I note that the fiscal year 2017 budget only increases by 58 FTE over fiscal year 2016, and none of those are special agents and uniformed division, but instead are all support staff. Could you go into some detail on that?

Mr. CLANCY. Yes. Thank you, Mr. Chairman. When I first came in over a year ago I had three priorities: staffing, training, and morale, and you have hit on the number one priority here, which is staffing.

We have basically re-tooled the way we go about hiring people, trying to condense the time without lowering the quality of candidates that we get to bring in new employees. We have had to retool the way we do business in our human resources.

But we have made significant progress in our hiring. As you see, we hired, in fiscal year 2015, approximately 200 agents. We hired approximately 150 Uniformed Division officers and approximately 140 professional staff people.

So in our first year we have done significant hiring, and we will continue to build on that momentum. We are very confident that this year, fiscal year 2016, we will reach our goals of hiring 312 agents, 312 officers, and over 260 professional staff.

We think that we have this hiring process fixed, I would say. But the big issue for us here—and you hit it here, Mr. Chairman—is the retention.

We are losing a lot of folks. Our attrition rate for Uniformed Division is approximately 8 percent; for our agent population it is about 7 percent; and for our professional staff it is about 8 percent. So we are losing some very good people, and when you think of the amount of time that we invest in training these people, the amount of time that we take to give them the experience they need, and then to lose those, we have got to find ways to keep them.

One initial retention initiative that we have done, which we thought was within our authority working with the Department of

Homeland Security, was to provide a bonus for Uniformed Division officers. It is a 2-year plan. It hopefully entices our Uniformed Division officers to stay throughout this critical time in our agency where we have this campaign going on.

Over 1,000 of our uniformed division officers signed up for that, but we have more initiatives on the table that we are looking at within our authority.

Just as an example, we are hoping to push out this month a student loan repayment initiative; also a tuition assistance initiative. Those are, within our authority, things that we can do to try to entice our people to stay with us rather than move on to other agencies or other opportunities.

There may be additional initiatives we may look at further. Of course, we would work with your staff and the Department of Homeland Security and OMB if we go in that direction.

Mr. CARTER. Is your chief financial officer looking at this and telling us what it is going to cost to do those things? We have got that great ideas will retain people. I can understand that. But in turn, we have got to always put in what you are requesting so we don't have any shortfalls.

Mr. CLANCY. Yes.

Mr. CARTER. Because we have got some shortfalls we have to deal with right now.

Mr. CLANCY. Yes. In fact, I have the Chief Financial Officer with me today. She was newly appointed to this position within the past year—and I may get into this later with the structure of the Secret Service—but in the past we have had agents in a lot of these positions, and now we are moving to run this agency as a business and we have brought in a Chief Financial Officer who has that expertise.

Mr. CARTER. That is a good idea.

We are joined by the Chairman of the whole committee. Even though we are into questioning, I am going to yield to Hal Rogers to make an opening statement or any comments he may make.

Chairman ROGERS. Well, thank you, Mr. Chairman. I apologize for being late, and I have to leave early because we have got three simultaneous hearings——

Mr. CARTER. Yes, we do.

Chairman ROGERS [continuing]. That I have to be at. But I wanted to be here with the Director and you.

I want to echo the sentiments exercised by the Chairman, Ranking Member, and others regarding our former colleague and committee member Marty Sabo. Marty dedicated over 47 years of his life to public service, 28 of which was in this House, including 2 years as the first ranking member of this subcommittee.

David, I am correct on that, aren't I?

Mr. PRICE. That is right.

Chairman ROGERS. When we started this subcommittee on Homeland Security in 1980 and 2003, Marty was ranking member, I was the first chairman. We worked together beautifully and I think effectively for those years.

He was a true patriot, he was a great legislator, former speaker of his home state House, and many other things. My condolences

go out to his family, Sylvia, his wife, and loved ones, and let them know that he will be sorely missed here in his nation's capital.

Mr. Director, thank you for being here. I want to share my gratitude, first off, for the men and women at your agency who serve our great country, many of whom put their lives on the line on a daily basis and put their families, really, in harm's way themselves.

Your fiscal year 2017 request includes $1.89 billion. That is a $42 million decrease from current levels, largely due to the winding down of the presidential campaign, I understand. The request includes $108 million to enhance security at the White House, $27 million for national capital region radio system upgrades, $72 million to continue the security work of presidential candidates throughout the inauguration.

I am disappointed, though, to see that the request does not include funding for the National Center for Missing and Exploited Children, which has been a bipartisan priority for years.

The Secret Service fulfills a very critical mission, of course, of protection and investigation. Your agency is charged with protecting the Commander-in-Chief, the Vice President, presidential candidates, visiting foreign heads of state, among many others.

This past year you were tasked with protecting the Pope on his visit throughout the U.S., as well as over 160 visiting heads of state or their spouses for the U.N. General Assembly in New York. These were no small tasks and I want to commend you and all the men and women at your agency for the tremendous job they did. The world was watching and the Secret Service did an exemplary job.

There is much to praise your agency about, but there have also been some major missteps in recent years. There seems to be an overarching theme within the Secret Service since well before your tenure as director began just a short time ago.

A number of high-profile incidents in the recent past have called many to question the integrity, culture, and effectiveness of the agency. From a series of unacceptable misconduct acts by some of your agents to major security lapses, changes need to be made in order for the Secret Service to regain the trust of the American people.

While I have to commend you and your agency for being relatively scandal-free since the last time you came before this subcommittee, the bar needs to be set much higher. Leadership starts at the top and I trust that you are leveraging your career's worth of experience to right the ship at the Secret Service.

I look forward to hearing from you today on what measures you have put in place over the last year to address these problems at your agency.

[The information follows:]

Chairman Hal Rogers
House Committee on Appropriations

FY 2017 U.S. Secret Service Budget Request
March 15, 2016
Opening Statement As Prepared

Thank you for yielding, Mr. Chairman.

Before I get started I'd like to echo the sentiments by the Chairman and Ranking Member regarding my former colleague and committee member, Martin Sabo. Martin dedicated over 47 years of his life to public service, 28 of which was in the House of Representatives including two years as ranking member of this subcommittee. He was a true patriot and great legislator. My condolences go out to his family and loved ones, he will be missed.

Director Clancy, thank you for being here today to discuss your Fiscal Year 2017 budget request for the U.S. Secret Service. Before delving into your budget proposal, I want to share my gratitude for the men and women at your agency who serve our great nation – many of whom put themselves in harm's way on a daily basis.

Your Fiscal Year 2017 budget request includes $1.89 billion, which constitutes a $42 million decrease from last year's enacted levels – largely due to the winding down of the presidential campaigns. The request includes $108 million to enhance security at the White House, $27 million for national capital region radio system upgrades, and $72 million to continue the security work of presidential candidates through the inauguration. However, I am disappointed to see that the request does not include funding for the National Center for Missing & Exploited Children, which has been a bipartisan priority for years.

The Secret Service fulfills a critical mission of protection and investigation. Your agency is charged with protecting the Commander in Chief, the Vice President, presidential candidates, visiting foreign heads of state, among many others. This past year, you were tasked with protecting the Pope on his visit throughout the U.S., as well as over 160 visiting heads of state and their spouses for the U.N. General Assembly in New York. These were no small tasks and I want to commend you and all the men and women at your agency for the tremendous job they did. The world was watching, and the Secret Service did an exemplary job.

Although there is much to praise your agency about, there have also been some major missteps in recent years. There seems to be an overarching theme within the Secret Service since well before your tenure as Director began just a short time ago. A number of high-profile incidents in the recent past have called many to question the integrity, culture and effectiveness of the agency. From a series of unacceptable misconduct by some of your agents, to major security lapses, changes need to be made in order for the Secret Service to regain the trust of the American people. While I have to commend you and your agency for being relatively scandal-free since the last time you came before this subcommittee, the bar needs to be set much higher. Leadership starts at the top, and I trust that you are leveraging your

career's worth of experience to right the ship at the Secret Service. I look forward to hearing from you today on what measures you have put in place over the last year to address these problems at your agency.

Although these public-facing missions get most of the attention at the Secret Service, you have other critically important missions that safeguard the nation's financial infrastructure. Your agency plays a vital role in protecting the U.S. economy from cybercrime and the counterfeiting of currency. In Fiscal Year 2015 alone, you made nearly 800 arrests and seized almost $60 million in fraudulent currency before it entered into circulation. You also trained 24 members of the Peruvian Counterfeiting Force to strengthen efforts to combat forgery in South America. We look forward to hearing how you plan to build upon these successes in Fiscal Year 2017.

Mr. Director, thank you for being here today and for your service. I look forward to your testimony.

Thank you, I yield back.

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COUNTERFEITING: PERU

One particular thing comes to mind. I was recently in South America, and Peru, I think, is the counterfeiting capital of the world, is that correct?

Mr. CLANCY. Sir, right now there is a significant amount of counterfeit coming out of Peru, yes.

Chairman ROGERS. I mean, you could get a Harvard diploma or a $1,000 bill or whatever you wanted, it seems at will. What are you doing there?

Mr. CLANCY. We have an agent assigned to our Peru office who is making tremendous strides down there. I know we have gotten good, positive feedback from the ambassador down there, and I think over $10 million was seized last year alone, and there have been several offset printing presses that have been closed down.

They are making a significant effect on the counterfeiting out of Peru and getting great support from the ambassador's office in the embassy.

Chairman ROGERS. Well, that is not quite the report I got. I mean, I talked to the ambassador and the head of the agency and so on, and, you know, they are working hard. I give them that.

But the problem is so broad and wide, and it is an absolute factory for fake dollars, fake money, and everything else.

Mr. CLANCY. Yes, sir.

Chairman ROGERS. And I don't think we are putting enough effort there to try to stop a real sore on the American dollar.

You have got a lot of critically important missions: safeguard the nation's financial infrastructure; you play a vital role in protecting the economy from cyber crime and the counterfeiting. In fiscal year 2015 alone you made nearly 800 arrests and seized almost $60 million in currency before it entered into circulation.

You also trained 24 members of the Peruvian counterfeiting force to help them combat this problem, but I really think that we are not doing nearly enough there, and I sometimes wonder whether Peruvians are not too unhappy.

I mean there is a lot of money that is being circulated in their country before it is caught on to be counterfeiting elsewhere. Could you give us a report in due course of time here on how we might be able to beef up our efforts there?

Mr. CLANCY. Yes, sir. My staff will get with yours certainly to give you a more detailed briefing.

I will say that those recruits, the Peruvian recruits, did come up to our training facility here in Washington, and I met with their command structure there, as well, to talk about how we are doing down there. But we will take a good look at that and our staffs will give you a better briefing.

Chairman ROGERS. Yes, I am not interested in a briefing; I am interested in action——

Mr. CLANCY. Yes, sir.

Chairman ROGERS [continuing]. To get something done. I know what is going on there; we just got back——

Mr. CLANCY. Yes, sir.

Chairman ROGERS [continuing]. And met with all the players there. And they are all hard-working, and they are innocent and

they are above board, and they are trying their best, but it is not enough.

Thank you, Mr. Director.

Mr. CARTER. Ms. Roybal-Allard.

PROTECTIVE MISSION PANEL

Ms. ROYBAL-ALLARD. Director Clancy, you talked a little bit about some of your efforts when it came to hiring and retention. But the Protective Mission Panel in its 2014 report also went beyond the hiring process. Can you elaborate on the status of fulfilling the other recommendations of the Protective Mission Panel, and is the budget request sufficient to allow you to make progress on or to complete all of those recommendations?

Mr. CLANCY. Yes, thank you. There were 19 recommendations through the Blue Ribbon Panel. We took them all very seriously and we concur with most of these recommendations.

I am very proud to say we have made a lot of progress in addressing these recommendations. In fact, a month or so ago, I brought back two members of the Blue Ribbon Panel to assure them that we are taking their report serious, a very well-written report.

You know, it started with a structure, I will say, that they talked about an outside perspective with the Secret Service and the culture of starving for management, starving for leadership. So what we did was we restructured the way we do business.

In the past, we have had a Director and a Deputy Director, and now we are looking at running this more like a business, as I said earlier, with our Chief Operating Officer we brought in from the Department of Defense—this gentleman is with me here today—and that Chief Operating Officer is now overseeing the business aspect of the Secret Service. And we have elevated the Chief Financial Officer, who we spoke about today.

In the past, our finances were overseen by an agent. We brought in a subject matter expert to oversee our finances.

We created a new directorate, the Office of Strategic Planning and Policy, to look at our 30-, 60-, 90-day plans as well as our 5-year plan. And with that, we have elevated a subject matter expert, an attorney. He is not an agent; we wanted to get that outside perspective again.

The COO just recently hired a Chief Information Officer who is a 34-year Marine Corps brigadier general. He was a CIO in the Marine Corps. We were thrilled to get this gentleman, and in a few months he has made great strides in assessing where we are. We have strengthened that position, the CIO position, so that we can do a much better job in our I.T. functions.

And then we have done some other things structurally, based, again, on the Blue Ribbon Panel and their recommendations. Training—you know, they said our training—and we agree—was not where it should have been. So we have applied more focus to our training.

Our human resources and training previously was one directorate. We have split that to give both the focus that they need. And our training has increased over the last year, fiscal year 2015, increased 43 percent.

And certainly leading up to this campaign, we have made a commitment to ensure that our details that are protecting these candidates that are out there are well trained. We trained over 940 agents prior to this campaign to ensure that they are set.

So with the Blue Ribbon Panel, structurally we have made significant changes. It is a much different agency from a management standpoint than it was years ago.

Thanks to the funding that you have provided here, our radios and infrastructure will be improved. Some of our facilities at our Beltsville training facility will also be improved. So we are moving forward with the Blue Ribbon Panel recommendations and I think making a lot of progress.

PERSONNEL MISCONDUCT

Ms. ROYBAL-ALLARD. The Secret Service has had a difficult couple of years with several incidents of misconduct by personnel, suggesting strongly that the culture within the agency had drifted and needed to be changed. The issue is not only about misconduct, it is also about whether personnel feel confident in coming forward when they become aware of misconduct. For example, do they know how to register their concerns of misconduct, and do they feel confident that their careers will not suffer as a result of speaking out?

Can you please elaborate on how things are improving and what the signs of progress are that you can point to and the areas where you think more progress still needs to be made in this particular area?

Mr. CLANCY. Yes. Primarily through communication, initially; trying to get to our workforce to tell them, "We can't fix what we don't know, and you have got to come forward and tell us what issues are out there." And we have given them several avenues to do this, whether it is through the ombudsman, whether it is through our Office of Professional Responsibility, through our inspection division, or through the Office of Inspector General.

Any of those avenues, or come to me directly. I have an open-door policy; come to me directly and we will look into the misconduct that may or may not be out there ,and we will act upon it.

But we have also gone out to field offices, and we have addressed them. I have addressed them personally, and I have gone to every protective detail we have and addressed them and reiterated the fact that if there are issues out there, we need to know about them so that we can fix them.

And I think we are making some progress. We have heard several responses from our workforce where we have taken initiative and gone out to field offices to investigate what they have reported.

Ms. ROYBAL-ALLARD. Okay. And just very quickly in that same area, one of the recommendations was to implement a disciplinary system in a consistent manner that demonstrates zero tolerance for failures that are incompatible with a zero-failure mission. Is that also something that is currently being worked on?

Mr. CLANCY. Yes. It is.

We have just recently elevated our integrity officer to an SES position, again, to highlight the importance of integrity within our agency. We have also, through the table of penalties, we have

strengthened some of these penalties so that if you are a supervisor and you don't report things up, you are subject to discipline—or severe discipline.

So we have gone back and looked at that. And the whole entire table of penalties is under review now to see if we are where we should be with the discipline process. And we are benchmarking against other federal agencies.

Mr. CARTER. Mr. Young.

CYBER-CRIME

Mr. YOUNG. Thank you, Mr. Chairman.

And welcome, Director Clancy. I recently cofounded a bipartisan caucus—a congressional task force to combat identity theft and fraud.

And you know the seriousness of all this, both in your public and private sector experience. It can happen on the individual scale, a larger scale, affecting corporations, businesses, individuals, the public sector, and it is something that we need to take quite seriously, and I know you know that.

How will the proposed budget assist the Secret Service—and I looked particularly at your testimony here about the Electronic Crimes Special Agent Program.

Mr. CLANCY. Yes.

Mr. YOUNG. And how will the budget assist the Secret Service to help prevent and investigate cyber crimes and data breaches? And is the need primarily in staff or is it new technologies?

Mr. CLANCY. Thank you for your question, Congressman.

It starts with staffing, and our field offices are down considerably at this point because we have had to move a number of our field office agents to our protective mission. But what we do have in the field is we have 37 Electronic Crimes Task Forces throughout our country, and we have two overseas in London and in Rome.

So we take this very seriously, obviously, the cyber crimes that are out there and the identity theft that is out there. We are also partnering with our local and state law enforcement officials. We also have a National Computer Forensics Institute down in Alabama where we train a lot of these law enforcement officials, as well as judges, so that they can go back into their communities and use this expertise that they have learned and take the equipment that we provide for them to work these types of cases in their communities.

Mr. YOUNG. In your testimony as well you state the Secret Service is working with state and local partners. Can you elaborate on this, and how does the Secret Service work with other agencies to protect private citizens?

Do you review and follow up on your investigations, and from there find shortcomings, successes and needs with the real analytics on this? How can we help you, in terms of maybe even legislation?

Mr. CLANCY. Right now, again, through the Electronic Crimes Task Forces, that is where we really partner with our community, state, and local law enforcement authorities.

For example, during this campaign year a lot of folks think that our investigations may get pushed to the wayside. But the beauty

of these Electronic Crimes Task Forces, where we have the locals and states working with as well as the private sector, that if our agents get pulled out to do a protective assignment, those cases continue on. They are not dormant; they are not being put aside. So we continue to work those.

And we do look at the metrics. And our staff can get with yours and give you a better idea of what those metrics are in terms of the number of cases closed in your community, for example, and the amount of arrests made in your community.

Mr. YOUNG. And with new technologies and scams and hucksters out there trying to steal identity and commit these frauds, you are seeing this growing? And what are your roots in this criminal community?

Mr. CLANCY. Yes, you are exactly right. You know, these cyber criminals today, they run it like a business. They don't just take their spoils from their crime and spend it; they reinvest in their criminal enterprise.

And we have to evolve and improve our techniques as well, and that is where this continuing education for our investigators in the work with the private sector and trying to keep up with the new technology is beneficial. We have a representative out at Carnegie Mellon to study the newest technology out there; we are out at Tulsa University studying the wireless mobile new technology that is out there. So we are trying to continue to educate our folks, too, as we move forward.

Mr. YOUNG. Well, thank you for coming here today, and our bipartisan task force I am sure will take you up on your offer for briefings and sharing information on how we can work together to do this.

So I yield back, Mr. Chairman.

Mr. CLANCY. Thank you, sir.

Mr. CARTER. Mr. Price.

PRESIDENTIAL CAMPAIGN

Mr. PRICE. Thank you, Mr. Chairman.

And welcome, Director. We are happy to have you before the subcommittee.

I know you have a lot on your plate this year, with the election warming up and the election proving to be very contentious. And that really defines what I want to ask you to address today, that contentiousness.

We had a regrettable example in my congressional district last week, Fayetteville, North Carolina—a recent incident at a Donald Trump rally. In this instance it was reported that without any physical provocation a Trump supporter allegedly sucker-punched, as they say, a man named Rakeem Jones and later said—and I am quoting here, "The next time we see him we might have to kill him," when referencing Mr. Jones.

Now, there is a lot of inflammatory rhetoric being used on the campaign trail. I would imagine that is making your job and that of your agents more difficult at a minimum, and perhaps more dangerous.

So that is what I want to ask you to help us understand here today, to the extent you can in an unclassified setting. Can you

speak to these challenges faced by your agents and—as more and more violent and provocative rhetoric is being used out on the campaign trail?

Are you seeing an increased number of incidents that you, of course, need to protect against, but also need to investigate, compared to the 2012 election cycle or any modern election cycle, for that matter? And then this vitriol on the campaign trail, has that led to an increased number of threats against the President or the first family, again, to the extent you can comment on this—in this setting.

Mr. CLANCY. Thank you, Congressman, for the question.

In general I will say that every day is a challenge for us. And we talk about this within the ranks. Every minute of every day is a challenge for us, whether our protectees are at a large rally where there is a lot of passion and intensity, or whether a protectee is going into a coffee shop. Every minute of every day, we have to be on our game, and to the question that came earlier, even off-duty as well, and that is something we are stressing too.

But in regard to the campaign, it all starts with the advance. And one of the things that we talk about at the advance is that we are there to protect our protectee. If there are protesters, if there are people that are disrupting the event, that is not our primary responsibility.

If it is an NSSE we are more involved that way, but for typical campaign events as you have brought up here, we sit down with the host committee or the event organizer and we tell them that if there is someone that you feel is disrupting the event or protesting, it is incumbent upon you to make that decision and then work with your private security that you may have or your university security or the local law enforcement to remove the protester if you think that is warranted.

Our concern is overt acts of—or threats to our protectee. If someone, for example, comes into the buffer zone or secure zone we are going to respond to that, as we saw in Dayton, Ohio just this past weekend. We have also seen at other rallies where individuals have crossed into our buffer zone over the bike rack. We will remove those individuals.

But we do not interfere with people's First Amendment rights. People have the right to voice their opinions, and it is for the host committee to decide whether or not that is disruptive to that event.

Mr. PRICE. Surely the environment matters, though, and the cooperation with—I understand you are saying the cooperation with local law enforcement involves deferring to them, mainly, in handling protests and presumably counter-protests. The atmosphere surrounding this, though, surely has some influence on how you assess your mission and the kind of complications you might face in executing your mission.

And what I am really asking you is not about—I gave you an illustrative instance, but I am asking you about the environment surrounding this campaign and whether it has posed those kinds of challenges. And if so, what have you undertaken to deal with this? This is not politics as usual, at least in my experience.

Mr. CLANCY. Yes. We are flexible with our security plan at each site, and we look at all the factors of every event.

And we are flexible with our assets. We may bring in additional assets if we feel that there is more intensity, for example, in a rally.

We have certain requirements that we want to make sure that we have available to us. And I don't want to get into much detail here, but we want to make sure, for example, we have a good, clean route in as well as a good, clean route out. And if we don't feel that we can have some of these basic requirements of a good security plan, then, you know, it may require us to bring in more assets or have more discussions with the staff or local law enforcement.

But there is a lot of give and take with all these events. And there is no question some of these events create even more challenges for us, but it is our job to be flexible and resilient and make sure we have a good security plan.

Mr. PRICE. And your responsibility conceivably could be to advise local enforcement as to what you are picking up and the additional precautions and safeguards they need to put in place, and you might even advise that a rally be canceled or postponed.

Mr. CLANCY. Right. We work very closely with local law enforcement.

One of the beauties of our field offices is that we have great relationships with the local police departments through our investigative missions. And in fact, for a lot of these rallies and events, our field offices are the ones doing the initial advance work.

So those relationships have already been formed, and there is a lot of give and take from an intelligence standpoint, what assets are available, what requirements are needed. So it truly is a unity of effort, a team effort.

Mr. PRICE. Thank you.

Thank you, Mr. Chairman.

Mr. CARTER. Thank you, Mr. Price.

Mr. Stewart.

PERSONNEL ACCOUNTABILITY

Mr. STEWART. Thank you, Mr. Chairman.

And, Mr. Clancy, I want you to know that we—many of us support you and we understand that, you know, just culturally as a military officer, I am supportive of law enforcement. I recognize that you have a difficult job, that many times you or your agents or others involved with law enforcement have to make split decisions—split-second decisions that they are going to be criticized on after the fact in many cases, that many times it is under very stressful situations, including life-and-death situations.

And again, I think the great majority of Americans support you and others working with you and want to support you, but that only works, I think, if we recognize that that trust is based on behaviors and holding people accountable in some cases to earn that trust.

And that is a bit of a concern of mine, which I will—I would like to elaborate on here if I could.

And going back to quote a Government Oversight and Reform report from 2015, and I am quoting here, "Internal USSS data shows that morale is further harmed because many employees do not have confidence in agency leadership. Some whistleblowers told the

committee that they believed this is due to a culture where leaders that are not held accountable." And I know that was previous to your time or about the same time that you came on, and that is not a critique of your leadership, this quote I just gave.

But I would like to give an example of accountability and then ask you to respond if you would. And I am not using this example because he is a friend of mine or because he is a member of Congress. This is Jason Chaffetz. I am using it—I would feel the same way about any U.S. citizen.

And that was where there was a breach of some 60 of his personal data—60 different items. And quoting from the Washington Post, "Some information that he might find embarrassing needs to get out," is what the assistant director, Edward Lowery, wrote to another director.

And wanting to support you, but also recognizing that that trust and that accountability is so important. Could you tell the committee what disciplinary actions have been involved with those who were responsible for leaking this data of a private citizen, especially in regard to Director Lowery?

Mr. CLANCY. Congressman, there have been 42 Secret Service employees who were issued discipline with regard to that case that you referred to here. Many of those are in the appeal process and coming to the end of that appeal process.

I can't speak specifically about what—because of privacy issues—what each individual received as a result of those actions, but it is something that the agency is embarrassed by, and we have said that publicly.

And in terms of are we holding people accountable and are people willing to come forward, in the year that I have been here we are now putting out a report—showing that discipline across the board, from supervisors as well as non-supervisors, to be transparent to our agency, to show the discipline. We are not naming people in this report, but we put it up for everyone in our agency to see the type of misconduct that occurs, and then what type of discipline is put into effect as a result of that.

Mr. STEWART. You know, I guess this is a—is just a contrast of what I experienced. And again, using my military experience, when we had, you know, a concern, whatever it might be, whether we crashed an airplane or some type of security breach, I mean, we knew immediately what the outcome would be. And the discipline was very public and it took place in a matter of days, maybe weeks.

But here we are a long time later and we don't know those who have been disciplined; we don't know the outcome of that discipline. And they are already—they are on appeal.

You know, just watching this, I can understand why some members of your organization look at this and say, "We do have a hard time holding people accountable and the system protects them, it seems."

And again, let's use Director Lowery as an example. I mean, I would be curious to know what his position is. I mean, this is fairly egregious to me, him writing to another—"Some information he might find embarrassing needs to get out." This is what he wrote about a public official. And yet, again, can you tell me any discipline that has been effected upon this individual or this director?

Mr. CLANCY. Congressman, I am sorry, I cannot speak to that currently until this appeal process goes through.

We are committed to Title 5, where there is due process. And I realize the frustration that it takes a long time to go through this process, but that is where we are today.

Mr. STEWART. Okay, and I appreciate that and I actually expected that would probably be your response.

But again, Director, a long time has passed, and if we are going to hold people accountable it can't be accountable 5 years down the road. In my opinion, it has got to be something more immediate than that.

But once again, we appreciate what you are doing. I think you are trying to do the right thing here under maybe confined, you know, restrictions that are imposed upon you.

But, my heavens, I just can't imagine that these individuals would have this type of attitude—cavalier attitude regarding, you know, their elected representatives and that they wouldn't be held accountable.

But thank you. Do you want to respond, or——

Mr. CLANCY. No, sir.

Mr. STEWART. Okay. I understand.

Mr. Chairman, thank you. I yield back.

Mr. CARTER. Thank you, Mr. Stewart.

Mr. Cuellar.

WHITE HOUSE TRAINING FACILITY

Mr. CUELLAR. Thank you, Mr. Chairman.

I also want to echo what Chairman Rogers said, Mr. Director, on the issue with Peru. There is an issue, and even the Peruvians say that outside of Washington, we are the—they are the biggest printing press in the whole world.

Why Peru? We don't know. But I think just having one Secret Service—and he is doing a great job, by the way, and under the circumstances.

So I would echo Chairman Rogers that you all put a little bit more resources on that. Because even though I think you said you got $10 million, that is probably just a drop in a bucket as to what they are doing. So I would ask you to—following Chairman Rogers—ask you to follow up on that and just keep our office posted on that.

Second of all, Director, what are y'all doing to combat transnational organized crime that targets citizens and financial institutions in the U.S.? I do have a press release what y'all did in San Antonio, I think it was in January, where you did this San Antonio Electronic Crime Task Force and you brought people together. And I want to thank you. This is very, very good.

I would encourage you to set up something, if you can talk to your folks, do something on the border. Also, I would be happy to bring you down to Laredo and work with your folks, and I will be happy to put folks from the border—law enforcement, state, local folks, academicians, whoever you all might need for the private sector to sit down. So I would ask you to—if you would do this on the border.

Everybody talks about the border, but when they do events they usually do them 150 miles away. And I do represent San Antonio; I love San Antonio. But if we are going to talk about border, I would ask you to have your folks come down to the border. We will be happy to set that up for you, okay?

The other question I have: Whatever happened to the—we talked about this a lot—the White House mockup. What was it, $15 million? How is that coming along?

Mr. CLANCY. Well, we are committed to this White House mock-up or building defense training facility. We are in the process now working out a revised master plan for our Rowley Training Center, out in Beltsville, Maryland, and we have to submit this master plan to the National Capital Planning Commission to get approval for what we want to do.

We are definitely committed to this mock White House. We had an initial design that came back to us. We are going back to re-evaluate that design to see where we are with that, but we have full intention of implementing the training facility.

Mr. CUELLAR. I think last year we talked about a $15 million, if I am going by memory. I hope that hasn't gone up because, as Chairman Carter says, you know, we gotta work with a tight budget.

My experience dealing with the Federal Government is you start out with a number and then before you know it, it explodes. Has that gone up? And from what amount to what amount?

Mr. CLANCY. I am not prepared to say what the amount would be, but I will say that I know the initial design came back, which was a little bit more elaborate than what we really had expected and the cost was going to be higher. So we have gone back to the drawing board in that regard.

Mr. CUELLAR. Will you keep certainly Chairman Carter, and the members of the committee, the ranking member also, and myself what the cost is? Because we want to be supportive, but again, my experience has been is you start off with an initial number and I assume the number they gave you went up and not down.

Mr. CLANCY. Yes.

Mr. CUELLAR. So I would ask you to just keep us informed, because I originally thought the original amount was a lot, but again, I understand the purpose and the rationale. But I am interested in you keeping the cost as close as possible to the amount.

Mr. CLANCY. Yes, Congressman.

Mr. CUELLAR. Thank you so much.

And again, the culture issues that were brought up the last time you were here, I know there are still some incidents but I do have to say, you are doing a good job and I appreciate your good service.

Mr. CLANCY. Thank you, sir.

Mr. CARTER. Very quickly, on the White House mockup, last year you asked for $8 million; we gave you $1 million. I know you are going forward and doing studies and so forth. Echo what Mr. Cuellar said, be sure and stay with us on this. Don't take us out on a limb and let it break off on us on this extra expense, okay?

Mr. CLANCY. Which, Mr. Chairman, is exactly why we went back to get another design. We want to be good citizens here and with the budget here.

But it is a critical element, as you have all addressed here. This would really help our training to move into the 21st century, with allowing our people to train on real-life scenarios with the exact grounds that we have at the White House rather than on a hard tarmac surface. So it is critical, but we know that we have to be very careful with the way we move forward.

PRESIDENTIAL NOMINATING CONVENTIONS

Mr. CARTER. Just echoing what Cuellar said.

Director Clancy, the Secret Service is responsible for securing both 2016 Republican and Democratic National Conventions. What is the state of planning for securing this year's political conventions in Cleveland and Philadelphia in back-to-back weeks in July?

Do you have any credible threat information regarding the events to be held at these venues? Are you satisfied that your fiscal year 2016 funding, along with separate appropriations made available to host states, will be sufficient to cover all the foreseeable security costs of the convention?

Mr. CLANCY. First, I want to thank the committee for fully funding the campaign, which includes these conventions. The conventions itself, there is a fixed cost of I think $19 million, and $40 just for RNC and DNC, and then another $20 for associated costs with those conventions.

But as it is now, we have had individuals specifically assigned to the conventions in Cleveland and in Philadelphia. They have been working with the local law enforcement for several months to work on everything from outer perimeter to credentials, and we are well on our way to providing a very good security plan for these events.

As you have stated, Mr. Chairman, they are earlier this year than they typically are in the campaign year, so that does cause for some additional protection dollars coming out the convention. In the past, conventions were late August or maybe early September, and now coming out of the conventions in July, we will have additional protectees.

We will have the President-elect—I am sorry, the candidate-elect and the Vice President-elect for both parties, and that will add some additional requests. Well, it is in the budget, but the costs go up as we move forward.

Mr. CARTER. Are you in charge of the overall security for both the conventions? The Sanders campaign has brought a lot of new voters into the mix; the Trump campaign on the Republican side has brought millions of new voters into the mix.

In addition, we have already experienced violent outbreaks with protesters coming in to disrupt the campaign side of this stuff. Those of us that can remember back to 1968 remember what happened in Chicago, and nobody on either party wants to have a convention that ends up like Chicago back in 1968, where tear gas was fired, you know, weapons fired, a lot of really bad things happened there. I believe the National Guard even was called out for that Democratic Convention.

So whenever, you know, whenever you see disrupters start to come in in campaigns, you are going to say, "How big a project is this going to be?" And I hope you are doing, like I said, threat anal-

ysis and intel to see if there is any rumors out there of organizations to come in to disrupt either convention. We don't need that. We have got enough problems without that. So that is——

Mr. CLANCY. Mr. Chairman, I would just say that with these, they are designated as National Special Security Events. And as you noted, we are in charge of the overall security plans.

We have 24 subcommittees for each of these conventions, and each of those committees has a unique responsibility, whether it is intelligence, as you rightly mentioned, where they work with all the federal, state, and local authorities to gather all of the intelligence, and we have already started that.

Then we have a committee on transportation, just to make sure people can get to and from the sites. We have someone who works with the public affairs. And so there are 24 different subcommittees working on each individual component to make sure that these conventions are safe and that they are a positive event for all who want to attend.

Mr. CARTER. Well, and I can say that I have been—I have attended some of the conventions and I have been very pleased with, overall, both the local and the Secret Service's participation in keeping people safe. When you are in big crowds in big areas in a strange city, yes, there are a lot of things that can happen to you and your wife if you are not careful. So thank you for that.

Ms. Roybal-Allard.

RADIO SYSTEM: NATIONAL CAPITAL REGION

Ms. ROYBAL-ALLARD. Director Clancy, the budget request includes $27.2 million in additional funding to upgrade the Secret Service National Capital Area Radio System, and this request follows $16.8 million provided for phase one of the upgrade in the fiscal year 2016 bill.

Can you elaborate on how the phase two funding will be used, what additional capabilities the new system would provide, and how it would improve reliability as compared to the current system?

Mr. CLANCY. Yes. Thank you for this question.

This comes out of the Blue Ribbon Panel as well. As we talked earlier, they noted that our communications needed to be enhanced and replaced.

Additionally, I have to credit the Office of the Inspector General, who did a study as well. And although they saw that 97 percent of our radios worked well around the White House complex, they rightly stated that we can't have any failure at all. And I have to credit, again, Mr. Roth and his team for the review that they did.

So this funding will allow us to—first of all, to assist our Joint Operations Center. Most of that equipment hasn't been replaced in 7 years. It is getting old; it is breaking down. We can't even find some replacement parts in some cases.

But we are looking to the Joint Operations Center, which is where all of our alarms come in, all of our video feeds come in, so with funding, we will be able to replace that. And also, to allow more interoperability with our local partners—Metropolitan Police and the Capitol Police—and take in some of their feeds as well. So the Joint Operations Center is going to be enhanced considerably.

Additionally, we will continue what we have already started in fiscal year 2016, by getting radios out—handheld radios—to individual employees. They will be state-of-the-art with a lot of new features, and the coverage will be better using these radios.

But more importantly, we did a survey throughout the National Capital Region where typically the President has events or visits or motorcade routes for dead spots. And with the help of our Washington field office, we identified these locations, and we are going to add an additional 56 repeaters and transmitters throughout the National Capital Region. And that all has an impact on how these handheld radios work. So that is a big plus-up for us as well.

RADIO SYSTEMS: FIELD OFFICES

Ms. ROYBAL-ALLARD. Okay. Could you talk a little bit about the status of radios and radio systems for the field offices?

Mr. CLANCY. That will also be included in this funding. For example, I went out to Chicago and talked to the field office and surrounding field offices, in an effort to try to communicate with our workforce. I can't get out to everyone so I have actually moved to doing video messages and pushing out a video message when we have new policies or a state of the service, which for example, we released about a month and a half ago.

But because of the bandwidth in some of our smaller offices, they haven't been able to view some of these messages. This new funding will help us with the bandwidth so that we can do a better job of communicating not only our messages, but also help us with our security. We have got to have a better infrastructure as we expand from our large field offices into the surrounding communities.

WHITE HOUSE FENCE

Ms. ROYBAL-ALLARD. Okay. Last year improvements to the current fence—I am going back to the White House fence—the improvements that were completed were an interim solution, as I understand it, and it was designed to make it more difficult to scale the fence and give officers on the White House grounds a critical few extra seconds to respond.

Can you describe the improvements to the current fence and whether they are working more or less as expected? And what are the plans and the schedule for completing a new and permanent fence?

Mr. CLANCY. Yes.

The interim measure was placed on the White House fence in July of 2015. We knew that wasn't going to be an end-all, obviously, but it was going to buy us some time if someone did attempt to jump the fence. Since we put that up there, we have had one fence-jumper over the north fence, and we think it is a deterrent.

I don't have metrics to show that because we don't know who has an intent to come over that fence, but one individual did get over the fence, and he was immediately contained just on the other side of the fence.

But moving forward the permanent fence, will be a very complex and lengthy process. And we know that whatever fence we put in there has to last 100 years. We are not going to get another opportunity to do this.

We could go in and just put up a higher fence, maybe a 10-foot fence, but is that enough? Maybe you need a 12-foot fence. Is 12 feet enough?

And we have got to do some more studying with that. There are some other areas in a classified setting I could talk about where we want to do some things with the fence, but also a more comprehensive look at what we are doing there at the White House and the perimeter.

The perimeter, as you know, every day—just last week we had—we have a buffer, as you know; you have walked in front of the White House. We have a bike rack there, and that has been a good help to us. We know people can get over the bike rack, but it gives us an early warning that someone has bad intentions.

And just last week we had an individual who went over that bike rack, and we immediately—because we have added some additional posts—we immediately contained that individual before they could get to the fence.

So in terms of the timeline, 2017 will still be used for design and to do more research on the type of fence that we need, and 2018 is when we expect to be able to actually put a shovel in the ground and start to build a more permanent fence.

I can tell you that even last week we met with the National Planning Commission and the Commission on Fine Arts. They feel the same urgency that we do to get this project completed. But we have to do it right, and that is where we are, 2018, actually getting it into the ground, I think.

Ms. ROYBAL-ALLARD. Okay, thank you.

Thank you, Mr. Chairman.

Mr. CARTER. Mr. Price.

COORDINATION WITH DHS SCIENCE AND TECHNOLOGY

Mr. PRICE. Thank you, Mr. Chairman.

Director, I would like to address your relationship within DHS with the Science and Technology Directorate. The Secret Service relies heavily on your colleagues in the directorate to develop and validate tools that you and your agents use in the field every day. Unlike some of your other DHS counterparts—counterpart agencies that have their in-house research capabilities, you are more dependent on the department's research and testing capability to ensure that you have the tools and resources needed to carry out your mission.

So could you speak to that, to the way you work with S&T, the value add of that important relationship? And how is your ability to fulfill your mission related to funding for science and technology priorities?

Mr. CLANCY. Yes. We have a very good relationship with the S&T Directorate in DHS. In fact, their director very recently came down to the White House complex, and we gave them a full tour of our facility and what we have in place.

We have worked with them. One of the bigger problems today are unmanned aircraft systems (UAS's), the drones. And we have worked with them, as well as other partners outside of DHS, to try to come up with the best detection systems as well as mitigation.

So this is a critical issue, the drone issue, for both DHS, Science and Technology, as well as us. So there are numerous meetings between S&T and our technical department directorate.

UNMANNED AIRCRAFT SYSTEMS

Mr. PRICE. I want to return to some of the other S&T projects perhaps, but on the drone issue, you catch my attention here. What is the Secret Service's particular take on that issue? How does it relate to the involvement of other agencies? How would you describe that?

Mr. CLANCY. Well, it is a problem for everyone.

Mr. PRICE. I realize that. That is why I asked.

Mr. CLANCY. Yes, sir.

Again, it is a challenge for all of us. FAA, of course, is taking a role here with education. We have to educate the public and ensure that they know areas that they cannot fly these UASs, or unmanned aerial devices. We have worked with the Department of Defense because they have a lot of experience certainly out in the wartime zone.

Our challenges are a little unique because we are in an urban environment. Some of the things that they can do to mitigate and detect drones in a military environment are different than we have here in an urban environment, where you have to be concerned about the public, and of course the public buildings, and so on.

But the technology, though, is where we are working very closely and sharing. That is the important thing here, I think, is that there is a sharing of ideas. There is no holding back. And in fact, just a couple weeks ago my assistant director in technology informed me that they are working with the Germans now, too, to see what they have out there and the sharing of ideas.

I know the Blue Ribbon Panel talked about how insular we are. We have made a committed effort to make sure that we branch out and we see all the good work that is being done out there. Science and Technology and DHS I know are doing the same. We are getting the best advice we can get.

Mr. PRICE. But on the ground in a specific setting, you know, a permanent setting like the White House or special events settings, I assume that those words "detection" and "mitigation" are shorthand for a whole range of activities. To what extent does the Secret Service take on an independent or a proactive responsibility for this?

Mr. CLANCY. Right. I don't want to get into specifics with regard to what measures we have in place, but I will say that beyond science and technology it also affects our staff that are on the ground, our uniformed officers.

They are trained on what to look for. If they see a drone in the air, they know what to look for and how to respond to it. And then also our protective details, whether it be in the White House or whether it be on a trip in some other city throughout the country, they have specific protocols if one of these devices is in the air.

COORDINATION WITH DHS SCIENCE AND TECHNOLOGY

Mr. PRICE. If I have another minute, could you return to S&T? Are there—or you could do this for the record—are there are other

particular areas of collaboration where you are dependent on S&T and therefore S&T funding to support your own mission?

Mr. CLANCY. In terms of S&T funding, I will have to get back to you on that, Congressman. But I will say that everything from our enhancements with CBR detection down at the White House to enhancements of our perimeter defenses, we work with S&T to see what the best types of systems there are out there—x-rays, et cetera, we will work with S&T.

[The information follows:]

Hearing before HAC-HS: March 15, 2016
Joseph Clancy, Director, United States Secret Service

Science and Technology Directorate: Collaborative Efforts

For the past 10 years, the Secret Service (USSS) has assigned a senior Special Agent to serve in a liaison capacity to the Science and Technology Directorate (DHS S&T). The Liaison position is a rotational assignment to ensure fresh perspectives from field operations. DHS S&T currently hosts the USSS Liaison in the Explosives Detection Directorate office and provides the USSS with technology scouting technical support on a wide variety of inquiries about the potential effectiveness and/or impact of emerging technology (offensive and defensive).

Additionally, DHS S&T provides USSS stakeholder standing and (as appropriate) voting membership on relevant decision panels and working groups, particularly chemical, biological, radiological, nuclear, and explosives (CBRNE) focused working groups. The USSS exercises its voting member representation in program reviews and research and development prioritization committees to include the Homeland Security Advanced Research Projects Agency (HSARPA) annual portfolio reviews; the Awareness and Localization of Explosives-Related Threats (ALERT) Center of Excellence annual project prioritization; and the Homeland Security Advisory Group (HSAG) which helps direct Core Research funds for DHS S&T contracts with Homeland Security Systems Engineering Development Institute (HSSEDI) and Homeland Security Studies and Analysis Institute (HSSAI). The USSS has frequent representation (based on meeting agenda topics) with the Systems Engineering Center of Excellence; the Explosives Detection Office staff and project meetings; the Human Systems Integrations working group; and other standing technology development efforts within DHS S&T. The USSS is also represented in shorter term efforts such as the DHS S&T Under-Secretary's Fast Track Action Committee (FTAC) on counter-Unmanned Aerial Systems (UAS); the Checkpoint Sub-Integrated Product Team (IPT); air-cargo IPT; and select Joint Field Interoperability Exercises (JFIX) events. Through a Strategic Sourcing Initiative for next-generation walk-through metal detectors that is designed to collect and compile requirements from the USSS as well as other DHS components, the Transportation Security Laboratory has provided systems engineering subject matter expertise.

From 2010-2013, the first DHS S&T collaborative Apex project, Science and Technology Operational Research and Enhancement (STORE), supported the USSS to: independently gather and validate USSS protective operational technology mission requirements and gaps; identify rapidly deployable mitigating technical solutions and longer-term investment opportunities; and down-select enhancements that DHS S&T could assist the USSS in beta-testing in the field. DHS S&T ultimately funded STORE related efforts at approximately $20 million in resources and labor. The validated operational requirements and identified technology opportunities have since been leveraged to further guide USSS investments to increase our CBRNE related technical countermeasures' effectiveness.

In addition to being embedded with DHS S&T's Explosives Detection Office, the USSS Liaison is actively involved with S&T's First Responders Group and the Borders and Maritime Division

to leverage their efforts at identifying and characterizing different sensor technologies' strengths and weaknesses in various operational settings. An example of this collaboration is a currently active effort to evaluate a sensor technology brought to USSS attention by the Borders and Maritime Division. The current effort is assessing what, if any, additional refinements are needed for the sensors to work well in urban environments, (it is already proven to be exceptional in desolate terrain). DHS S&T's HSAG supported the USSS proposal for test and evaluation funding from the HSAG via HSSEDI and HSSAI Core Research funds. The sensor systems are currently being installed at the USSS James J. Rowley Training Center (JJRTC) where DHS S&T and USSS will each evaluate ways to cost-effectively employ these sensors in different terrains settings. Relationships made through DHS S&T allow the USSS to further leverage technology scouting and enhancement. For example, this sensor technology was pioneered by a Department of Defense (DoD) laboratory that is also supporting DHS efforts to reutilize DoD technical solutions.

DHS S&T also sponsors the USSS' interface with In-Q-Tel (IQT), an independent not-for-profit organization created to bridge the gap between the technology needs of the U.S. Intelligence Community and emerging commercial innovation, to tap into that organization's rapid prototyping support of Intelligence Community R&D efforts. The DHS S&T representative includes the USSS subject matter experts in relevant IQT Technology Focus Days (hosted industry seminars), technology demonstration events, and IQT's annual executive summit. When strong candidate technologies are found, DHS S&T supports USSS initiatives with IQT. To date, USSS has participated in eight IQT work programs through DHS S&T. Two such DHS S&T-sponsored efforts that IQT supported include a prototype mobile video wall for security rooms at remote locations and an encrypted wireless CCTV system to support USSS Dignitary Protective Division.

Over the years, the USSS has materially benefited from DHS S&T's many technology beta-prototypes and evaluations. The following list of examples is provided to show the depth and breadth of USSS and DHS S&T collaboration:

- **Ink Library** – This DHS S&T-sponsored effort allowed the USSS to electronically catalog and manage the world's largest repository of ink analysis samples. Automating the ink library greatly improved the speed and efficiency of investigations into the origins of documents.
- **Simulation 3-D modeling** – DHS S&T has sponsored a number of initiatives that have improved the USSS' ability to map and model large event venues and crowd movement for better event planning of National Special Security Events (NSSEs) and other protective activities. S&T is also sponsoring work for the USSS in the area of 3-D modeling of UAS threats at select locations.
- **p-AIT (portable Advance Imaging Technology)** – This DHS S&T-supported initiative is an ongoing effort to adapt the type of whole-body imaging technologies used in some airports to be portable.
- **Flat Panel AIT** – DHS S&T is providing USSS scientists input into IQT's efforts to develop millimeter-wave based thin panel whole body imaging equipment.
- **Portable SDS (special detection system)** – DHS S&T sponsored the initial prototype of an all-in-one portable environmental monitoring system for use at travel locations to monitor the

air in a hotel suite or meeting room providing real-time checks for the presence of select toxins, dangerous gases, and other airborne hazards.

- **Tagging, tracking, & locating** – USSS scientists collaborated with DHS S&T to develop improved discrete taggants that can be applied to objects to better enable Special Agents to track and/or identify subjects of interest in cluttered and crowded city settings.
- **Explosive Materials Threat Assessment Tool (EMTAT)** – This DHS S&T-supported effort provides the USSS with an interactive visual library of explosive precursor materials based on geographic regions. EMTAT's simple user interface allows USSS personnel to be informed of the types of explosives and improvised explosive precursors that might be encountered while supporting protective travel overseas. For example, mining in South America is common, but the labels and brand names for explosive pre-mixes in that region differ and might not be immediately recognizable without EMTAT's database of photographs of regional specific packaging and substances that might be encountered overseas.
- **Bottle scanner T&E** – This DHS S&T effort collaborated with USSS for testing and evaluating bottle scanning technology that was being adapted to screen cell phones. This collaboration eliminated redundant testing and provided the vendor more complete feedback on how to improve their designs to meet the wider DHS set of needs.
- **Escape Hood** – This DHS S&T-sponsored project developed a thin, pocket-sized gas-mask that can be discreetly carried by Special Agents. DHS S&T provided an initial small batch of these escape hoods for USSS operational use and assessments.
- **ION** – This DHS S&T-funded study tested the operational effectiveness of competing explosive screening equipment and statistically quantified the detection reliability of different equipment against different threats that are of specific interest to the USSS.
- **Cyber Forensics Working Group** – This DHS S&T Cyber Security Division effort supports research to advance USSS cyber investigations. For example, DHS S&T funded research at the USSS Cell Phone Forensic Facility at the University of Tulsa to develop a tool used by multiple law enforcement agencies to recover evidence from digital devices.
- **Anomaly Detection Prescreening** – This DHS S&T-funded study will evaluate the union of X-ray imaging and advanced image processing and recognition technologies to improve security screening technologies.
- **Improvised Explosive X-ray Operator Training** – This DHS S&T-sponsored program will develop a software training package for image recognition.
- **VoIP/Hands-free Communications** – Through IQT DHS S&T funded the development of a hands-free encrypted Voice over IP (VoIP) device to support field operations.
- **Land-mobile Radio Compatibility with Cell** – Through IQT DHS S&T funded the development of a P25 compliant, reduced signature software defined radio (SDR) that leverages smart phone technology.

Mr. PRICE. Thank you.
Thank you, Mr. Chairman.
Mr. CARTER. Mr. Cuellar.
Mr. CUELLAR. Chairman.

COOPERATION WITH MEXICO

I live on the border, represent a large chunk of the border, so we understand what is happening across.

We spend, I believe, about $18 billion, when you combine everything, on border security—north, south. A lot of money. So we play defense on the 1-yard line, what I call the 1-yard line. I would rather play defense on their 20-yard line instead of our 1-yard line.

So the more we can do to work with the Republic of Mexico—and I believe Secretary Osorio Chong is here or will be here Secretary Johnson, and I appreciate the work that they are doing—and whatever we can do with our Central American and other Latin American countries will be good.

Could you tell us what your efforts are, in particular what you are doing with, keeping that in mind, moving the defense a little bit more—and the more we can do in those countries the better it is—what we are doing with the Republic of Mexico and Central America to address, you know, some of this transnational problems that we are seeing right now?

Mr. CLANCY. I would just say that we have, again, a terrific relationship with the government of Mexico. We have an agent—we have an office in Mexico City——

Mr. CUELLAR. I am sorry, just one agent?

Mr. CLANCY. I believe it is one agent, yes.

I am sorry, Congressman, I don't know that number off hand. I will get it to you.

I will say that just recently we had reason to work with the Mexican government. They had the Pope's visit in Juarez and they did a tremendous job.

But knowing that we had experience with the Pope's visit in the fall. We offered any advice that they may want, but—and we did talk to—we sent our agents down there to talk to them, share our experiences. But again, I have to say that the Mexicans did a terrific job with protection of the pope just a couple of months ago.

[The information follows:]

Hearing before HAC-HS: March 15, 2016
Joseph Clancy, Director, United States Secret Service

Mexico City Resident Office: Staffing and Workload

The U.S. Secret Service (USSS) opened the Mexico City Resident Office (RO) in July 2001. In 2006, the Mexico City RO added one Special Agent position via a National Security Decision Directive 38 (NSDD-38) to better manage the workload related to the investigative, protective, and administrative duties associated with the operational needs of the office. Per the NSDD-38, authorized staffing includes one Resident Agent in Charge (RAIC), scheduled to report to the office in May 2016, two Special Agents (one currently VACANT), one Resident Administrative Officer (currently VACANT), and one Foreign Service National Investigator.

The Mexico City RO maintains liaison and strong relationships with Mexican counterparts in the Estado Mayor Presidencial (Mexican military unit responsible for the physical protection of high level dignitaries), Policía Federal (Mexican Federal Police protection unit responsible for cabinet level dignitaries and family members), Secretaria de Relaciones Exteriores (Secretariat of Foreign Relations), and various other host government agencies to facilitate protective operations in district.

There were 34 visits of USSS protectees to Mexico during the FY 2013 – FY 2015 period.

During a visit to Mexico in October 2015, DHS Secretary Johnson offered Mexican President Peña Nieto assistance from the USSS for the Pope's planned visit to Mexico in February 2016. In January 2016, the Mexico City RO and representatives from the USSS Dignitary Protective Division provided a detailed briefing to members of the Centro de Investigaciones y Seguridad Nacional (CICEN – Mexican Intelligence Agency). Additionally, an agent from the Mexico City RO was present in Ciudad Juarez, Mexico during the Papal visit to the U.S. – Mexico border to provide liaison support between the Estado Mayor Presidencial and the USSS Federal Coordinator in El Paso, Texas.

The Mexico City RO liaises with numerous Mexican government and private sector entities to pursue criminal investigations related to counterfeit U.S. currency, financial crimes, protective intelligence threats, and fugitive location. Liaison relationships currently exist with the Procuraduría General de la Republica (Mexican Attorney General's Office), Policía Federal (Mexican Federal Police), and Banco de Mexico (Mexico National Bank).

The Mexico City RO, in partnership with Host Government and the U.S. Department of State Overseas Security Advisory Council (OSAC), engages in public education seminars pertaining to the manufacturing and distribution of counterfeit currency, emerging access device fraud schemes, and financial cybercrimes. This training is regularly provided to federal and local police, the Mexican Federal Reserve Bank, local banks, tourist locations, hotels, and local businesses. Since October 2012, the Mexico City RO has provided 28 counterfeit currency detection presentations to a total of 967 participants.

The Mexico City RO also works very closely with Department of State Regional Security Officers (RSO) throughout Mexico to conduct criminal investigations. Agents routinely respond to assist Mexican state and federal agencies with the detection of counterfeit currency and other criminal investigations.

The Mexico City RO worked closely with the U.S. Marshals Service (USMS), Customs and Border Protection (CBP), Immigration and Customs Enforcement (ICE) and Mexican immigration authorities to locate and extradite two federal fugitives (one in Los Cabos in May 2013, and one in Cancun in November 2014).

The Mexico City RO maintains close working relationships with all law enforcement components in the U.S. Embassy which include the Diplomatic Security Service, Drug Enforcement Administration, Federal Bureau of Investigation, Department of Justice/Assistant United States Attorney, ICE-Homeland Security Investigations, CBP, Transportation Security Administration, Bureau of Alcohol, Tobacco, Firearms and Explosives, USMS, and Internal Revenue Service-Criminal Investigation. The Embassy law enforcement team meets weekly to discuss operations and to share information related to criminal trends in Mexico and the United States.

Mr. CUELLAR. Okay.

HIRING PROCESS

Well again, I would ask you to institutionalize the working relationship with the Republic of Mexico and Central America, because again, the more we can do outside the 1-yard line defense, the better it is. So I encourage you to do as much as you can under our tight budget that we have.

And again, I appreciate—I know changing the culture has been hard. We talked about it a lot. I know Chairman Carter and members of the committee, we talked a lot about it, and I know there is still once in a while an incident, but I—you know, keep addressing the culture within the Secret Service because you have a lot of good men and women working in our government, so I appreciate that.

And the final point, because I know you have got to go, but the last point is the hiring process—and I know this has been an issue with Homeland—it takes a long time. You start out with jobs.gov and then you go to process. I understand from your earlier testimony you have been reducing that.

So the more you can keep working on that, the better it is, because I have had people say, "I am not going to wait a year or a year and half." By that time they move on to something else. So whatever you can do to shorten that time up, I really would appreciate it.

Mr. CLANCY. Yes. I will just comment on that one item. We have instituted these—we call them ELACs—these Entry Level Assessment Centers, where we bring in candidates and we give them interview, and a test. If they pass the test, then there will be a super interview and a scheduled polygraph in the very near future, if not that weekend. So we are condensing it.

Mr. CUELLAR. Keep working with the Hispanic-serving institutions and the black universities, also, and other places, of course. But there are pools of qualified individuals that you can start them as interns and move them on on that.

But thank you so much. My time is up.

Mr. CLANCY. Yes, sir.

Mr. CARTER. Well, Director, I think we will end this hearing now. You have done a great job.

We thank you for the great service you have done here lately. We are really proud of you. Keep it up. Keep up the good work and I compliment the service and thank them for a good job.

Mr. CLANCY. Mr. Chairman, thank you.

And, Ranking Member Roybal-Allard, thank you.

And I want to commend your staffs, as well. We want to be as transparent—we want to be transparent, and your staffs have been very patient as we have gotten our structure together this first year. But my thanks to you and your staffs.

Mr. CARTER. Well, we will continue to work together for the betterment of everything.

Thank you, sir.

We are adjourned.

THURSDAY, MARCH 17, 2016.

UNITED STATES IMMIGRATION AND CUSTOMS ENFORCEMENT

WITNESS

SARAH SALDANA, DIRECTOR, UNITED STATES IMMIGRATION AND CUSTOMS ENFORCEMENT

Mr. CARTER [presiding]. Good morning. This subcommittee will come to order.

Director Saldana, thank you for being here. I understand you have your husband with you today. Would you like to introduce him to the panel?

Ms. SALDANA. Thank you very much, Chairman, yes.

My husband unadvisedly wore pink this morning. He is in the pink tie.

Mr. CARTER. Well, he will get pinched—you will get pinched because you are not wearing green.

Ms. SALDANA. He, like——

Mr. CARTER. I would volunteer, too.

Ms. SALDANA. But he, like I am, from the great state of Texas.

OPENING STATEMENT: CHAIRMAN CARTER

Mr. CARTER. Yes. Yes, ma'am. Yes, ma'am.

Well, welcome. And you have had about 18 months under your belt now as director of Immigration and Customs Enforcement, known as ICE, and we look forward to hearing from you today, our subcommittee hearing on the department's fiscal year 2017 budget request.

I think I have used the word "complex, diverse, and demanding" to describe missions and responsibilities of every agency in the department which has appeared before us—before we got to ICE. ICE is no exception. To say the job is challenging is an understatement.

ICE is the principal investigative arm of the DHS, responsible for preventing the exploitation of our borders by transnational criminal organizations while simultaneously securing our interior through the enforcement of our nation's immigration laws, apprehending and detaining criminal aliens. ICE agents, whether here or deployed abroad, serve on the front line to safeguard our country. We could not be prouder or more grateful for all they do.

This committee also has a challenging job. It is our responsibility to ensure ICE receives the resources necessary to properly man, train, and equip your organizations; to enable it to successfully accomplish the myriad of missions assigned to it.

The fiscal year 2017 budget for ICE is $5.9 billion in discretionary spending, an increase of $76 million over fiscal year 2016. Although the budget reflects an almost $140 million increase in Homeland Security Investigations, unfortunately the administration yet again resorted to budget gimmicks to achieve this increase, decrementing custody operations funding by $185 million and reducing the number of detention beds by 3,087 from the mandated level of 34,000 to 30,913.

This reduction makes no sense. The average adult daily population has steadily remained 33,000 since fiscal year 2015 and shows no sign of retreating. In fact, with more localities cooperating with ICE through the Priority Enforcement Program and the potential lifting of the injunction against the executive order on DAPA, the requirement for detention beds is likely to exceed 34,000.

This is unacceptable and will force Congress to search for offsets in your budget to fund the required number of beds. Today we expect you to provide a thorough explanation for this shortsighted decision.

And before I turn to you, Ms. Saldana, I would like to say that the text that you have submitted will be in the record.

And I would like to recognize our ranking member, Ms. Roybal-Allard, and congratulate her on the tree that was planted in honor of her father on the Capitol Grounds. I saw that, and red oak is a good tree. And we've got them in Texas.

[The information follows:]

Chairman John Carter

Subcommittee on Homeland Security
House Committee on Appropriations

U.S. Immigration and Customs Enforcement
FY 2017 Budget Request
March 17, 2016
Opening Statement As Prepared

Director Saldaña, Welcome. You have about 18 months under your belt now as Director of Immigration and Customs Enforcement (ICE), and we look forward to hearing from you today.

This is our subcommittee's final hearing on the Department's FY 2017 budget request, and I think I've used the words "complex, diverse, and demanding" to describe the missions and responsibilities of every agency which has appeared before us. ICE is no exception; to say your job is challenging is an understatement.

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Ms. ROYBAL-ALLARD. Thank you, Mr. Chairman.

OPENING STATEMENT: RANKING MEMBER ROYBAL-ALLARD

Good morning, Director Saldana, and welcome to this morning's hearing.

Let me begin by saying how pleased I am that the advisory committee for family detention began its work last December. The budget proposes $57 million for 960 family detention beds, which is a significant reduction below the number of beds funded for the current year. This is a reflection of how the approach to families has changed over the past several months. As we have discussed, much more still needs to be done, and I am hopeful the advisory committee will play a significant role in addressing the serious issues that still exist.

I was also pleased to learn of your announcement last week about an initiative to hire community relations officers to help improve relations with nonprofit organizations, community groups, local law enforcement agencies, and other stakeholders. My understanding of this initiative is that it will help generate constructive feedback that ICE can use to improve the way it carries out its mission.

I believe there is real opportunity here, and I hope ICE will make the most of it because I continue to have serious concerns about how ICE is carrying out its immigration enforcement activities and detention operations. We have discussed those concerns a number of times, but I have yet to see the kind of progress that I have hoped for.

I am specifically concerned that ICE's enforcement actions have targeted families with young children from Central America who are already traumatized by the violence in their home countries and the dangerous journey they took to escape that violence. It is unclear whether these families were given the opportunity to present themselves for removal, which might have made enforcement actions unnecessary.

Also in question are ICE's tactics, which importantly have involved subterfuge and taking advantage of the fact that most families don't know their rights. These individuals are not criminals. Even a final order of removal doesn't mean they don't deserve to be treated humanely and with respect.

Let me clarify that I am not suggesting ICE should not enforce our immigration laws or never remove anyone from the United States. What I am suggesting is that the current process fails to ensure due process to those seeking asylum—especially children.

Most of us who were born and raised in this country and speak English would find it difficult if not impossible to navigate our immigration system by ourselves. Just think how impossible it is for a child. Yet more than 50 percent of unaccompanied children have no legal representation.

To make matters worse, a Washington Post story earlier this month reported that a senior immigration judge—someone who trains other immigration judges—testified during a federal court deposition that he has taught unaccompanied children as young as 3 and 4 immigration law, and therefore they can adequately represent themselves. That is simply outrageous.

It is true that currently there is no obligation for the Federal Government to provide legal representation. But we have to ask ourselves a crucial question as to whether due process can really exist without it.

That is why Congresswoman Zoe Lofgren, Luis Gutiérrez, and I have introduced the bill, "Fair Day in Court for Kids." While I realize legal representation may be more of a Department of Justice issue, ICE needs to be sensitive to concerns of due process.

Thank you again for being here, and I look forward to our discussion this morning.

[The information follows.]

Roybal-Allard statement at hearing on Immigration and Customs Enforcement budget request

March 17, 2016
Press Release

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While I realize legal representation may be more of a Department of Justice issue, ICE needs to be sensitive to concerns of due process.

"Thank you again for being here, and I look forward to our discussion this morning."

Mr. CARTER. Thank you, Ms. Roybal-Allard.

Before we start with your statement, we are on a time crunch. We are told we are going to call a vote about 10:30, which is 20 minutes from now.

And we will certainly complete your statement and we will maybe go to the first question. Then we will have to take a break and run off, and we will be back and we will finish after we get through with that vote.

We will expect another vote around 12 o'clock, and hopefully we will be through by the time we have that second vote.

So you are now recognized for your statement, and thank you.

OPENING STATEMENT: DIRECTOR SALDANA

Ms. SALDANA. Good morning, Chairman Carter—it is good to see you again—Ranking Member Roybal-Allard, and other distinguished members of this committee. I appreciate the opportunity to represent ICE's fiscal year 2017 budget request, and I really do appreciate the continued support you all have provided to our agency.

We have the same objectives in mind: public safety, border security, treating people who are in our temporary custody with dignity and respect. All of these are values that, of course, I am particularly interested in and do my best to ensure occurs.

This budget for fiscal year 2017 is largely in line with the enacted fiscal year 2016 budget. It is a sustaining budget, something that will help us continue what we started in 2015, are doing now in 2016, and try to accomplish our core missions of immigration enforcement, criminal investigations, and investing in technology that is going to bring us into the 21st century.

The government is a slow and—can be very slow and burdensome sometimes. I find myself impatient with our progress, particularly in this technology area. But we are moving forward and doing the best we can. And I will share more details about that as we proceed.

We continue to respond to the influx of families coming across the southwest border. You all have seen the numbers. Certainly the first 3 months of this fiscal year the number were going in the creasing—were increasing; the last couple of months it has been declining, but we are always standing ready, monitoring those carefully, and doing our best to stay on top of it and, quite frankly, in some cases trying to stay ahead of it.

We have tremendous cooperative arrangements and working relationships with the governments which are largely involved in this influx: Guatemala, Honduras, El Salvador, and also Mexico. Mexico has been a great partner in assisting us with respect to all this.

I remain committed, sir, to continue my law enforcement efforts that I started as a United States—assistant United States attorney and then United States attorney to ensure that the immigration laws are enforced effectively and, quite frankly, sensibly. We are focused on undocumented immigrants who are threats to public safety.

Our numbers, I feel, reflect the quality if our efforts as opposed to maybe in some cases the quantity. Of the 235,000-plus removals we had last fiscal year, over 98 percent fell into one of our top

three priority enforcement—enforcement priorities that the secretary laid out in late 2014.

We have a number of challenges. You alluded to that earlier.

This is tough job. The 20,000 women and men of ICE are challenged left and right—almost literally from left and right. But they continue in their work because their interest is in the safety of our country, and I am very proud of that fact.

Some of these challenges include court decisions, going both ways. When we believe a decision is wrong we challenge it, and we continue to do that. But we are not deterred in our overall effort.

We are working with state and local jurisdictions with respect to Priority Enforcement Program. I am happy to report that I targeted the top 25 jurisdictions which had failed to honor our detainers in 2014. I made them a top priority in 2015. Seventeen of those 25 have come back to us in some form or fashion to cooperate with us where they hadn't, so I do foresee an increase in some of the demands on our detention system.

Further, we have asked for an additional 100 officers to continue this effort, focusing on the worst of the worst, in the Criminal Alien Program that we have, focusing on criminal aliens. And I trust the committee, if you have any questions, you will inquire about that, because we believe that is a very important part of what we do.

The $2.12 billion we requested for current investigative efforts. HSI, Homeland Security Investigations, our investigative arm, as opposed to ERO, our administrative civil enforcement arm, certainly has had tremendous success. When I see that 239 transnational criminal organizations have been dismantled or disrupted by our efforts, I am very pleased with that.

I am pleased with the fact that 3,500 of these involve gang members. We continue focusing on gangs and gang members in our investigative efforts.

A million pounds of narcotics. We all know the dangers that drugs and in particular methamphetamine and heroin present to our, and we are committed to working with that.

An area near and dear to my heart, human smuggling and trafficking, something I prosecuted as an assistant United States attorney: We have assisted more than 2,300 crime victims, including 384 human trafficking victims and 1,000—this is where I give our people gold stars—1,000 children that we have saved from further exploitation.

So part of this is the request of $43 million for our continued efforts and modernization of our technology. You all know. You all are the source of a number of inquiries we get from the Congress, and there about 100, I understand, committees, subcommittee that exercise some form of jurisdiction over Immigration and Customs Enforcement. We have to respond to those inquiries, and we are working very hard to modernize our technology.

We are going to continue to play a critical role in fulfilling the Department of Homeland Security's national security, counterterrorism, border security, cybersecurity, and public safety mission, and I think the fiscal year 2017 budget reflects the resources necessary to support these efforts.

In conclusion, I want to recognize the hard work and talent of our 20,000-strong Immigration and Customs Enforcement, both do-

mestic and foreign. We are in 46 countries, including our VSP program, which is in 20 countries. I am very proud to represent them.

And I should note here that we have been demanding more and more our—of our enforcement and removal people, Chairman, with respect to more investigations as opposed to just their traditional civil enforcement, more investigative responsibilities. And I look forward to working with the department, with this committee, with the Congress, and with our labor union representatives to try to correct some issues we continue to have in overtime compensation there.

So I thank you for the opportunity to testify, and I am—stand ready to answer your questions after your break.

[The information follows:]

U.S. Immigration and Customs Enforcement

STATEMENT

OF

SARAH R. SALDAÑA
DIRECTOR
U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT
DEPARTMENT OF HOMELAND SECURITY

Regarding
The President's Fiscal Year 2017 Budget Request

UNITED STATES HOUSE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON HOMELAND SECURITY

THURSDAY, MARCH 17, 2016 – 10:00AM
2359 RAYBURN HOUSE OFFICE BUILDING

INTRODUCTION

Chairman Carter, Ranking Member Roybal-Allard, and distinguished Members of the Subcommittee:

Thank you for the opportunity to appear before you today to present the President's Fiscal Year (FY) 2017 budget request for U.S. Immigration and Customs Enforcement (ICE). I look forward to discussing our priorities for the upcoming fiscal year and highlighting our continued efforts to ensure we make the most efficient and effective use of the resources you provide to carry out our critical mission.

First, let me begin by thanking you and your staff for your continued support of ICE as we execute our vital homeland security mission. Because of your combined efforts to ensure that DHS was funded throughout FY 2016, we are better positioned today to focus our energy on meeting the new and ever growing challenges to national security and public safety.

I am very proud to lead the dedicated men and women of ICE. Today, ICE has nearly 19,000 employees in all 50 states, the District of Columbia, and strategically stationed positions in 46 foreign countries world-wide. ICE is divided into three operational components: Enforcement and Removal Operations (ERO), Homeland Security Investigations (HSI), and the Office of the Principal Legal Advisor (OPLA).

ICE is also a key participant in Secretary Johnson's Unity of Effort initiative, which aims to change the way the Department of Homeland Security (DHS) makes decisions within the Department and conducts operations. As part of this initiative, ICE is the sponsoring component for DHS Joint Task Force (JTF)-Investigation and a participating component in JTF-East and JTF-West. The JTFs, launched by DHS in early 2015, are strategically guided by the Southern Border and Approaches Campaign Plan, which enhances the Department's operational approach to addressing comprehensive threat environments in a unified, integrated way. ICE is also an active participant in the Joint Requirements Council. The Council consists of senior leaders from DHS components, and identifies and recommend investments to maximize efficiency and enhance mission capabilities.

Since the agency's establishment in 2003, ERO has experienced substantial growth and evolution in its mission. In addition, the ERO enforcement strategy has shifted heavily towards the investigation, identification, location, arrest, and removal of convicted criminals and other aliens who present a danger to national security or threaten public safety.

Likewise, HSI investigates transnational crime by conducting a wide range of domestic and international criminal investigations, often in coordination with other local, state, federal and international partners, targeting the illegal movement of people and merchandise into, within, and out of the United States. HSI has extremely broad authorities and jurisdiction over the investigation of crimes with a nexus to U.S. borders and ports of entry. HSI's three operational priorities are border security, public safety, and counterterrorism/homeland security. We investigate offenses that stem from our traditional customs and immigration authorities, including smuggling of illicit goods and people and illicit finance associated with global criminal organizations.

Our third component is OPLA, the exclusive legal representative for the U.S. Government in exclusion, deportation, and removal proceedings before the Executive Office for Immigration Review at the U.S. Department of Justice. It also litigates immigration-related hearings on behalf of the United States involving convicted criminal aliens, terrorists, and human rights abusers. More importantly, OPLA is also the largest legal program within the Department of Homeland Security (DHS).

The President's FY 2017 budget request for ICE includes $5.908 billion in discretionary funding, and is in line with the FY 2016 enacted budget. Additionally, the President's Budget estimates $322 million in budget authority derived from mandatory fees, bringing total estimated spending authority to $6.230 billion. The President's FY 2017 budget request will sustain our efforts in 2016 and enable ICE to continue efforts in the following core areas: civil immigration enforcement, criminal investigations, sustaining our workforce, and investment in information technology needed to meet the security challenges of the 21st Century.

ENFORCING IMMIGRATION LAWS

Our civil immigration enforcement efforts are led by the 5,900 law enforcement officers who make up ERO. These dedicated officers enforce our nation's immigration laws by identifying aliens amenable to removal, apprehending, detaining, and removing those individuals from the United States, consistent with DHS priorities.

The Department's civil immigration enforcement priorities guide how ICE conducts removals, and they underscore ICE's heightened focus on the greatest threats to national security, public safety, and border security. ICE focuses its resources on those who pose a threat to national security, public safety and on recent unlawful entrants.

Under the department-wide, three-tiered enforcement and removal guidance issued by the Secretary in November 2014, the top priority includes national security threats, convicted felons, gang members, and recent unlawful entrants apprehended at the border. The second-tier priority includes those convicted of significant or multiple misdemeanors and those who are not apprehended at the border, but who entered or reentered this country unlawfully after January 1, 2014. The third-tier priority consists of individuals who have failed to abide by a final order of removal issued on or after January 1, 2014.

In FY 2015, ICE ERO removed a total of 235,413 undocumented immigrants, of which 98 percent fell into one of ICE's immigration enforcement priorities. Of these removals, 202,152 (86 percent) were considered Priority 1 individuals (threats to national security, border security, and public safety). Removal of convicted criminals continues to be a focus of this agency, and I believe our FY 2015 statistics demonstrate this commitment. Of the total removals in FY 2015, 113,385 (48 percent) were of convicted criminal aliens. More notably, 91 percent of ICE's FY 2015 interior removals were individuals who were previously convicted of a crime, compared to 85 percent in FY 2014, and 67 percent in FY 2011. These numbers clearly illustrate the agency's continued commitment to removing convicted criminals and others posing a threat

to public safety in the interior of the United States, as well as individuals apprehended while attempting to unlawfully enter the United States.

I remain firmly committed to enforcing our immigration laws effectively and sensibly. However, the nature and scope of ICE's civil immigration enforcement continues to be faced with a number of significant challenges. As this committee knows well, ICE continues to respond to the influx of families and unaccompanied children without legal status who are apprehended crossing the Southwest Border into the United States. Through the whole of government, we continue to address this humanitarian and border security issue in a manner that is comprehensive, coordinated, and humane. While ICE is only one of several agencies involved in the processing of unaccompanied children and families, ICE plays a critical role by quickly and safely transporting unaccompanied children from U.S. Customs and Border Protection (CBP) custody to the U.S. Department of Health and Human Services (HHS) Office of Refugee Resettlement (ORR), transporting families to ICE custody at family residential centers, placing eligible adult family members on alternatives to detention and effectuating removal orders as appropriate following the conclusion of immigration proceedings. The President's FY 2017 budget request includes $45 million in base funding for the costs associated with the transportation of up to 75,000 unaccompanied children and up to $12.6 million in contingency funding to handle an additional influx.

ICE's interior enforcement and removal operations also face difficulties as a result of a number of Federal court rulings, most notably *Rodriguez v. Robbins*, 715 F.3d 1127 (9th Cir. 2013). *Rodriguez* applies throughout the Ninth Circuit, the federal court jurisdiction with the largest number of individuals in removal proceedings. The ruling allows individuals who previously would have been detained without bond, including criminal aliens, to seek release on bond from immigration judges after a period of time in detention. Recently, the Second Circuit has followed the lead of the Ninth Circuit, issuing its decision in *Lora v. Shanahan*, 804 F.3d 601 (2d Cir. Oct. 28, 2015), which provides bond hearings after a period of time for aliens detained under the provisions of the Immigration and Nationality Act for mandatory detention of criminal aliens. Generally, if a bond is granted and the alien is released from detention, his or her case is then transferred from the relatively expedited detained court docket to the non-detained court docket. Because case processing in the non-detained docket generally takes longer than processing of cases on the detained docket, the number of overall removals in a given year has decreased. The President's FY 2017 Request supports the annualization of FY 2016 efforts to hire additional immigration attorneys to more effectively respond and process cases on the non-detained docket.

We also continue to disagree with the 2015 District Court decisions in *Flores v. Lynch*, which applied the 1997 *Flores* settlement agreement, from a lawsuit that challenged the detention and release of unaccompanied minors, to children who arrive with a parent and their subsequent processing at ICE family residential centers. The decision and resulting injunction limit the tools available to respond to flows of families without legal status apprehended after crossing into the United States. The U.S. Government has appealed the decision, and the appellate court has agreed to hear the appeal on an expedited basis. While the legal process plays out, we will continue to execute our mission in compliance with the District Court's orders. The President's FY 2017 request includes $56.5 million to fund 960 family beds. We have

implemented significant reforms to how we operate our family residential centers in order to transition affected individuals to temporary processing facilities.

The President's FY 2017 Request also includes $125.9 million to support the expanded use of the Alternatives to Detention (ATD) program. ATD is a cost-effective alternative to traditional detention that makes detention bed space available for those aliens posing the greatest risk to public safety or national security. We estimate that this funding level will provide for a total of 53,000 average daily ATD participants at full operating capacity in FY 2017. We also anticipate that this funding will adequately accommodate those individuals who represent a low risk to public safety, among families who arrive at our borders, and are subsequently released from custody pending immigration court proceedings.

ICE will continue to detain those for whom detention is currently mandated, as well as the highest-risk, non-mandatory detainees, with the level of bed space included in the request. To achieve this critical mission goal, ICE will ensure the most cost-effective use of our appropriated funding by focusing costly detention capabilities on priority and mandatory detainees. In addition to funding for the 960 family beds mentioned above, the President's FY 2017 Request also includes $1.4 billion to fund 29,953 adult beds and $309 million for the transportation and removal program to coordinate the safe and secure transportation of aliens who are in ICE custody or are being removed from the United States.

As this Committee is aware, another significant factor impacting operations has been the number of state and local law enforcement jurisdictions limiting or declining cooperation with ICE. When law enforcement agencies decline to transfer custody to ICE some removable convicted criminals or public safety threats, the agency must expend additional resources to locate and arrest these individuals at-large.

To address this problem, ICE implemented the Priority Enforcement Program (PEP) in July 2015 to replace the previous Secure Communities program. PEP improves the process of transferring those most dangerous individuals from state and local custody by enabling ICE to take custody of priority individuals without damaging trust with local communities. PEP is designed to be flexible, allowing ICE to tailor the program to fit the needs of each jurisdiction and achieve mutual law enforcement goals.

Throughout 2015, DHS and ICE conducted a nation-wide effort to implement PEP and promote collaboration, reaching out to thousands of local law enforcement agencies and government officials. The agency's Field Office Directors have provided briefings about the program to over 2,000 law enforcement jurisdictions. Notably, 16 of the top 25 jurisdictions with the largest number of detainers that declined to participate in Secure Communities are now participating in PEP, representing nearly half of previously declined detainers.

As ICE continues to strengthen and improve relationships with state and local law enforcement partners, we predict that more jurisdictions will participate in PEP, thereby increasing the number of convicted criminals transferred to ICE for removal and decreasing the risk to ICE officers who would otherwise need to locate these individuals. Building on these efforts, the President's FY 2017 Request includes an additional $6.6 million in FY 2017 for the

Criminal Alien Program (CAP). This funding will be used to hire 100 officers to support expected increases in apprehensions resulting from expanded implementation of PEP. The request will enable ICE to work with state and local law enforcement to take custody of individuals who pose a danger to public safety before those individuals are released into U.S. communities.

COMBATING TRANSNATIONAL CRIMINAL ORGANIZATIONS

HSI is the investigative arm of ICE and conducts criminal investigations to protect the United States against terrorism and other cross border criminal activity that threaten public safety and national security, and to bring to justice those seeking to exploit our customs and immigration laws worldwide. The President's FY 2017 budget request seeks $2.12 billion for HSI to support current operational efforts in the upcoming fiscal year as well as maintain the additional special agents and investigative support staff funded in the FY 2016 enacted appropriation. In its investigative capacity, HSI focuses its broad investigative authority on three operational priorities – border security, public safety, and counterterrorism/national security.

HSI investigates customs and immigration crimes, including transnational criminal organizations (TCOs) engaged in illicit activity related to export enforcement, human rights violations, narcotics, weapons and contraband smuggling, financial crimes, cybercrimes and child exploitation, human smuggling and trafficking, intellectual property theft and trade fraud, transnational gangs, and immigration document and benefit fraud. Notably, in FY 2015, HSI investigations led to the disruption or dismantlement of approximately 239 TCOs. HSI made more than 33,000 criminal arrests, including more than 3,500 transnational gang members. HSI also seized more than 1.08 million pounds of narcotics, 1,479 seizures for violations of U.S. export laws and regulations, and nearly $513 million in currency and monetary instruments. Additionally, HSI identified and assisted more than 2,300 crime victims, including 384 human trafficking victims and more than 1,000 child exploitation victims. In connection with HSI's investigations, we are also working with the Department of Labor and other agencies to ensure, for the protection of workers, the consistent enforcement of federal labor, employment and immigration laws.

One of the top investigative priorities for ICE is human smuggling and trafficking, for which ICE possesses a full range of investigative and border-related authorities. In response to the sudden influx of unaccompanied children in FY 2014, ICE initiated *Operation Coyote*, which was designed specifically to stem the flow of illegal Central American immigration, including that of unaccompanied minors, by targeting the human smuggling organizations that facilitate these illegal activities. HSI deployed personnel to strengthen capacity for conducting human smuggling investigations and enforcement actions, and for monitoring international conditions to enable targeted responses to the influx during the sustained operational period.

To build upon its early investigative accomplishments, HSI expanded the initiative not only across the country, but worldwide, to harness all HSI activity related to the smuggling of

Central Americans into the United States. On March 23, 2015, HSI commenced *Operation Coyote 2.0*, which built upon the foundation set by the preceding operational activities to further evolve and enhance HSI's overall human smuggling strategy. In FY 2015, the operation resulted in 876 criminal arrests, 690 indictments, and 612 convictions related to human smuggling investigations.

Terrorism remains one of the most significant threats U.S. law enforcement faces in protecting the homeland. Counterterrorism and criminal exploitation efforts seek to prevent terrorists and other criminals, such as human rights violators, from exploiting the nation's immigration system. HSI's overstay analysis efforts provide timely, relevant, and credible information on entry, exit, and immigration overstay status of visitors to the United States in order to enhance security, facilitate legitimate trade and travel, and ensure the integrity of the immigration system, as well as to protect the privacy of visitors.

HSI is the second largest contributor of federal agents to the FBI-led Joint Terrorism Task Forces (JTTFs), which benefit from HSI agents' investigative expertise and broad enforcement authorities. ICE will continue its participation in more than 100 JTTFs supporting and complementing counterterrorism investigations with ICE's unique immigration and trade-based authorities. In addition, HSI oversees the Human Rights Violators and War Crimes Center, which fosters an agency-wide approach to pursue human rights and war crimes violators by bringing together the resources of the various U.S. Government agencies that have a role in dealing with these offenders.

ICE's National Intellectual Property Rights Coordination Center (IPR Center) leads efforts to stop global intellectual property rights (IPR) violations that threaten our economic stability, impact the competitiveness of U.S. industry, endanger public health and safety, and contribute to predatory and unfair trade practices. Last year, ICE initiated 1,361 IPR investigations and made 538 arrests, and seized hundreds of millions in merchandise and property that resulted in 339 indictments and 337 convictions from current and prior year investigations.

The IPR Center strengthens national security by ensuring a sound U.S. economy where businesses are able to compete on an even playing field, and where consumers are confident that the products they purchase are safe and fit for their purpose. Two significant examples include Operation Chain Reaction, which combines the effort of 16 federal law enforcement agencies to target counterfeit items entering the supply chains of the Department of Defense and other U.S. Government agencies; and Operation Engine Newity, which targets the importation and distribution of counterfeit transportation products that may adversely impact the health and safety of consumers. Enforcement efforts by HSI, CBP, and the FBI have uncovered counterfeit bearings, airbags, and steering, braking, and seat belt components.

I should also take this opportunity to thank the Congress for recently passing the Trade Facilitation and Trade Enforcement Act, which not only codifies the IPR Center in law, but will strengthen trade enforcement at our ports and borders and improve our ability to stop evasion of our trade laws; improve transparency, accountability, and coordination in enforcement efforts.

Finally, HSI's Visa Security Program (VSP) maximizes the visa process as a counterterrorism tool to identify terrorists, criminals and other aliens ineligible for a visa prior to their travel or application for admission to the United States. VSP differs from other U.S. government screening efforts in that it leverages its capabilities, such as in-person interviews and working with international law enforcement partners to investigate suspect travelers, enhance existing information, and identify previously unknown threats, instead of simply denying visas and any potential travel. In FY 2015, HSI opened six new overseas VSP posts—the largest single-year expansion in the history of the program—and reviewed over two million visa applications, including approximately 8,600 cases in which visas were refused for a variety of reasons, including for suspected connection to terrorism or terrorist organizations. The President's FY 2017 Request includes $32.5 million to sustain the expansions made in FY 2015 and maintain current operations.

MAINTAINING AND SUSTAINING OUR WORKFORCE

Because of the generous funding increases ICE received in the FY 2015 and FY 2016 appropriations bills, the agency has been able to aggressively hire front-line operational staff and support staff. In FY 2015, ICE hired 92 attorneys and 437 law enforcement officers (LEOs) to enforce our immigration laws and investigate transnational criminal organizations. Currently in FY 2016, we have brought on 111 LEOs and 28 attorneys who will continue to carry out the mission of ICE. For the remainder of this year, we plan to hire approximately 750 personnel. The President's FY 2017 budget request will maintain those added as a result of the FY 2016 hiring efforts, and allow the agency to continue to hire to maintain operational pace.

To better inform our resource allocation and staffing needs, ICE has developed a new repeatable, evidence-based resource management approach, which employs a three-pronged strategy to tie workload resources to requirements. The Workload Staffing Model (WSM) uses workload capacity to determine appropriate staffing levels and funding requirements. WSM also allows ICE to justify its staffing requirements and models the impact those resources have on public safety and national security.

INVESTING IN INFORMATION TECHNOLOGY & INFRASTRUCTURE

Just as important as the resources needed to fulfill ICE's enforcement and investigative missions, are the tools required to carry out the agency's operations. The President's FY 2017 Request includes $43 million to fund the deployment and modernization of ICE's information technology applications, systems infrastructure that support our front-line personnel and improves information sharing with DHS and partner organizations. The funds requested will enable ICE to continue migration of the agency's legacy financial system to a shared service provider; refresh ICE's information technology infrastructure; and complete the modernization of ICE's law enforcement case management system.

The request also includes an additional $16.1 million in FY 2017 to support critical improvements in Identity, Credentials, and Access Management (ICAM), cloud support, and system bandwidth to ensure 24/7/365 availability and to meet the cyber-security needs of ICE information technology systems, infrastructure, and services.

CONCLUSION

ICE will continue to play a critical role in fulfilling DHS's national security, border security, and public safety mission. To that end, the FY 2017 request ensures ICE has the resources to support DHS-wide efforts. Thank you again for the opportunity to testify today and for your continued support of ICE and its critical national security and public safety mission. I look forward to answering any questions you have at this time.

Office of Public Affairs
U.S. Department of Homeland Security

U.S. Immigration and Customs Enforcement

BIOGRAPHY

Sarah R. Saldaña

Director, U.S. Immigration and Customs Enforcement

As ICE's Director, Sarah R. Saldaña leads the largest investigative agency within the U.S. Department of Homeland Security. Created in 2003, ICE has a budget of approximately $6 billion and has nearly 20,000 employees in 400 offices in all 50 states and 48 countries.

In this role, Director Saldaña advances ICE's mission to promote homeland security and public safety through the criminal and civil enforcement of approximately 400 federal laws governing border control, customs, trade and immigration.

Previously, Director Saldaña served as the United States Attorney for the Northern District of Texas. In that position, she led a staff of more than 200 employees, including approximately 100 attorneys.

Prior to that, she served as an Assistant U.S. Attorney for the Northern District of Texas, where she prosecuted a variety of criminal cases, including bank and mortgage fraud, civil rights, human trafficking and public corruption. She also served as the Deputy Criminal Chief in charge of the District's Major Fraud and Public Corruption section. Before joining the Department of Justice, she worked in private practice and at the Equal Employment Opportunity Commission, Housing and Urban Development, the Department of Labor.

Director Saldaña graduated Summa Cum Laude from Texas A&I University and earned her J.D. degree from Southern Methodist University.

Director Saldaña is the recipient of several meritorious awards and was most recently named Latina Attorney of the Year at the Hispanic National Bar Association's 38th Annual Convention. In September 2011, Director Saldaña became Texas's first Latina chief prosecutor.

U.S. Immigration and Customs Enforcement (ICE) is the largest investigative arm of the Department of Homeland Security. ICE is comprised of three integrated divisions that form a 21st. century law enforcement agency with broad responsibilities for a number of key homeland security priorities. For more information, visit: www.ICE.gov.

Current as of 12/23/2014

DETENTION BEDS

Mr. CARTER. Thank you for your statement. And I will—of course it is part of the record.

Director, as I mentioned in my opening statement, the fiscal year 2017 budget proposes to cut funding for ICE detention and reduce the number of detention beds from 34,040 to less than 31,000. While the number of families being detained has dropped dramatically, the average adult daily population has been holding steady over 33,000 since the end of fiscal year 2015. Surprisingly, the fiscal year 2017 budget request proposes to reduce the number of adult detention beds by 1,327.

Why is DHS proposing to reduce the detention capacity so dramatically when the current trend for adult detention remains 33,000 and will likely increase significantly with the potential court decision on DAPA and the increases in ICE fugitive operations and Criminal Alien Program? And please explain these assumptions used to develop this number, and are they still valid today?

Ms. SALDANA. Thank you for that question, Chairman Carter.

I think you have hit on an issue that has really obviously gotten my attention. Beds is a large part of our budget, and—but I want to point out to you, you know that the budget process is a very long one.

We formed our assumptions for this particular number back in 2015, even though it is for the 2017 budget, because of, obviously, the process. In the spring of 2015, you will recall, we had a tremendous decline in apprehensions at the border by CBP. The numbers I have seen are 65-plus, almost close to 70 percent decline in apprehensions.

And we have had a decline—we had—we were enjoying a decline in people we were taking into custody. That, to me, actually is good news, not necessarily bad. I know we may have some argument there.

But I am very keenly aware of the situation. You all, much wiser and more experienced than I am in these areas, will make the ultimate decision on what our number should be, but we based it on the assumptions that we were dealing with the time.

You are right. Currently we are at about 33,000. Of course, at the end of fiscal year 2015, you all have reminded me very often, our number was 29,000 for the year. So that is why we came in with this 30,000 number.

Also looking at the fact that while we have a number for adults and for families, we appreciate the ability to react to a very volatile situation on the border and perhaps interchange the beds there as the need arises. So I am looking at it closely.

I can commit to you, if we stay at the number or if you all choose to do something else with it, that we will follow it closely and monitor it daily.

Mr. CARTER. Well, first off, if you talk to the people who talk to the people that get apprehended—the Border Patrol—they will tell you that detention is a deterrent to people coming across the border. If they think they are not going to be detained, more people will come.

Secondly, to base it on the lowest number in 3 years is not good analysis. You don't even have to be a member of the government, you don't even have to be a member of law enforcement and live in the state of Texas to know that when it gets cold less people come across the river and when it gets warm more people come across the river. It has been going on that way for my entire lifetime, and I am getting pretty old.

So everybody in Texas knows that. No analysis there. Cold weather, it is not as much fun to swim the river as it is in nice spring weather. And we generally see the uptick start in April, May, peak up until it gets too hot, and then it slows down again.

So, I mean, it is—without the other problems that have been created with executive orders and other things that we can argue and not argue—I am not going to get into that—but I think it is a—you made an assumption based upon the best numbers you can find, and that doesn't work because if we run out of detention beds then we are scrambling to shovel money around to get you where you want to be.

If ICE has less capacity to detain the number of criminal aliens, and recent border crossers, repeat offenders, and other high-risk population—which are required; they are priority detainees—how can you mitigate that risk?

Ms. SALDANA. Well, the secretary clearly directed us, and I have done in kind, have directed our workforce, that we are not going to release criminals who should be detained just because there aren't enough beds. We are going to do whatever we do, short of perhaps them spending the evening at my home, we are going to do whatever we can to make sure those people are detained.

And let me just say, Chairman, I really do want this—to communicate this clearly: We don't do detention for deterrent purposes. Detention is specifically outlined in the statute. You have to be an expert in these laws and regulations to be able to maneuver around that.

But we can't use detention as a punishment. Detention is for the specific purpose of taking custody of people who are going to be removed, and to remove them and ensure we can remove them. Those who are not detained, there is a reason for it.

Judge, I am in law enforcement. This is what I do and what I know, and I assure you, if there is anyone that needs to be removed, we are going to remove them. But short of having an order, short of having travel documents, we cannot just remove somebody willy-nilly.

Mr. CARTER. The purpose of incarceration is three-fold. One is punishment. I didn't say punishment.

I said deterrence. Number two is deterrence.

And three is rehabilitation. You served as a criminal attorney. You know. You made that argument in court. I promise you, you have.

Ms. SALDANA. In a criminal context.

Mr. CARTER. In a criminal context, but it is—this is one of these like juvenile law, that falls into a civil category, but has people who are committing—some people who are committing acts that fall into the criminal code, okay? My whole point was if it slows down the flow, that is deterrence, okay?

If somebody coming across says, "I might get put in detention; I am not going," we haven't had to do any work on that guy. He is staying in Mexico or he is going back to Guatemala.

Ms. SALDANA. I mentioned that we don't operate in a vacuum. We have courts reviewing everything we do. You know we have a decision out of the——

Mr. CARTER. Look, we are not going to get in a discussion about courts.

Ms. SALDANA. But it says we cannot use deterrence.

Mr. CARTER. You can wait 5 years to get to some courts, okay? So let's don't get off on a tangent on courts.

Ms. SALDANA. I have to follow court orders——

Mr. CARTER. And let me finally say, and then we will go on to Ms. Roybal-Allard, this is like "Groundhog Day" for us in the Obama administration. We have had a request for a reduction in beds every year since—and the administration clearly wants to reduce the amount of detention beds. We have had it as low as 25,000—reduction down to 25,000 in my memory, and it has probably bounced around in numbers everywhere in that category.

This is not new. This is every year, just like the movie "Groundhog Day," just bing, and there it is again.

Ms. Roybal-Allard.

Ms. ROYBAL-ALLARD. Secretary Saldana, I would like to clarify something that Secretary Johnson told us when he appeared before the subcommittee in late February. In his response to a question about the potential for the Karnes and Dilley family detention facilities to be issued state operating licenses, the secretary seemed to indicate that simply the issuance of a state license would make the facilities fully compliant with the requirement that children be housed in licensed, non-secure facilities. But the licensing rule promulgated by the Texas Department of Family and Protective Services specifically states that it has no role in determining whether the family detention facilities are secure.

In order to ensure the facilities also comply with the intent of the U.S. district court ruling, what changes will you require to be made at these facilities so they meet the requirements of being a non-secure state child welfare agency?

Mr. CARTER. Before you answer, I want to ask Ms. Roybal-Allard, I didn't see that we are 10 minutes——

Ms. ROYBAL-ALLARD. Okay.

Mr. CARTER [continuing]. We got 10 minutes left of the vote. We probably talked a little bit longer than we should have. Do you want to give her a chance on——

Ms. ROYBAL-ALLARD. Maybe just that one? Just that one and then I have others. Okay.

Ms. SALDANA. Congresswoman, the welfare and well-being of the people in our custody is topmost in our minds of everyone who deals with the detention facilities, be it family or adults. You are right, we are in the middle of this licensing procedure in Texas. Also in Berks, actually, we have a battle going on there in Pennsylvania.

We are constantly monitoring the safety and welfare of those facilities. We are constantly evolving. You know last year I set up that family advisory committee. They were in Dilley and Karnes

this very week and reviewed, and I am very eager to hear back from them with respect to what they saw and what they considered.

We have standards that must be complied with. There are two aspects to the court's order that you are referencing, both the secure part and the secure part I think is the part that you are in part focusing on.

We—and the court's decision recognizes—rely—we can't license our own facilities. Every state, wherever we have a facility, with respect to those questions, has to do so. So that is why we are looking to Texas to see if we can get—continue our license.

I assure you, however, that the safety and welfare of the people in our custody is not determined by the state of Texas. It is determined by our people. And we have people on site; we have people who monitor those people; we have people who monitor the people who monitor, at the I.G.'s office and elsewhere.

So it is a continuing concern of mine, and I keep up with it daily.

Mr. CARTER. Thank you, ma'am, and we will get back to you after we take a break to go vote.

Ms. SALDANA. If you don't need to, Judge, that is fine too.

Mr. CARTER. No, I would like to see you later.

[Recess.]

Mr. FLEISCHMANN [presiding]. Madam Director, we are going to continue on with the hearing. It is my understanding that we are going to have votes called again, another vote series around 12:30 or so.

I believe the ranking member, Ms. Roybal-Allard, is in the middle of her questioning.

Ms. ROYBAL-ALLARD. Director Saldana, I would like to go back to the issue of the state licensing of Dilley and Karnes. I was not clear with regards to your answer.

Clearly Dilley and Karnes are secure facilities. And simply by having them licensed differently does not change that fact.

So my question really is that once they have received that license, in order for you to be able to place children there does that mean that it will then have to become a non-secure facility? Will the fence be taken down so that it is in accordance with the U.S. district court ruling?

Ms. SALDANA. So let me be sure I do answer your question. I am not sure I still understand it, but the court itself in Flores is what we are talking about—recognized that the state determines what is secure and not secure for purposes of meeting the—that obligation in the overall settlement agreement. The court recognized that.

What I am saying to you is even if we get the license and they determine it is a non-secure facility, that doesn't end my responsibility and my job. I recognize that.

But we will have met that on the letter of the law. We will have met that obligation under that. That is my understanding.

Ms. ROYBAL-ALLARD. Okay, because my understanding is that the Texas Department of Family Protective Services has specifically stated that it has no role in determining whether the family detention facilities are secure. We will talk about this a little bit.

Ms. SALDANA. Okay.

Ms. ROYBAL-ALLARD. Well, I am just concerned. I just want to make sure that simply by changing the designation of the facility, that then all of a sudden Karnes and Dilley are okay to place these children. Because clearly those are facilities that are not places where children should be at this point, based on what I saw when I visited. So that is my concern.

Ms. SALDANA. And I know we have had that conversation in your offices, or Congresswoman Lofgren's offices. I am happy to talk more about that with you.

Ms. ROYBAL-ALLARD. Okay. And what is the current average length of stay at Karnes, Dilley, and Berks right now? Do you know?

Ms. SALDANA. It is still holding steady at about 17 days.

Ms. ROYBAL-ALLARD. And are any families being detained beyond the 20-day period that the district court had established as the upper limit for a reasonable processing time?

Ms. SALDANA. What the court established on the 20-day is that there is a presumption of reasonableness there. It doesn't require a 20-day stay. It recognizes that there are reasons to detain people, under certain circumstances, for a longer period of time.

So there may be some that—but the average I think tells you that it is—it would be probably few and far between.

Ms. ROYBAL-ALLARD. And do you know what percentage of arriving families now spend at least some time in detention?

Ms. SALDANA. I have that number somewhere, Congresswoman, but I don't want to just speak out of memory.

Ms. ROYBAL-ALLARD. Okay. Well, you can——

Ms. SALDANA. I will provide that later for the record.

Ms. ROYBAL-ALLARD [continuing]. Provide that, yes, ma'am.

The fiscal year 2017 budget proposes funding for 960 family detention beds, which is a significant reduction from the 2,760 family beds funded for the current year. And I saw that last week you published a request for information for facilities and services provided in an innovative manner and which do not resemble traditional correctional practices.

What are ICE's plans for consolidating its family detention facilities? And depending on what you get back from the RFI, is it possible that ICE will stop using Karnes and Dilley for families in fiscal year 2017?

Ms. SALDANA. Well, we are pretty much there on the decision on Karnes. We are probably going to convert that into—our plans are to convert that into an adult male—perhaps with children—facility, not family facility, as it now with largely women.

Dilley will continue to exist. We will continue working there.

And although with respect to Berks, the jury is still out. Our license continues there, but the jury is still out as to whether we will be able to win that challenge to—that is being made right now with respect to our license at Berks.

So this is such an answer that is determined by so many different factors, not the least of which is what is going to be—what is happening on the border tomorrow or the month after. I know we all recognize the fact that there is a season for migration and then there are times when it is a little slower, but that is currently our plan.

Ms. ROYBAL-ALLARD. Okay. What is the specific role of the advisory committee for family residential centers, and will it make formal recommendations to ICE on how to improve family detention?

Ms. SALDANA. We have left it intentionally fairly broad. They are not going to be running our family facilities. That is our responsibility.

But they will be, as they did this week, visiting facilities, making recommendations to us. All of this is in a public setting, Congresswoman. Anybody can come visit our meetings when we have them.

And as I say, I expect to hear back from them on their visit this week pretty soon. I am hopeful that we get some good, solid suggestions.

Ms. ROYBAL-ALLARD. I would look forward to seeing what those suggestions are.

Ms. SALDANA. Thank you. And I was just handed by people who are brilliant that the average is at about 68 percent of families who are actually booked. So 32 percent, more or less, don't ever get booked in to one of our facilities.

Mr. CARTER [presiding]. Thank you, Ms. Roybal-Allard.

Mr. Fleischmann. And thanks for helping out.

Mr. FLEISCHMANN. Thank you, Mr. Chairman.

Good morning, Director Saldana.

Ms. SALDANA. Good morning.

Mr. FLEISCHMANN. Good to see you today.

I have some questions for you regarding the family detention beds.

The cost of beds for family units was $342.73 in fiscal 2016. Yet the budget requested a drop in the average cost to $161.36. In addition, the request projects a decrease in the number of beds by 1,800 beds.

While I applaud the effort to cut costs in this current fiscal climate, I am concerned as to whether this estimate is achievable. I have three questions.

First, why does the request drop the number of beds so dramatically?

Ms. SALDANA. As I tried to say earlier and I may not have been clear enough, this was our number back at a time when actually our—the actions we had taken in enforcement were working, the government of Mexico was helping us with respect to stopping people at our southern border. This was looking fairly steady and even declining, so we based that number on that. That is why we did that.

But again, I am going to be all over this. I will be looking at that very, very frequently.

Mr. FLEISCHMANN. Okay. So then you would agree with me the situation has changed to make that number not feasible?

Ms. SALDANA. It has changed, sir, and obviously that is part of what you are going to be doing with respect to looking at that request, I am sure.

Mr. FLEISCHMANN. I understand.

Did you consult with industry in developing the cost estimate? If not, how did you develop it and how confident are you that the bed cost can be reduced so significantly?

Ms. SALDANA. Well, we have quite a few people who are experts who have been doing this for 20 and 30 years. I cannot answer your question as to whether there was a specific private consultant we used. We certainly use private sources for consultation. In the end the decision is ours.

But let me just point out to you, you may remember that when we had that tremendous influx in 2014 we had to stand up Dilley and turn that on a dime, and as a result we paid dearly for those demands that we made to get the housing in shape, get it available. And we have just released that request for information with respect to trying to get facts that will help us decide how we are going to save this money.

But we really do anticipate, since we had a lot of front-end costs in the Dilley stand-up, that we will be saving that money and target it—this number for you.

Mr. FLEISCHMANN. Okay. And I have one final question. Thank you.

What financial management controls does ICE have in place to ensure the service costs don't escalate outside the normal perimeters over time?

Ms. SALDANA. We have people who are constantly monitoring the contracts that we execute. They are looking at them. There is a family—there is a detention oversight group within our agency that looks at that.

Our financial people are always on top of that, including our contract management people. They are very smart folks and they keep me in line with respect to managing those costs. So I rely on them and I am very confident that what they are telling me is accurate.

Mr. FLEISCHMANN. Thank you, Madam Director.

And with that, Mr. Chairman, I will yield back.

PRIORITY ENFORCEMENT PROGRAM

Mr. CARTER. Mr. Price.

Mr. PRICE. Thank you, Mr. Chairman.

Welcome, Director.

I am glad to see you here and want to focus on a familiar topic but one that I think is at the heart of your mission and at the heart of the policy questions that we need to address. That has to do with priorities you set for immigration enforcement actions.

The department's announced policy is to focus on people who pose a danger to the country—particularly convicted felons—for enforcement action. That is a declared priority that I and others have applauded—widely applauded. In fact, it has been a priority of this subcommittee for many years to facilitate exactly that kind of focus.

Now that was the original intent of the Security Communities Program, which lost some focus, unfortunately, and lost some support of local communities, and therefore was replaced by the administration with precisely this issue in mind of how to focus on the right people for enforcement, for deportation. And that is where the memo of November 2014 came from, recalibrated DHS policy.

Once again, though, we seem to be in some danger of losing focus or losing clarity about what our priorities are and what this priority one, so-called, includes, and what the relative weight is that

might be given to the different priority one categories. I am referring to, of course, the November 2014 memo.

And I am raising this issue based on several North Carolina cases. I am not going to go into the specifics of that, but that is how we learn where some problems lie often is in cases that come to our attention, whether they are anomalous or not.

I mean, we have to ask the questions that I am going to ask you now. We have five priority one categories. Four of them I think are clearly within the guidelines or the standards that I earlier articulated: aliens engaged or suspected of terrorism, people apprehended—people convicted of an offense in connection with a street gang, aliens connected of an offense classified as a felony, convicted of an aggravated felony.

Okay. Those categories, pretty clear.

The fifth one is maybe more spacious and more problematic, just convicted. Seems to be—to target people who were turned away immediately at the border. All right, so that, too, we understand.

Except when I look at these North Carolina cases I see some that weren't apprehended at the border. They might have been, but they haven't maybe shown up for a hearing, some may have been reentering the country. It is just clear that they do not fit that category of dangerous people or convicted felons.

So my question is, what is the policy within these priority one categories, and can you put a percentage on these five components of priority one as to how many of the people you are going after fall under each of these categories?

Ms. SALDANA. Thank you, sir. Yes, this is the cornerstone, the foundation of the work we do now in the post-November 20, 2014 memorandum era.

We are razor-focused on criminal aliens. That is absolutely for sure, and I mentioned some of the stats with respect to the fact that in our detained population over 59 percent have a criminal conviction, the highest we have ever had in the history of the agency.

But, sir, it is a two—it is a—this is what makes our job interesting. There are two aspects to what we do.

There is definitely the focus on interior enforcement and getting people who do not belong in this country out of here. At the same time, there is the border security aspect.

And while I was not here in November of 2014, I have heard from the secretary personally tell me about all the handwringing, the consultation, the work that went into deciding what part of the priorities is going to be focused on border security. And while we believe all of them are, the part that you are talking about, the recent border entrants, that is where we are trying to stop the flow of people continuing to come into the country.

Because all our enforcement priorities with respect to criminal aliens and others will not serve us as well if we don't pay attention to stopping the flow. And that is why the date of January 2014 was used to say, "If you can't show us that you were here in the country peacefully, abiding by the laws, before January of 2014, we are—you are going to be subject to removal."

Mr. PRICE. So this isn't a matter of just turning someone away at the border. This is a matter of fingering for enforcement action

anybody who entered after that date no matter where they are in the country.

Ms. SALDANA. That is right. That is right.

Mr. PRICE. All right. So here you are breaking up families, you are going after people who have no criminal record or criminal intent. It seems like we are back where we were in terms of a pretty indiscriminate approach.

Anyway, do you have the percentages as to how many people fall in each of these categories?

Ms. SALDANA. Generally speaking, yes. Border entrants, it is about 42 percent, just a little bit over that.

Gang members, a little bit over 1.5 percent. Many of the gang operations we have end up being citizens, unfortunately.

Felons and aggravated felons, about 21 percent. These are the really serious criminals.

And so that is approximately the number up to now. And that is just focusing on those categories.

Mr. PRICE. Mr. Chairman, I know my time is expired. I will return to this. Thank you.

RELEASE OF CRIMINAL ALIENS

Mr. CARTER. Dr. Harris.

Mr. HARRIS. Thank you very much.

And thank you, Madam Director, for coming before the subcommittee.

I am going to follow up a little bit about a letter that you sent to Mr. Grassley over on the Senate side February 11th, and it was in response to a letter he wrote on June 16, 2015 about the release of criminal aliens, and especially looking into some details of the ones who subsequently were arrested for homicide-related crimes. You are aware of the letter you wrote back?

Ms. SALDANA. Yes.

Mr. HARRIS. Okay. I hope so, because what you have is you have, you know, 120—I am going to get the number—124 criminal aliens who were released, who were actually in your custody and released who went on to commit 135 homicide-related crimes. And, you know, I think obviously you have a large task to do, but, you know Americans expect that someone who is here illegally and has a criminal record ought to be looked at really carefully before they are released back into the population.

In fact, in the list—and, you know, it is on page seven of your letter in response—you know, two of those people had previous convictions for homicide. So let me get it straight: I mean, there really were two people who were held by—in detention with previous convictions of homicide who were released to subsequently be arrested for a homicide-related crime.

That right? Is that what your letter implies?

Ms. SALDANA. If that is the facts of those two cases, yes.

Mr. HARRIS. Well, it says there are two convictions—I am sorry, it is two convictions. It could be the same person actually had two convictions of a homicide. I am not sure if that is better or worse.

Ms. SALDANA. And I can't tell you to distinguish, but that—your point is—I understand your point——

Mr. HARRIS. So under what circumstances would someone convicted of homicide be released instead of deported? I mean, is this, you know, a person who went to Zadvydas—the—let's hope I pronounced that right—Zadvydas ruling, or is that——

Ms. SALDANA. Can't do much better than you, sir. I think it is——

Mr. HARRIS. Yes, I know. I——

Ms. SALDANA. Zadvydas.

Mr. CARTER. It is Zadvydas.

Ms. SALDANA. Thank you so much, Judge.

Mr. HARRIS. Zadvydas, a silent D, huh?

Ms. SALDANA. Thank you so much, Judge.

Yes. Now, Congressman, you——

Mr. HARRIS. I mean, because otherwise it would be pursuant to a bond set by the DOJ's Executive Office of Immigration or an—or something that you all decided.

Ms. SALDANA. Exactly. Now, this is something—this is one of the reasons I designated this criminal—this community relations officers, is because there is so much misunderstanding of what we do and the fact that we are guided by this statute and the regulations.

Mr. HARRIS. Sure. And I understand that but, you know, we go down the list. I mean, 22 were convicted of assault prior to their—you know, prior to their detention and release; 14, vehicle theft; 11, robbery; nine, possession of a weapon. I mean, someone convicted of possession of a weapon and they get released?

I am not sure I—so I am—what I will do, and I will—and you don't have to respond. What I am going to do is I am going to ask you to follow up, because the senator didn't ask the question that way, is specifically those crimes that—I mean, homicide is a felony. I mean, there is no question that even under the highest prioritization—under any prioritization scheme they would be prioritized—is just to see if you could give me information if those, in fact, if any of them were related to the discretion that you have. Not the ones where you don't have discretion, where it is, you know, the 180-day detention limitation, things like that.

Ms. SALDANA. And let me just tell you the short answer with respect to last year, fiscal year 2015. Is that in——

Mr. HARRIS. I think 2015 might be in here.

Ms. SALDANA. Yes. So we were at 57 percent there of discretionary cases. That came down from 61 percent in 2014. Currently we are at 37 percent.

You know, I set up a committee to make sure that we double and triple check any criminal releases that are discretionary, sir. We do not release criminals unless there is—we are obligated to under Zadvydas, an immigration court judge has told us to do it.

In those discretionary cases we do it on a case-by-case basis. But I am happy to delve further into that——

Mr. HARRIS. No, I would appreciate that. And maybe we will have to figure out some solution because, you know, releasing a convicted—person convicted of homicide back into the community when they are here illegally is just an interesting concept.

With regards to the Secure Communities Program being switched over to Priority Enforcement, what has been the response

from those jurisdictions that previously were considered sanctuary cities as you converted from one program to the other?

PRIORITY ENFORCEMENT

Ms. SALDANA. All right. So if you don't mind, I am going to stay away from that term because, quite frankly, I don't know if you and I would agree on that definition.

Mr. HARRIS. Well, I live in a sanctuary state, so I understand what the term means.

Ms. SALDANA. So I can tell you that with respect to what I did when we were trying to focus in on this issue and we converted into the Priority Enforcement Program is I asked my staff to identify the top 25 jurisdictions in the country, which at the time were responsible for something like, I don't know, 86 percent of the declined detainers—our detainers that are being declined.

Let's laser-focus; let's have all hands on deck, including the secretary and the deputy—not that I directed them to do this; they did it on their own—but myself and our staff have been out working the field to make sure local law enforcement—once again, that is my community relations folks that are going to be doing this in the future, but currently my field office directors, everyone is all hands on deck to explain to local jurisdictions these priorities and the Priority Enforcement Program.

Currently, as I think I mentioned earlier, although I might have dreamt this, of those 25 jurisdictions, 17 have come to the table with cooperation. That is a big impact. And I haven't given up on the remaining eight because we will continue going back to those jurisdictions and asking them to work with us in a reasonable way.

Our efforts have paid off. I think by that number it shows that.

In the end, we—I think we have been persuasive because we all are interested. Local law enforcement are not interested in releasing criminals and having people victimized by people in the country illegally.

We all have the public safety concern. And so I think that has carried the day so far, but we are continuing to work with those remaining eight.

Mr. HARRIS. Thank you very much.

I yield back.

Mr. CARTER. Mr. Cuellar.

Mr. CUELLAR. Chairman, thank you so much.

EMPLOYMENT

Director, again, thank you for your service. I think you are in a very difficult situation. On one side you have Republicans that think you are not deporting enough; then on the other side you got Democrats who are saying that you are deporting too many out there. So I know it is a difficult situation.

Let me just direct your attention to recruitment and retention of employees, because I think I am seeing a pattern in homeland where a lot of the agencies are having a hard time. My question is, what are you doing to recruit, retain, and are you streamlining the process? Because it takes a long time to bring people onboard.

Ms. SALDANA. It does. And let's not forget the training part, even when we have employed them.

We were very ambitious after the lapse in appropriations last spring of 2015. As soon as that was lifted we hit the ground running and brought on 800 positions or so——

STAFF. A thousand.

Ms. SALDANA [continuing]. A thousand—for the balance of the 6 months, furiously working to try to fill some of the positions.

We still have a ways to go because, as you know, December, January, people are retiring. So when we make gains, we sometimes have to take some steps back.

But what I charged our human capital people in particular with is I don't want to hear about delays and things get—I said, "Let's do this as efficiently and effectively as possible, because we can't do anything unless we have the well-trained, appropriate staff onboard."

And, by the way, I had my human capital number one person, officer, had been vacant, that position, for some period of time. Thank goodness we have an outstanding woman, Catherine Payne, who is now our human capital officer for the entire country, and she is laser-focused on my directive.

She has—and part—much of our staff—has done several things. One of them is we are now doing like one-stop shopping, where we have gone to like five or six jurisdictions and done fairs where we say, you know, let's do the pre-employment interview; let's get—let's start the processing on the background; let's concentrate so you—we don't have to keep going back and saying, "Now this is the next step." We are taking several steps at one time. That has really gained us things.

We have got additional people focused on background checks, which are vital. We have gotta have them before people come onboard.

As you said, a lot of agencies—investigating agencies—are in this box. Just within our departments, Secret Service is trying to find people, Border Patrol is trying to find people. We are all pushing against the same pot of people, so to speak.

But as a result—and I was just in Georgia to see our FLETC. I don't know if any of you all have visited it, but it is an extraordinary place, the Federal Law Enforcement Training Center. We are all competing for place there, just to get our people trained when they get onboard.

So one of the ideas that came up and we have adopted it is, you know what, get those people onboard. We will continue working with them to get them trained as early as possible in that tenure, but let's get them onboard.

Mr. CUELLAR. Thank you.

Ms. SALDANA. So——

Mr. CUELLAR. And thank you for doing that, because I know it is—you hire people and then the attrition rate comes in on that, so I appreciate it.

FAMILY DETENTION

Real quickly, I added some language on transparencies of family detention facilities, and I think within 15 days and monthly thereafter you all were supposed to give the information in the committee. Maybe you are getting that. Because I am one of those

Democrats that I believe in immigration reform, but I still want to see law and order at the border. I represent a good section of the border.

So I would ask you all to give us this transparency language detail that we have sent to you.

The last point I want to make is the area that I represent I got two very unique situations. Rio Grande Valley, part of my district, it is from fiscal year 2015 to February of this last year family units went up 149 percent, from 11,000 to 27,000 for that same period of time, compared to fiscal year 2016. Unaccompanied kids went up 89 percent, from 12,000 to 23,000. The majority—the Rio Grande went up 90 percent, 133 percent on that.

Then on the Laredo area I have a different type of situation. I have Cubans coming in.

And I know your role is a little bit more limited because of the Cuban Adjustment Act, but just to give you an example, in fiscal year 2024—I mean fiscal year 2014, 24,000 Cubans came in; 15,000 came through the Port of Laredo. Fiscal year 2015, 43,000 came in; 28,000 of the Cubans came in through Laredo. Fiscal year 2016 up to February 24th, 25,000—almost 26,000—Cubans came in, and over 18,000 came through the Port of Laredo.

So my district is one of the those that on the southern part I have, you know, the Central American folks coming in, and then in Laredo, my home town, I have Cubans come in. And I know that is more limited on that.

Again, all I would ask is we play defense on the 1-yard line. The more we can play defense on their 20-yard line—and I know y'all have folks working in Central and Mexico and other places—the more you can do that, the better it is. Because otherwise they get to the border and they come in and they get to stay, quite honestly.

Ms. SALDANA. I understand that. And, of course, everyone here knows that we are in the middle of this transition period with Cuba, but I am quite sure that is going to be one of the top topics in the discussion as we move forward with them.

Mr. CUELLAR. Thank you so much for your service.

HIRING

Mr. CARTER. I am going to recognize Mr. Young, but before I do I got a quick question on the hiring situation Mr. Cuellar was talking about.

You are about to go to a polygraph investigation, and one of things that we have heard from CBP and others is one of the reasons for the delays in their hiring is waiting on polygraphs. So I don't know if you are aware of that, but that claims to be a delay almost across the entire DHS department, a lack of polygraph operators to get a schedule and get it done.

And you are about to instigate—to put that into this—have you thought about that, and have you got any plans to not create something that further delays the hiring of people?

Ms. SALDANA. Well, yes. And you are right, there is a shortage just generally of polygraph examiners, and everybody is using them, and we were late to this game.

But we are visiting with our colleagues that have already had that experience with respect to polygraphs. We are doing the best

we can to try to identify—because we haven't started this, as I understand. We haven't started the polygraph examinations, but we are doing everything we can to ensure, put in place, you know, get people lined up, get contracts in place to try to find as many people to do these exams for us as possible.

We are going to stay on that and just make sure it doesn't delay us any further.

Mr. CARTER. Well, it seems to be a problem and I wanted to raise a flag.

Mr. Young.

DETAINERS

Mr. YOUNG. Hi, Director Saldana. Thank you for being here today.

As you know, on February 3rd this year my constituent in Iowa, Sarah Root from Council Bluffs, was killed by a drunk driver, Eswin Mejia. Mr. Mejia entered this country illegally, and after posting bail on February 5th he has failed to turn up for mandatory sobriety tests and has not been seen since.

After speaking to Ms. Root's father and learning the facts about the situation, it is clear there are serious mishandlings of Mr. Mejia's case. Specifically, the judge in this case should have more accurately assessed Mr. Mejia's flight risk.

I know that you are aware of this. There was a hearing yesterday where Senator Sasse asked you about this.

Do you believe that this is all just very unjust?

Ms. SALDANA. It is tragic. It is horrific. Again, you know, I am a prosecutor. I want those people in jail, in prison.

We look at every case on a case-by-case basis. We rely on the professional judgment of our people evaluating risk, because that is what we do every day.

You and I may disagree on looking at the same person, but I am 99.9 percent satisfied with the risk assessments we do. We even have a tool to help us with that.

But I don't want to see a single one of these cases or hear about them. That is at the top of our list of fugitives. We are assisting the local police department and trying to locate him.

Mr. YOUNG. Eswin Mejia is at the top of your list of fugitives?

Ms. SALDANA. They are at the top of the list, and we have notified, through our transnational contacts that we have with governments—I believe he was from Honduras, and we have notified the government there that, "Please be on the lookout for him."

We will find him. We will find him.

Mr. YOUNG. Do you think he will show up to his court hearing in 2017?

Ms. SALDANA. I would not put any money on that, sir, but we are looking for him and we are going to find him, with the assistance of the local police department.

Mr. YOUNG. Well, you said that this is unjust and, of course, I agree with you. It is tragic.

And you mentioned in your opening statement that one of your priorities is to challenge unjust decisions. Thank you for that.

There are state and federal roles in these kind of cases, but there seems to be a lot of confusion, based on what you read, Q&A from

yesterday, about what exactly ICE's role is and when do they get involved. Can you elaborate on that?

Ms. SALDANA. Yes. So we are talking about, essentially, the transfer—the relationship between local government law enforcement and ourselves when we have a detainer on somebody.

So what we will do is we have got databases that will tell us that somebody has been arrested by a local jurisdiction and that there is some information maybe that this person is in the country illegally. We run that check. Sometimes we are there at the jails; sometimes we are not allowed in the jails. And we will meet with that person and interview them to confirm, because it is not always the case they are in the country illegally.

As I said, every decision we make, from apprehension to bonds to detention decisions, is made on a case-by-case basis. So we are looking at the facts relating to that situation and we decide, "This is a risk. This is a flight risk or this is a risk to public safety."

So we will look at that, make that decision, and then it goes from there. Sometimes when we have to release them or put—they are put in removal proceedings. But we make that decision on detention while we have information from the local jurisdiction that there is a—they have been apprehended for a crime.

Mr. YOUNG. Well, yesterday you stated ICE did not follow through on a detainer request made by Omaha police for Mr. Mejia because Ms. Root had not passed away when Mr. Mejia posted bail. Can you elaborate on this? Because certainly she had passed away, because the bail was a few days later.

Ms. SALDANA. Sir, if I said that I didn't say that very clearly or very well. I believe what I said was our posting a detainer would not have saved her life. It, unfortunately——

Mr. YOUNG. But it kept him from being released——

Ms. SALDANA. Yes, it kept him from facing justice immediately. He will face justice, I am very confident. But it did keep him from facing justice.

And that sounds fairly callous. I am very confident I would not have said that. What I was trying to explain is that at the time that we were looking at it, the facts we were looking at is that we had a serious injury.

And as I say, sir, I don't want to see a single instance of where we have somebody on whom we do not place detainers and they abscond when they have been involved in such a serious situation. We have had conversations and we will continue to have conversations with our people in our training and everything else to consider that because, quite frankly, the priorities allow it with respect to federal interest cases. And that, to me, if I had been looking at this file I would have considered that heavily.

Mr. YOUNG. I would like to have some further conversations with you on this.

Ms. SALDANA. I would be happy to.

Mr. YOUNG. And I know you view this as a tragedy, but others have died in similar situations like this. Sarah Root is dead. Eswin Mejia is missing. A family in the community mourns.

And I just don't think that we are doing enough, and I think this committee would stand with you in trying to do more to make sure that these things don't happen again.

Ms. SALDANA. Thank you. We are like-minded in that regard.

Mr. YOUNG. I yield.

Mr. CARTER. We will end this first round with Mr. Culberson and then start a second round.

PRIORITY ENFORCEMENT

Mr. CULBERSON. Thank you, Mr. Chairman.

Director, the secretary of homeland security testified earlier this year that there were a large number of—or still a number of large jurisdictions that are not participating in the Priority Enforcement Program. And in your testimony this morning you say that, quote—"16 of the top 25 jurisdictions with the largest number of detainers that declined to participate in Secure Communities are now participating in PEP, representing nearly half of the previously declined detainers."

It is 16 of the top 25, so which are the—what nine large jurisdictions are still refusing to participate and are not honoring detainers?

Ms. SALDANA. And as I said, I am very happy for that progress. And I think the number is more like 68, maybe close to 70 percent now of the detainers are being honored, or some form of——

Mr. CULBERSON. Well, in these 25 largest jurisdcitions——

Ms. SALDANA. Yes.

Mr. CULBERSON. So I am asking what are the—you say 16 of 25, so who are the other nine? Is——

Ms. SALDANA. I can share that list with you, Congressman. I am still working with these jurisdictions. I will share the list with you——

Mr. CULBERSON. I understand. Did you ask one of your folks back there? Somebody can tell you. Who are the nine?

Ms. SALDANA. I will share that list. What I am hesitant to do, sir——

Mr. CULBERSON. You have got it with you. It is important. I would like to know who they are, and as——

Ms. SALDANA. And I will provide that to you. I am not saying I won't.

What I am saying is shaming somebody is not productive when I am trying to work very closely with these——

Mr. CULBERSON. I am not looking to shame them. We are looking to solve the problem.

Ms. SALDANA. And I will provide you that list.

Mr. CULBERSON. They are going to honor detainers and they are going to follow federal law, or they are going to lose all their federal grant money. It is that simple. You want federal money? Follow federal law.

I need to know the answer to that question.

Ms. SALDANA. And I will provide it to you immediately.

Mr. CULBERSON. It is time-sensitive.

Ms. SALDANA. I will provide it to you immediately——

Mr. CULBERSON. And I need the list of those—or all of them, actually. I want to know who those nine are, but then I would like to know who those 25 are, and then a list of those that are not honoring detainers. Could you provide that to me within the week?

Ms. SALDANA. That may be a little ambitious because I want it to be accurate, but we will attempt to.

Mr. CULBERSON. Well, I know the list exists. You have already got it. I——

Ms. SALDANA. No, I thought you said—I am sorry—all of them.

Mr. CULBERSON. Yes, I would like to know all of them.

Ms. SALDANA. The nine we can give you immediately.

Mr. CULBERSON. Okay, great. Thank you. That would be super. And then I need to know who these—who the others are, as well.

Ms. SALDANA. Yes, sir.

Mr. CULBERSON. Because it is my responsibility as chairman of the CJS Subcommittee to make certain that jurisdictions don't ask for federal money unless they are complying with federal law. So I need that list right away. Thank you very much.

Ms. SALDANA. Thank you, sir.

Mr. CARTER. Ms. Roybal-Allard.

I guess I am next.

Thank you.

ALTERNATIVES TO DETENTION

It shows how much I like you, Lucille.

Director, your budget requests project a significant increase in the number of participants eligible for the Alternatives to Detention Program for fiscal year 2017. Since the beginning of this fiscal year, the monthly average for participants in ATD has increased from 34,000 to 43,000. Despite this data, your request maintains the capacity at 53,000.

Given this large increase in such a short period of time and the projection for significant increases, is the request sufficient to meet the projected increases? What happens if 53,000 ATD options are insufficient? Will you then detain more aliens or will you release more aliens?

Obviously not all aliens on the detain docket are enrolled in ATD. What statistics do you have to support the effectiveness of ATD with regard to compliance with hearings and actual removals?

Ms. SALDANA. Let me see if I can remember all your questions. Let me start with the——

Mr. CARTER. I will go back through them for you if you want me to.

Ms. SALDANA. Let me start with the first one, and that is with respect to ATD and how ambitious we are. We are at 44,000 or so now; we are looking at 53,000 overall.

As you know, we are at the beginning of that peak season, we believe, where we may be seeing more people as the weather warms up. We also have that success that we have enjoyed in PEP, which may end up producing more people that we have and that we may end up using ATD for some of them.

With respect to the last question on effectiveness, we have currently a pilot program, a family residential program that talks about—that has let out a contract to GEO, a contractor, to actually monitor and give us hard statistics on helping these people to make sure they show up for their hearings to the very end when it is time for removal and taking them back into custody if we are—if we have had to release them.

I believe we will have some good numbers from that pilot study. But in the interim, my understanding is that we have had very good success with ATDs in terms of compliance of people at hearings for that—for the period of time that they are on release.

Mr. CARTER. What do you anticipate would happen if you exceed 53,000? I mean, based on some recent current events, that could happen.

Ms. SALDANA. It could, sir. That is part of my job is managing and watching the numbers and seeing where we are. Same thing with beds.

We will keep a close lookout on it and we will keep the committee informed as to how things are——

Mr. CARTER. If this happens we gotta find the money.

Ms. SALDANA. I understand, sir.

Mr. CARTER. And effectiveness, you got a pilot going on that. When do you anticipate some kind of information from that pilot?

Ms. SALDANA. Well, it just started, Congressman, and I think in a few months we will have some results to share with you. Are——

Mr. CARTER. I used to do alternative to detention or incarceration in my county and we got monthly reports on the effectiveness of that. And we didn't have near the numbers you got, I will go along with it, but we had more than our share. And monthly reports make it—for people making determinations—much more effective making decisions if you see whether something is working or not.

Ms. SALDANA. Absolutely.

Mr. CARTER. And the more you make those people report, the more they realize that they have got an obligation. And if you don't—if you leave them alone and let them roam, they go away.

Ms. SALDANA. Well, that is why we asked for that increase is because we think it is effective.

Mr. CARTER. Thank you.

Ms. Roybal-Allard.

FAMILY ENFORCEMENT

Ms. ROYBAL-ALLARD. Okay. Director Saldana, as you know, I and many of my colleagues have been concerned about ICE enforcement actions targeting families, particularly one that took place at the end of the winter holidays in which reportedly ICE agents used deceptive tactics to gain entry into homes.

There are also reports that out of the 121 individuals who rounded up, 77 were deported within 4 days without ever speaking to a lawyer, despite available pro bono legal assistance at the detention center. Multiple women also reported asking to speak to a lawyer and being denied by ICE agents.

While immigrants in civil deportations proceedings have no legal right to counsel, do you believe that the government has at least an obligation to respect the detainee's request to speak to a lawyer? And also, if you could answer as to whether or not ICE targets only individuals who have refused to comply with a removal order, or does it also target individuals who have not had the opportunity to voluntarily surrender themselves to ICE for removal?

Ms. SALDANA. The operation you are talking about, Congresswoman, was very targeted. It started with a large list of individuals who were possible candidates for the operation and ended up

a very small list. And in fact, I think the numbers with respect to families was something like, across the country, 77 people that were actually apprehended.

We do not go outside the priorities unless there is, as I said earlier, a federal interest or a good reason to do so. I don't know how much scrubbing we did, but we did it at the headquarters level, we did it at the local level, and we had supervisors reviewing that list. And as I say, it started out much larger than it was.

I have heard some of these same reports. I will assure you that we have run down—everything we get a specific information on, we have run in down, and all the people involved in that operation were enforcement priorities.

Now, you and I may disagree on whether we should be looking at recent border entrants. But to the extent that they were—some families may have been involved, they probably fell into that category and that is the answer that we have at ICE, enforcement-wise, to trying to stop the flow of people. Because it makes a tremendous impression to put someone on a plane and return them to their country so that people can say—see it is not worth the dangerous trip to the United States to come here.

But that issue of whether or not we should include recent border entrants was hotly debated, I understand, and that is where we came down. And it wouldn't have been somebody outside of those parameters.

You and I have met about specific instances. To the extent you provide us any information on specific examples, we can do that.

But I think I have shared this with you before, Congresswoman—I mean this: We are professionals at ICE. People may disagree, and they throw allegations at us all the time. Things are reported that are not accurate.

I take every allegation seriously and I ask people to take a second and a third look. You know I have a special advisor, someone who interned with you not that long ago, Liz Cedillo-Pereira, and she assists me in monitoring these situations.

Ms. ROYBAL-ALLARD. Let me just stop you there, then, and be a little bit more specific in what I am trying to get at in terms of the allegations about multiple women asking to speak to a lawyer and being denied by ICE agents. Have you looked into that allegation?

Ms. SALDANA. Yes. Yes, we have.

Ms. ROYBAL-ALLARD. And you are saying that that is not true.

Ms. SALDANA. Exactly. People are advised of their rights.

But part of the targeting of this operation are people who have been through the process. We did not include anyone in that operation who didn't have a final order of removal; had had due process up one side, down the other; had exhausted their appeals. Not one single person in that operation fell outside of those—of that specific targeted population.

From the moment they get into the door they are advised of people who provide legal services free. They have phones in which to make those—free phones in which to make phone calls to their legal representatives. Many of them are represented, and they——

Ms. ROYBAL-ALLARD. I am running out of time, so I just want to say I think we need to look into this a little bit more. And we don't have the time to do that now, but I just want to make the point

that even when a final order of removal is imposed and the time for appeal has closed, it doesn't necessarily mean that these individuals have been provided due process.

And that is the reason that the Board of Immigration Appeals agreed to hear cases of several families taken into custody during the early January enforcement actions even though they had final orders of removal. And the issue is whether an individual really has been given fair access to effective counsel.

I am over my time and I would like to follow up at a later time with you on this particular issue.

Ms. SALDANA. Certainly.

Ms. ROYBAL-ALLARD. Thank you.

Mr. CARTER. Mr. Culberson.

ICE RELEASES

Mr. CULBERSON. Thank you, Mr. Chairman.

Director—according to your budget submission, ICE removed 235,413 illegal aliens in fiscal year 2015. How many illegal aliens did ICE release during that same period?

Ms. SALDANA. Did ICE release?

Mr. CULBERSON. Yes.

Ms. SALDANA. In this is 2015?

Mr. CULBERSON. Yes, fiscal year 2015. If you removed 235,000, how many did you release?

Ms. SALDANA. I have got that number, sir. Let me take a look at that.

Mr. CULBERSON. Thank you.

Ms. SALDANA. And we are talking about general release as much as criminal.

Mr. CULBERSON. Yes, fiscal year 2015, all releases. How many did you release who were in the country illegally during that same period, fiscal year 2015?

Ms. SALDANA. Okay.

Mr. CULBERSON. Thank you.

Ms. SALDANA. You know, I am not finding that real quickly right now.

Mr. CULBERSON. And also, if you see it there, how many did you release in fiscal year 2016?

Ms. SALDANA. Total removals in 2015—this is very—well you already know it is 235,000.

Mr. CULBERSON. 235,000. Right. So how many were released?

Ms. SALDANA. I don't have that number right in front of me. And you know that in 2016 we are at 74,630 so far total removals.

I don't have that number in front of me. I will have to give that to you in a little bit.

Mr. CULBERSON. That is a very important number.

Ms. SALDANA. Yes, sir.

Mr. CULBERSON. That is the one that concerns us all because it includes—how many of those people, for example, that were released fit into category one or two of priorities for removal?

Ms. SALDANA. Who have been released?

Mr. CULBERSON. Yes.

Ms. SALDANA. If we have a reason to detain someone, if the statute provides our ability to detain someone, we are going to detain

them. They are not going to be released unless they come within Zadvydas, which is that Supreme Court decision, or an I.J.—an immigration judge—has ordered it.

Mr. CULBERSON. Okay. Then you will be able to tell me that, as well, if you would in a follow up.

Your folks are going to provide me with a list of jurisdictions that are not honoring detainers, the list of jurisdictions—those large ones, the 25—and then that list show me the—those—there are 16 of the 25 you said that are now at least participating in PEP, and that is good news. And I will work with Jeremy back there on this—thank you, Jeremy—on letting me get ahold of that list soon as possible. And then Jeremy I guess would also provide me with how many folks were released in 2015 and 2016?

Thank you.

Ms. SALDANA. Now it is 17, by the way. I don't want to give up that one. Instead of 16 out of 25, it is now at 17. We just added Miami-Dade and another jurisdiction, so it is 17 now.

Mr. CULBERSON. Miami-Dade is honoring—is participating in the PEP program.

Ms. SALDANA. Yes, as of about a month ago.

Mr. CULBERSON. But Miami-Dade still does not honor detainers.

Ms. SALDANA. I think it is only notifications, but——

Mr. CULBERSON. What?

Ms. SALDANA. Notifications. That is that they want to be—they will notify us before they release someone.

Mr. CULBERSON. But they will not honor a detainer. They won't hold them.

Ms. SALDANA. I don't think so.

Mr. CULBERSON. Miami-Dade will not hold them.

Ms. SALDANA. That is right.

Mr. CULBERSON. Okay.

What about Chicago—Cook County? Will Chicago hold people until you come pick them up?

Ms. SALDANA. That is one of the folks—the jurisdictions we are still working with. They have not, up to now, agreed to participate in PEP.

Mr. CULBERSON. Will Cook County hold an individual until ICE comes and picks them up?

Ms. SALDANA. No.

Mr. CULBERSON. Okay. Will Los Angeles hold an individual until ICE comes and picks them up?

Ms. SALDANA. They will notify us.

Mr. CULBERSON. Will Los Angeles hold them until ICE comes and picks them up?

Ms. SALDANA. Well, they can't hold them beyond the 72 hours even under a detainer.

Mr. CULBERSON. I understand. Will they hold them at all? Will they honor your detainer?

Ms. SALDANA. Well, in—at—in Los Angeles it is——

Mr. CULBERSON. Same question as Miami and Cook County.

Ms. SALDANA. They are far different from Cook County. We have an arrangement, and actually it is even in writing, with them with respect to notifications. So they will hold them for a period of time.

As they process them out they give us notice and we come pick them up.

Mr. CULBERSON. But they will not honor a detainer.

Ms. SALDANA. They do not honor detainers.

Mr. CULBERSON. Los Angeles.

Ms. SALDANA. That is correct.

Mr. CULBERSON. Okay. Does San Francisco honor detainers?

Ms. SALDANA. No.

Mr. CULBERSON. What other major jurisdictions come to mind that don't honor detainers?

Ms. SALDANA. Currently Seattle.

Mr. CULBERSON. Okay.

Ms. SALDANA. Significant, substantial size, that is all I can recall right now.

Mr. CULBERSON. Doesn't the state of California have a law that forbids the jurisdictions or even the state from honoring detainers?

Ms. SALDANA. It has the Trust Act, sir, which is a legal morass. In my view it is very hard. But yes, part of it is to discourage cooperation.

But obviously since we have a number of jurisdictions in California cooperating with us, we have been able to work with the legal departments of those entities to see if we can either find a way to work within the Trust Act or make some arrangement. And in a number of jurisdictions we have been able to do that, including Los Angeles.

Mr. CULBERSON. The purpose of the Trust Act is to discourage cooperation with federal authorities on immigration status of people held in their——

Ms. SALDANA. I don't think I can opine on the purpose, sir. You will have to ask the people who passed the law.

Mr. CULBERSON. I am just confirming what you just said.

Thank you very much, Mr. Chairman. I have gone over my time. Forgive me.

Mr. CARTER. Mr. Price.

PRIORITY ENFORCEMENT

Mr. PRICE. Thank you, Mr. Chairman.

Director, I would like to return to the question of the Priority Enforcement Program and who actually is prioritized, in terms of immigration enforcement.

Let me first, though, indicate that an aspect of at least one of these cases that have come to my attention—and again, I am trying to just take cues from those cases. I know we can't adjudicate them here. But there is apparently a company policy that has to do with the places where people are apprehended, sensitive locations that might be involved.

And I am reading here from a statement by Secretary Johnson—"When enforcing the immigration laws, our personnel will not, except in emergency circumstances, apprehend an individual at a place of worship, a school, a hospital or a doctor's office, or other sensitive location."

One of the troubling aspects of one of these cases is that a young man was picked up waiting for a school bus. But is there any rea-

son to doubt that this is and should be and will be a department policy, as the secretary stated here?

Ms. SALDANA. We have it in writing, and I believe it is even posted on our—which I found kind of unusual—it is even posted on our website, our sensitive locations policy. We train on it.

Mr. PRICE. All right.

Ms. SALDANA. We discuss it. We discuss situations where perhaps—because it is not all-encompassing. There is a recognition that there may be additional situations where some sensitivity is involved.

And as I say, I have confidence that in 99.9 percent of the cases we make the right judgments with respect to that.

Mr. PRICE. All right. I just wanted to confirm that that was, indeed, the policy and that this is a relevant concern to raise about cases that come to our attention.

Ms. SALDANA. And I just directed, Congressman, my field office directors to be sure to incorporate sensitive locations issues into their meetings with local communities and law enforcement.

Mr. PRICE. Good.

Now, let me return—we were rushed when you were going through these priority one categories and giving me percentage figures. The figures I have don't add up, so I want to ask you to revisit that.

You said, I think, that maybe 42 percent category B. That is the one category that is not criminals or people who pose a danger, gang members. You said 42 percent were in that non-criminal category, and that is—I want to return to that.

But then I don't have the figures on these other categories, I suppose, that add up, or maybe I misunderstood you. If you can give them now and then maybe make sure you confirm the numbers for the record.

Ms. SALDANA. Yes, sir.

Mr. PRICE. Yes. When we are talking about the—do you have—you said 21 percent, I thought, for both of the felony categories, but maybe I misunderstood.

Ms. SALDANA. Well, it is 42 percent or recent border entrants, 1.5 percent for gang members, 20.8 percent—I am just picking on specific priorities. I think you had mentioned recent border entrants in particular. Aggravated felons and felons, 20.8 percent. And——

Mr. PRICE. In category A, those suspected of terrorism?

Ms. SALDANA. I don't have that percentage in front of me, sir.

Mr. PRICE. Well, it doesn't add up to 100 percent. That is my point.

Ms. SALDANA. Right. And I didn't intend for it to.

Mr. PRICE. Okay, so what is—what—who is not here who has been apprehended? Are these from priority two or——

Ms. SALDANA. I can give you——

Mr. PRICE [continuing]. Or other categories——

Ms. SALDANA. I can give you that top-to-bottom if you will allow me to go back to the office and fill that in.

Mr. PRICE. Yes. That is what I am saying. If you can give us the final numbers. I think it is highly relevant to our discussion to——

Ms. SALDANA. I will do that.

Mr. PRICE [continuing]. To put numbers on this.

And then I guess I am still left with some uncertainty about who is prioritized here. You know, I say that with some regret because I think we all want to get this right. I know you do. We have worked for years to get this right, to prioritize dangerous people, to get our immigration enforcement priorities where they need to be.

And you and your department have devoted considerable time and effort to this, working with Secure Communities, deciding finally it needed to be replaced with a more focused effort. And now I must say there is some similar confusion creeping into this enforcement regime.

And these cases I mentioned do—maybe they involve people who are entering for a second time. They clearly involve people who are in the interior of the country. Maybe didn't show up for a hearing—you know, the circumstance is different.

But in any case, these are not dangerous people. They are not dangerous criminals. It escapes me why they should be prioritized.

So I am looking, I suppose, for yet more clarity, both in statement and in actually the way policies are executed, as to where we are going with this and what it means to say that it is national policy to give absolute priority to dangerous people when it comes to deportation.

Ms. SALDANA. Two parts, Congressman: the danger, and then the border security part, trying to stop the bleeding at the border.

That is why we chose that January 2014 date. I say we chose it; I wasn't here.

But that was why that date was picked is because recent border entrants, we are trying to send a message that our borders are not open. And so that is why some of those people who are not—who have no criminal record but who can't show that they have been in the country since before January 2014 are not otherwise in the—or apprehended at the border, for example, are turned back.

Mr. PRICE. Well, all I can say is that if you are turning people away immediately at the border, that is one thing. We know that you have to do that, and that does send an important message.

I think it is quite another matter when you are pursuing people in the interior of the country who have been here, who are parts of families, they are working, whatever, they have become more or less integrated into communities, and you are singling them out based on the date at which they entered, or what? I mean, it doesn't take too many cases of this sort to send uncertainty and fear and apprehension through the entire community and——

Ms. SALDANA. There should be no uncertainty. It is January of 2014. It is specified in the priorities.

Those people do need to have a concern about being removed. That is that is what we do.

We have settled this issue—the secretary did when he issued that November 20, 2014 memo. The president is behind this effort because we need to do something about border security and stopping the flow.

I understand we disagree on that particular priority. We seem to agree on criminals and aggravated felons. But that is the policy that has been decided upon and I certainly can see your point of

view, sir, but the enforcement is where we are focused on with respect to recent border entrants.

Mr. PRICE. Well, there is a problem here in the way this policy is presented because the basic presentation, which, as I say, I applaud, is that we have our priorities straight; we are going to go after people who pose a threat, and that is what deportation in the first instance is all about.

Priority one is not just about that, although I think that is the way it is often presented, and so understandably, when people in the communities, in the interior of the country, are being fingered for enforcement action, then it causes great puzzlement because these people don't seem to fit what the declared policy is all about.

Ms. SALDANA. Millions don't fit that priority who arrived here before January of 2014. Millions. We don't go after those millions, but we have, for example in this recent operation, gone after and were able to apprehend 77.

So it is a message that the secretary is committed to, and we are going to continue to enforce the law that way. And, sir, I understand your point and that you disagree with that policy, but that is the policy we are guided by.

Mr. PRICE. Thank you, Mr. Chairman.

Mr. CARTER. Well, thank you, Mr. Price.

And, Mr. Cuellar, you will bat cleanup.

ALTERNATIVES TO DETENTION

Mr. CUELLAR. Thank you. Thank you so much.

I want to support the chairman on the emphasis to the ATD, the alternatives to detention. And I certainly want to support the president's request for the $125 million—almost $126 million.

Could you just tell us what the cost is to do one of those alternatives compared to a cost of a detention for one individual compared to—what does it cost to provide the alternative to detention, and what does it cost to have somebody in the detention? I know I have seen those numbers before. You might not have them, but if you can get back to us, I would appreciate it.

Ms. SALDANA. Absolutely will, sir. I know we have those numbers. That is how we constructed the number we had. But I—it escapes me at this moment.

Mr. CUELLAR. Yes. If you could just have somebody get back to us.

Probably the other this is I am a big believer—again, I am on the border. I am one of those Democrats who believes in law and order and the border even though immigration reform is extremely important to me. But I believe in extending the defense from the 1-yard line.

OPERATION COYOTE

Tell us how—and I assume you are still doing Operation Coyote?

Ms. SALDANA. Yes.

Mr. CUELLAR. Yes. And I know that was—has been successful. I have looked at some of the numbers.

This is my last question: Can you just tell us how that is coming along and how you are working with our neighbors to the south, also?

Ms. SALDANA. Absolutely. I am happy to do that.

So this is Homeland Security Investigations, and we want to break the backs of smuggling organizations, and that is why we have targeted Operation Coyote, Coyote 2.0, and it is just a constant part of our work.

Those are pretty much like pretty bad people who will focus on vulnerable people who need—who feel like they need to come into our country and will do it even illegally. So we have a tremendous network of information, working with the government of Mexico in particular, and also the governments of Central America. Tremendous amount of information, and this is where our TCIUs—transnational criminal investigation units.

And if I can just tell you, I know you probably know this, but this is using local law enforcement in these governments to assist us with finding these smuggling organizations and prosecuting them either in Mexico or, if they are part of an international operation, bringing them to the United States for prosecution.

We have had good numbers. I think I mentioned overall the numbers with respect to the transnational criminal organizations that we have broken. But it is very much an important part of what HSI does and they do it very well.

Fortunately, we have attaches in Mexico and all three Central American government countries, and they help us immensely in trying to do our domestic operations with respect to smuggling organizations.

Mr. CUELLAR. Right. And I want to thank you, because the more we do outside the U.S. border the better it is, because otherwise we will get into do we have detention centers, will we not have detention centers, how do we take care of folks, do we do this, do we deport people after this, and immigration, federal order there, what do we do. And again, the more we can do outside and work with those countries and extend our security, the better it is.

Again, I want to thank the chairman and the ranking woman—yes. And I want to thank the chairman and the ranking woman for their work.

And I know as we put this budget together we want to thank you and the men and women that work for you.

At this time we will yield to my good friend from California.

PRIORITY ENFORCEMENT

Ms. ROYBAL-ALLARD. Thank you, Congressman, for yielding.

I just wanted to just quickly respond to something that Congressman Culberson was asking. He had mentioned Los Angeles, as to whether or not Los Angeles would detain folks for you after the notification, and the answer is no.

It isn't just an issue of "just say no." I just wanted to make the point that constitutional issues are involved. There is some question right now about what constitutes probable cause. That is one reason.

And secondly, local governments in Los Angeles, our budgets are already stretched, our jails are overcrowded as it is, and to be able to detain someone without any end to it until ICE gets around to it is problematic.

Also, the fact that when they are being detained by local government, they do not get reimbursed by the Federal Government. That comes out of the local budget. And that is a big, big issue for local law enforcement.

So I just wanted to throw that into the mix, in terms of responding to your question. Thank you.

Mr. CUELLAR. Yield back. Well I don't have any time, but I yield back the balance.

Thank you, Mr. Chairman and Ranking Member.

Mr. CARTER. Under a higher court order, having to oversee overcrowdedness at a jail, those are valid arguments that Ms. Roybal-Allard makes.

Mr. CULBERSON. May I?

Mr. CARTER. Yes.

Mr. CULBERSON. Let me just say I understand what you are talking about, that that is—but that is their local decision. If they choose not to honor detainers, if they choose not to cooperate with ICE, if they choose not to share information with ICE, that is their local decision.

But federal law requires them to share information. Federal law does require them to cooperate with ICE.

And if they choose not to follow federal law, then that is their decision but don't ask for federal money. They are not eligible for federal grant money. That is an obligation of every federal agency, federal—local jurisdictions have to comply with federal law to be eligible for federal grant money, and that is my only point.

They can keep their—if they want to keep their policy where they don't honor detainers they can do so, but don't ask for federal money.

Ms. ROYBAL-ALLARD. L.A. is involved with the PEP program, so they are following——

Mr. CULBERSON. Correct. I am glad they are honoring—I am glad they are working on the PEP program. But they are not cooperating with ICE; they are not honoring detainers as federal law requires, so therefore they are not eligible for federal law enforcement grant money.

They can keep their policy. Just don't ask for federal money.

DETENTION ALTERNATIVES

Mr. CUELLAR. Mr. Chairman? I am sorry I gotta change the subject, but I want to follow up on what the chairman mentioned. I am changing the subject a little bit. I apologize.

On this alternatives, I agree with the chairman about having monthly reporting. And I don't know what your logistics are. Maybe you are doing that.

But if you have monthly reporting on the alternatives, at least we know if somebody is doing what they are supposed to be doing. And you could take it to another level and maybe go to detention if they are not reporting.

I mean, it is a very cost-effective, but we have got to have some sort of performance measures on them. And I don't know if you do, but if we can do it at the local level, I know in Texas we do that—we have got to be able to report.

And I don't know what the logistics are on a national basis.

Ms. SALDANA. And I will explain it to you more clearly in written form, Congressman, but I know that we do some assessment. As I say, that is why I said that it—we are very satisfied that it has been successful on the small scale that we are doing it.

I mean, 25,000, now 53,000, is not that big. But I can get you more detail on that.

Mr. CUELLAR. Well, if we are going to add—and I don't want to speak for the chairman, but if we are going to add some money to alternatives, we have got to have some accountability, and a monthly—if it can be done across the country on the local basis, we can certainly do it.

Thank you. Sorry, Mr. Chairman.

Mr. CARTER. All right.

Well, thank you for this day. We almost got out of here at 12 o'clock. We got a little wordy right there at the end.

But we thank you for this, and we will be in recess.

Ms. SALDANA. Congressman, can I just——

Mr. CARTER. We will adjourn.

Ms. SALDANA. Can you reopen?

Mr. CARTER. Yes.

Ms. SALDANA. Okay. Just for me to say, I gotta tell you, I appreciate every viewpoint that is expressed here. I have a good understanding of some of the issues involved.

I appreciate the courtesies you all extend to me. I have actually been in hearings where people scream and yell at me and it hurts my feelings tremendously, but I have always—I felt like this was a committee that I can deal with, and I look forward to continuing our relationship.

Mr. CARTER. We are all trying to meet the same goals. Thank you.

Ms. SALDANA. Thank you, sir.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE John Carter

Director Sarah Saldaña
U.S. Immigration and Customs Enforcement
Committee on Appropriations
Subcommittee on Homeland Security
FY 2017 Budget Request
March 17, 2016

Hiring Challenges/Polygraph

Questions: I understand that the biggest single disqualifying factor for applicants at some agencies (CBP in particular) is the adjudication of the polygraph. Apparently, ICE is about to institute the use of polygraphs which could further slow your hiring efforts.

- Why was this decision made? Does the Department or the OIG suspect ethics concerns?
- What are you going to do to ensure the tests are administered and adjudicated in a manner that will not unduly slow the hiring process?

ANSWER: U.S. Immigration and Customs Enforcement (ICE) is the second largest law enforcement-investigative agency in the U.S. Government but, unlike its law enforcement counterparts, does not conduct polygraph examinations for criminal investigator or law enforcement officer applicants. Implementation of the pre-employment polygraph program aligns ICE with the other federal law enforcement agencies that use the polygraph as a tool to screen applicants. The decision to implement the polygraph program at ICE is primarily for the purpose of matching the personnel security screening process of other federal law enforcement and security partners. Thoroughly screening applicants with a pre-employment polygraph examination significantly reduces the agency's vulnerability to compromise and infiltration by criminal organizations.

ICE believes it can integrate the polygraph examination into the current law enforcement officer candidate screening without unduly slowing the hiring process. ICE will plan to pilot the procedure during Fiscal Year (FY) 2018 prior to full implementation in FY 2019.

Alternatives to Detention

Question: Director, in your budget request, you project a significant increase in the number of participants eligible to participate in the Alternatives to Detention program in FY17. Since the beginning of this fiscal year, the monthly average for participants in ATD has increased from 34,000 to over 43,000. Despite this data, the request maintains the capacity at 53,000.

- Given this large increase in such a short period of time and the projection for significant increases, is the request sufficient to meet projected increases? What happens if 53,000 ATD options are insufficient – will you then detain more aliens or will you release them?

- Obviously not all aliens on the non-detained docket are enrolled in ATD. What statistics do you have to support the effectiveness of ATD with regard to compliance with hearings and actual removals?

- How do you determine which aliens can participate in ATD? Of those in ATD that are criminal aliens, what percentage are Level 1, 2, and 3 criminals?

ANSWER: The current contract, known as the Alternatives to Detention Intensive Supervision Appearance Program III (ATD – ISAP III), has a high level of flexibility in the assignment of appropriate case management levels and technology. Currently, ATD – ISAP III has the ability to monitor approximately 53,000 participants per day on average. The contract allows exceeding 53,000 participants per day as long as the contract year average does not exceed that amount. Based upon seasonality and current case management protocols, U.S. Immigration and Customs Enforcement (ICE) anticipates being able to continue to monitor appropriate participants as the population increases through routine case management.

Enrollment in the ATD Program is a condition of release to ensure compliance with immigration court hearing obligations and ICE reporting requirements. To be eligible for ATD – ISAP III, participants must be 18 years of age or older, be removable, and be at some stage of removal proceedings or be required to depart the United States.

The ATD is a coordinated monitoring program that was launched in 2003 in order to address a growing issue with aliens failing to report for scheduled court hearings and to decrease absconder rates. ICE successfully uses ATD in over 75 locations nationwide for eligible participants residing within the areas of responsibility for all 24 ICE field offices. ICE individually determines what level of supervision and technology to assign to each participant by considering all relevant factors, such as, current immigration status, criminal history, compliance history, family ties, being a caregiver or provider, and other humanitarian or medical conditions.

Subsequent to initial determination, ICE continues to evaluate each participant on an individual and recurring basis to ensure the most appropriate levels of case management and technology assignment are employed. As circumstances change, requirements may

be changed as well. ICE Removal Officers effectively conduct case management on a daily and case-by-case basis to determine whether to de-escalate or re-escalate certain requirements depending on aliens needs and demonstration of compliance with ATD requirements over a sustained period of time. De-escalation options include, but are not limited to: decreased reporting requirements, using telephonic reporting instead of GPS, or termination from the ATD – ISAP III program with continued reporting requirements pursuant to an alien's conditions of release.

When participants have completed the immigration removal proceeding process, they are provided the opportunity to settle their affairs in the United States and depart in a mutually acceptable time frame. Should a participant fail to depart or demonstrate non-compliance, ICE considers the alien for detention. Accordingly, an alien may be terminated from ATD prior to being booked back into ICE detention. The majority of ATD participants do not have a criminal history. As of January 31, 2016, 21.1 percent of the ATD program is comprised of individuals with criminal convictions.

Please find the following statistics, below:

FY 2014, FY 2015, FY 2016 through 2/29/2016 Court Appearance Rates[1]			
Fiscal Year (FY)	**FY 2014**	**FY 2015**	**FY16 through 2/29/2015**
Court Appearance Rate	99.5%	99.2%	99.4%

FY 2014, FY 2015, FY 2016 through 2/29/2016 Removal Rates[2]			
Fiscal Year (FY)	**FY 2014**	**FY 2015**	**FY16 through 2/29/2015**
Removal Rate	63.8%	63.2%	34.7%

FY 2014, FY 2015, FY 2016 through 2/29/2016 Compliance Rates[3,4]			
Metric	**FY 2014**	**FY 2015**	**FY16 through 2/29/2016**
Success Rate	88.4%	84.8%	77.9%
Failure Rate	11.6%	15.2%	22.1%
- Absconder Rate	8.2%	12.3%	19.8%

- Court Appearance Rate: The percent of total hearings that were attended by participants during the time they are actively enrolled in ATD.

[1] Data from the Executive Office for Immigration Review (EOIR) and BI Inc.
[2] Data from EOIR and BI Inc.
[3] FY 2014 Rates from BI Inc. Participants Report, 9/30/2014, data is locked. FY 2015 Rates from BI Inc. Participants Report, 9/30/2015, data is locked. FY 2016 Rates from BI Inc. Participants Report, 2/29/2016.
[4] Note that over time, ICE ERO has worked to align the ATD population with enforcement priorities. As such, the population is inherently riskier with regards to compliance and risk of flight.

- Removal Rate: Based upon a formula to approximate the percentage of participants who depart the United States when expected to do so. This formula is based upon termination codes with a verified departure, divided by those aliens expected to depart. The official removal numbers are not reliant upon termination codes, but upon ATD participant and case closure within the same fiscal year. Those numbers are calculated and provided by ICE Enforcement and Removal Operations (ERO).
- Success Rate: The percent of participants who were terminated from ATD and were compliant during their time in ATD.
- Failure Rate (Absconder and Violator Rate): The percent of participants who were terminated from ATD due to failure to comply with program policies or absconded from the program.
- Absconder Rate: The percent of participants who were terminated due to absconding from the program (this is a subset of the failure rate.)

Visa Security Program

Question: Director Saldaña, Congress dramatically increased funding for the Visa Security Program in FY15 to support expansion of the program. The FY16 appropriation provided additional funding to sustain those efforts and directed ICE to continue to expand the program to at least two countries per year. However, the FY17 budget proposes a very modest cut to this program and there is a substantial carryover of unobligated funds.

- When do you plan to obligate the $24 million balance of unobligated funds?

- What is the rationale for the decrease between FY16 and FY17, and how will ICE expand the Visa Security Program as directed in the FY16 bill?

- What expansion were you able to accomplish in FY15, and what improvements have been made to the PATRIOT system?

ANSWER: ICE plans to obligate the $24 million balance in the fourth quarter of FY 2016, which is when a majority of Visa Security Program (VSP)-related charges occur, including Department of State bills and when costs associated with rotating employees to and from overseas posts routinely occur.

- What is the rationale for the decrease between FY16 and FY17, and how will ICE expand the Visa Security Program as directed in the FY16 bill?

In FY 2016, ICE intends to expand the VSP to 2-4 additional posts worldwide. The decrease between FY 2016 and the FY 2017 President's Budget reflects on-going efforts to find efficiencies, and efforts to identify complementary resources. ICE is always looking for efficiencies and effectiveness within our expenditures and as such the FY 2017 President's Budget reflects those efficiencies, while looking for alternatives to support a global expansion for VSP PATRIOT screening system.

- What expansion were you able to accomplish in FY15, and what improvements have been made to the PATRIOT system?

In FY 2015, VSP operations expanded to six additional posts. After the FY 2015 expansion, VSP is currently screening 26 visa issuing posts in 20 countries.

The VSP Tracking System PATRIOT deployed five releases in FY 2015. Below are summary highlights of each release:

- Improved the user interface so that Special Agents at Post could more efficiently carry out the visa security mission by utilizing an electronic workspace that aids in the rapid extrapolation of relevant derogatory data.
- Improved the interconnectivity of PATRIOT with U.S. Customs and Border Protection (CBP) UPAX system so that ICE's recommendations were seen by CBP officers at the port of entry (POE). This has allowed for a more rapid determination of admissibility at the POE.
- Improved PATRIOT's ability to capture additional performance metrics that are reported to Congress.
- Improved PATRIOT's ability to more seamlessly connect with the Department of State in order to convey the Department of Homeland Security's recommendations on an applicant's visa.
- Increased system integrity and security by restricting Foreign Service Nationals (FSNs) employed by ICE overseas from working in the counter-terrorism portion of PATRIOT. This upgrade also dramatically increased the efficiency of ICE personnel by more dynamically distributing the workflow between U.S. citizens, ICE employees, and FSNs.

Budget Increase for Legal Proceedings

***Question*:** The Office of Principal Legal Advisor (OPLA) coordinates the immigration docket with U.S. Citizenship and Immigration Services (USCIS) and DOJ's Executive Office for Immigration Review (EOIR). The FY17 request increases OPLA by $28.5 million to hire an additional 81 attorneys. However, according to the most recent budget execution review for FY16, OPLA has experienced a net gain of only 11 positions as of the end of January 2016.

- How many FTE attorney positions are funded in FY16? What are the projections for FTE execution level as of the end of February 2016?

- What is the average time to hire and bring on board an attorney?

- How do you plan to hire up to the FY16 FTE funded level of 1,471, and then bring on 81 additional FTE in FY17?

ANSWER: The U.S. Immigration and Customs Enforcement's (ICE) Office of the Principal Legal Advisor (OPLA) has 1,166 funded attorney positions of the total 1,549 Fiscal Year (FY) 2016 enacted positions included on its FY 2017 Congressional Justification. Included in the 1,166 are 229 FY 2016 enhancement field attorneys. OPLA projects to bring all 229 attorneys onboard before the end of FY 2016, less those who may have difficulties with the personnel security process. Further, OPLA anticipates it will have approximately 1,106 total attorney

positions filled by the end of the fiscal year. The difference between this number and the 1,166 is attributed to those positions that will attrite during the fiscal year. Overall, OPLA could potentially fill between 94 percent and 95 percent of its funded positions by the end of the fiscal year.

The average time to bring an attorney onboard can vary depending on whether the applicant is currently employed within the Federal Government or is selected from the private sector. OPLA has launched two multiple location announcements this fiscal year covering all OPLA nationwide locations. The two announcements resulted in over 2,000 applicants. It takes approximately 2 months from announcement to selection based on the high volume of applicants for OPLA positions. From the date of the vacancy announcement to an attorney's actual start date is approximately 5 months.

As of March 24, 2016, OPLA had a total of 270 ongoing attorney hiring actions. OPLA had made 177 of the 229 attorney enhancement selections and anticipates the final 52 positions to be selected within the next 120 days. The hiring plan to onboard the 229 positions is phased and closely monitored to maximize the onboarding of all positions in the current fiscal year and to use the FY 2017 funding (81 full-time equivalents) to annualize those positions.

Further, OPLA has already brought on 44 legal support staff this fiscal year, exceeding the number that entered on duty in FY 2015. Finally, ICE is utilizing the existing multiple location announcements to facilitate the hiring of backfill positions for attorney attrition that occurs during the fiscal year. The ongoing hiring efforts (229 attorney enhancements, attorney backfills, and support hiring) total over 300 ongoing hiring actions.

Question: According to ICE's budget justification, funding the request for 81 additional attorneys "will allow OPLA to keep up with the demand of criminal and civil priorities."

- How many additional immigration cases will be handled?
- By what percentage will completed cases be increased?
- Would you say EOIR manages their dockets efficiently? Does the shortfall of attorneys contribute to the ever-expanding number of illegal immigrants waiting for hearings?

ANSWER: Based on the Fiscal Year (FY) 2015 Department of Justice Executive Office for Immigration Review (EOIR) Statistics Yearbook, EOIR had 457,106 cases[5] pending before immigration judges at the end of FY 2015. This equates to an average of approximately 727 cases per attorney in FY 2015, not including time spent counseling clients and on various administrative activities. Using the FY 2015 metric as a baseline, an increase of 81 attorneys—assuming each is assigned to litigate before EOIR as a field line attorney— would theoretically give U.S. Immigration and Customs Enforcement (ICE) Office of the Principal Legal Advisor (OPLA) the ability to handle an additional 58,887 cases. While this number is dependent on numerous factors, including EOIR's ability to calendar those additional cases and the efficiency

[5] EOIR's Statistics Yearbook defines a case as "a proceeding that begins when the Department of Homeland Security files a charging document."

with which it manages its docket, EOIR notes in its FY 2015 Yearbook that the number of pending immigration cases has grown by 53 percent since the end of FY 2011 and 6 percent since the end of FY 2014.

The EOIR FY 2015 Statistics Yearbook reports that immigration courts completed 262,293 matters[6] during FY 2015. Using this statistic, ICE field line attorneys that litigate cases in immigration court completed approximately 417 matters per attorney. Therefore, theoretically, an increase of 81 attorneys would give ICE the ability to complete an additional 33,077 matters, which is an increase of approximately 13 percent.

While ICE defers to EOIR on docket management, ICE OPLA works closely with EOIR, both in the field and at headquarters, to identify docket inefficiencies and develop collective and effective solutions. A multitude of factors contribute to the waiting time for EOIR hearings, including increased docket sizes as a result of the influx of recent entrants. As docket sizes increase, additional immigration judges and attorneys are required. An increase in the number of OPLA attorneys also allows ICE to further focus its efforts on enforcement priorities and overall mission goals.

[6] EOIR's Statistics Yearbook defines matters completed as "determinations immigration judges render on: initial cases; subsequent cases; bond redeterminations; and motions to reopen, reconsider, or recalendar that are not granted."

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE John Culberson

Director Sarah Saldaña
U.S. Immigration and Customs Enforcement
Committee on Appropriations
Subcommittee on Homeland Security
FY 2017 Budget Request
March 17, 2016

Immigration Alien Inquiries

Question: According to the FY17 budget justification, in FY15 ICE responded to 1,465,900 immigration alien inquiries from other federal, state, and local law enforcement agencies through ICE's Law Enforcement Support Center, and identified and arrested a record 345 foreign fugitives. It has been reported that there is often a delay in ICE response times. Further it would be good to know if ICE is responding to every request, otherwise they may be in violation of 8 USC 1373. That statute works both ways.

- What percentage of the total inquiries received from other federal, state, and local law enforcement agencies did ICE respond to in each FY15?

- On average, how quickly did ICE respond to these inquiries?

ANSWER: The Law Enforcement Support Center (LESC) responded to every Immigration Alien Query (IAQ) received in Fiscal Year (FY) 2015 and responds as quickly as resources allow to all IAQs received. The average response time for IAQs during FY 2015 was 122 minutes. Please note that response time is dependent on factors such as volume of referrals. In addition to these IAQs, in FY 2015, the LESC responded to 50,585 calls for assistance from state and local law enforcement agencies. These calls are responded to instantly with service provided in real time.

Alternatives to Detention

Question: In FY 2015, ICE housed a daily average of 28,449 aliens in detention, while the Alternatives to Detention (ATD) program had an average daily population of nearly 27,000. ATD monitors lower-risk aliens in a non-detention setting through intensive supervision or electronic monitoring.

- What is the average daily population of aliens in ICE detention for each month so far in FY16?

- For FY15 how many of the individuals in ATD were in Priority category 1 or 2 for removal?

ANSWER: The average daily population (ADP) of aliens in U.S. Immigration and Customs Enforcement (ICE) detention for Fiscal Year (FY) 2016 is outlined below:

Total	ADP
FY 2016 YTD Total[7]	**32,380**

Of the 46,999 aliens assigned to Alternatives to Detention (ATD) in FY 2015, 34,100 individuals fell within Priority 1 or 2 of the Department of Homeland Security's civil enforcement priorities.

Individuals on the Provided Dataset with a Priority 1 or Priority 2[8]	
Total	**Number of Individuals**
Priority 1	31,830
Priority 2	2,270
Total P1 and P2	**34,100**

[7] As of April 30, 2016.
[8] The majority of ATD participants do not have a criminal history; as of January 31, 2016, 21.1 percent of the ATD program is comprised of individuals with criminal convictions.

WITNESSES

	Page
Clancy, Joseph	257
Johnson, Hon. J. C	1
Kerlikowske, R. G	113
Neffenger, Peter	173
Saldana, Sarah	303
Zukunft, Admiral P. F	219

INDEX

Page

U.S. Department of Homeland Security (DHS) 1
- Airport Wait Times 59
- BioWatch Gen-2 41
- Budgetary Priorities 26
- Counterdrug Interdiction: Coast Guard 38
- Countering Violent Extremism 31
- Cyber Attacks:
  - Electromagnetic Pulses 46
  - Information-Sharing with State Governments 40
- H-2B Visa Process 35
- Icebreaker Acquisition 52
- Immigration Enforcement:
  - Cuban Adjustment Act 58
  - Deportations 57
  - Detention 53
  - Family Detention Centers 60
  - Interior Enforcement Efforts, Detention Beds 49
  - Operation Phalanx 33
  - Policy 29
  - Priority Enforcement Program 50
  - U.S. Immigration and Customs Enforcement Agents 51
- Joint Task Forces 61
- National Security Cutters 56
- Opening Statement: Secretary Johnson 7
- Science and Technology Directorate's Budget 56
- Temporary Protected Status: El Salvador, Honduras, Guatemala 39
- U.S. Government Accountability Office:
  - Einstein Report 28
  - High-Risk List 27
- Urban Area Security Initiative 29

U.S. Customs and Border Protection (CBP) 113
- Opening Statement: Chairman Carter 113
- Opening Statement: Ranking Member Roybal-Allard 117
- Opening Statement: Commissioner Kerlikowske 119
- CBP Staffing 141
- Border Security 143, 147, 151, 155
- Unaccompanied Children 144
- Drug Trafficking and Abuse 145, 153
- Visa Waiver Program 145, 149, 154
- Social Media 151
- Integrated Fixed Towers 155, 157
- Border Security Metrics 158

Page

U.S. Customs and Border Protection (CBP)—Continued
Law Enforcement Cameras 159
Use of Force Policy 160
Intelligence 161
Cargo Screening and Preclearance 162
Forward Operating Bases 164
Export Enforcement 164
Foreign Students 165
CBP Staffing: Trade 166
National Guard 166
Transportation Security Administration (TSA) 173
Opening Statement: Chairman Carter 173
Opening Statement: Ranking Member Lowey 175
Opening Statement: Ranking Member Roybal-Allard 177
Opening Statement: Administrator Neffenger 179
Checkpoint Security 194
Checkpoint Security: Response to OIG Testing 194, 205
Transportation Security Officers: Collective Bargaining 196, 197
Vetting: Aviation Workers 197
Checkpoint Security: Disproportionate Focus on Efficiency 199
TSA *Pre*✔®: Improved Safety 202
Fee Increase Proposal: Offsets 203
Transportation Security Officers: Hours and Pay Schedule 207
National Explosives Detection Canine Team Program 207
National Explosives Detection Canine Team Program: Private Sector Canine Teams 208
Checked Baggage Screening: Preclearance Airports 209
Airports Security: Non-sterile Areas 210
TSA *Pre*✔®: Private Sector Enrollment Expansion 210, 211
TSA *Pre*✔®: Enrollment Targets 211
Secure Flight: Use for Expedited Screening 212
Expedited Screening: Future Expectations 212
Checkpoint Security: Risk-Based Security 213
Federal Air Marshals Service 214

United States Coast Guard (USCG) 219
Opening Statement: Chairman Carter 219
Opening Statement: Congressman David Price (standing in for Ranking Member Roybal-Allard) 223
Opening Statement: Commandant Zunkunft 223

United States Secret Service (USSS) 257
Opening Statement: Chairman Carter 257
Cooperation with Mexico 299
Coordination with DHS Science and Technology 293, 294
Counterfeiting: Peru 280
Cyber-crime 283
Hiring Process 302
Opening Statement: Director Clancy 262
Personnel Accountability 286
Personnel Misconduct 282
Presidential Campaign 284
Presidential Nominating Conventions 290
Protective Mission Panel 281
Radio System: National Capital Region 291

Page

United States Secret Service (USSS)—Continued
Radio Systems: Field Offices 292
Staffing 275
Unmanned Aircraft Systems 294
White House Fence 292
White House Training Facility 288

U.S. Immigration and Customs (ICE) 303
Opening Statement: Chairman Carter 303
Opening Statement: Ranking Member Roybal-Allard 306
Opening Statement: Director Saldana 310
Priority Enforcement Program 329
Release of Criminal Aliens 331
Priority Enforcement 333, 338, 344, 348
Employment 333
Family Detention 334
Hiring 335
Detainers 336
Alternative to Detention 339, 347, 349
Family Enforcement 340
ICE Releases 342
Operation Coyote 347

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