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DRUGS AND SECURITY IN A POST–SEPTEMBER 11 WORLD: COORDINATING THE COUNTER-NARCOTICS MISSION AT THE DEPARTMENT OF HOMELAND SECURITY

JOINT HEARING

BEFORE THE

SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN RESOURCES

OF THE

COMMITTEE ON GOVERNMENT REFORM

AND THE

SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER SECURITY

OF THE

COMMITTEE ON HOMELAND SECURITY

HOUSE OF REPRESENTATIVES

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DRUGS AND SECURITY IN A POST–SEPTEMBER 11 WORLD: COORDINATING THE COUNTERNARCOTICS MISSION AT THE DEPARTMENT OF HOMELAND SECURITY

THURSDAY, JULY 22, 2004

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN RESOURCES, COMMITTEE ON GOVERNMENT REFORM, JOINT WITH THE SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER SECURITY, SELECT COMMITTEE ON HOMELAND SECURITY,
Washington, DC.

The subcommittees met, pursuant to notice, at 2:12 p.m., in room 2247, Rayburn House Office Building, Hon. Mark Souder (chairman of the Subcommittee on Criminal Justice, Drug Policy and Human Resources) presiding.

Present: Representatives Souder, Dunn, Cummings, Sanchez, Norton, Camp, Christensen, and Jackson-Lee.

Staff present from the Subcommittee on Criminal Justice, Drug Policy and Human Resources: J. Marc Wheat, staff director and chief counsel; Nicholas Coleman, professional staff member and counsel; David Thomasson, congressional fellow; Malia Hotst, clerk; Tony Haywood, minority counsel; and Teresa Coufal, minority assistant clerk.

Staff present from the Subcommittee on Infrastructure and Border Security: Mandy Bowers, policy coordinator; Patricia DeMarco, counsel; Winsome Packer and Chau Donovan, professional staff members; Joseph Windrem, deputy clerk; Allen Thompson, minority professional staff member; and Sue Ramanathan, minority professional staff member and counsel.

Mr. SOUDER. Good afternoon. Today's hearing addresses a vitally important topic for Congress and the Nation, the counternarcotics mission at the Department of Homeland Security. Specifically, we are here to discuss how well the Department is fulfilling its counternarcotics mission, what level of material and personnel support it is providing to anti-drug operations, and what steps it is taking to improve coordination and cooperation between its own counternarcotics agencies. I would first like to thank Chairman Dave Camp, of the Select Committee on Homeland Security's Subcommittee on Infrastructure and Border Security, for agreeing to hold this as a joint hearing between our two subcommittees. I sit on Chairman Camp's subcommittee, and I have appreciated the strong leadership he has provided on border security and drug interdiction issues.

In the aftermath of September 11, we have focused special attention on preventing and responding terrorists attacks on our country, and rightly so. We should never forget the terrible toll that drug abuse continues to take on America as well. According to the Centers for Disease Control, every year about 20,000 American lives are lost as a direct consequence of illegal drug use. The Office of National Drug Control Policy estimates that the annual economic cost of drug abuse to the United States—in lost productivity, health care costs, and wasted lives—is now well over the $150 billion mark.

The Department of Homeland Security is an absolutely crucial player in our efforts to reduce this terrible scourge. When Congress created the Department in 2002, it combined some of the most important anti-drug trafficking agencies in the Federal Government, including the U.S. Coast Guard, the Border Patrol, and the former Customs Service. Although there are certainly other Federal agencies with a vital role in our fight against drug trafficking, DHS is largely responsible for manning the "front lines" in this mission. The Customs inspectors and Border Patrol agents at U.S. Customs and Border Protection [CBP]; the special agent investigators and the Air and Marine personnel at U.S. Immigration and Customs Enforcement [ICE], and the Coast Guard personnel patrolling the waters, represent our Nation's first line of defense against the drug traffickers.

To ensure that these agencies would not neglect their counternarcotics role in the new Department, Congress specifically provided that the primary mission of DHS included the responsibility to "monitor connections between illegal drug trafficking and terrorism, coordinate efforts to sever such connections, and otherwise contribute to efforts to interdict illegal drug trafficking." In accordance with this congressional mandate, the men and women of these agencies have worked hard to fulfill their counternarcotics roles. And there is clear evidence that the Bush administration's overall anti-drug strategy, including rigorous interdiction and enforcement, as well as treatment and prevention strategies, is working. Drug use, particularly among young people, is on the decline again after rising significantly during the 1990's.

Several issues have arisen, however, that need to be addressed to ensure that DHS remains on track in the struggle against drug trafficking. In particular, Congress and the administration need to work together to ensure that the structures and procedures at the new Department reflect the importance of counternarcotics. No one doubts that the individuals currently serving at the Department have a strong personnel commitment to stopping drug trafficking. Indeed, two of its top officials, Under Secretary Asa Hutchinson and Commissioner Robert Bonner, who is testifying here today, are both former Administrators of DEA, the Drug Enforcement Administration. But we need to make sure that, over the long term, the Department is institutionally committed to drug interdiction. There are at least three major problems that I believe need to be resolved.

First, the status and responsibilities of the Counternarcotics Officer at DHS need to be better defined. Congress created this position in 2002, directing the Counternarcotics Officer to assist the

Secretary to coordinate policy and operations within the Department with respect to drug interdiction; to track and sever connections between illegal drug trafficking and terrorism; and to ensure the adequacy of resources within the Department for drug interdiction. Regrettably, the current statutory provision does not clearly define how this Officer is to fulfill those duties, nor does it give him adequate status or resources to fulfill them. Raising the profile of the Counternarcotics Officer, and assigning specific responsibilities and permanent staff to him, would go a long way toward rectifying this problem.

Second, the new personnel management systems being developed by the Department may not be giving sufficient attention to key missions, including stopping drug trafficking. In February 2004, DHS and the Office of Personnel Management issued draft regulations for a new personnel management system for most of the Department employees. The regulations, which would govern employee performance review as well as pay scales, are quite extensive and detailed, occupying nearly forty pages of the Federal Register. A computer word search, however, revealed that the words, "drugs," "narcotics," and "interdiction" were not even mentioned once, even in the discussion of the DHS mission. The Department's personnel management system must, of course, be flexible and take into account not only differences in agency cultures, but also differences in locations and roles. At a minimum, however, DHS should include criteria related to counternarcotics activity in its employee appraisal system for relevant enforcement personnel.

Finally, it is clear that more work needs to be done improving the level of communication, coordination, and cooperation between the various agencies within DHS on counternarcotics work. For example, at present there are three entities within DHS that have substantial air and/or marine operations—the Coast Guard, the Office of Air and Marine Operations [AMO] at ICE, and the Border Patrol. These three entities, however, do not communicate with each other on a systematic basis about their flights or marine operations, even when they overlap with respect to mission and to geographic area. This has created a significant problem of duplication of effort and a safety issue for the pilots and the boat operators involved. Additional issues of intelligence sharing, coordinated investigations, and operation deconfliction must also be addressed if DHS is to maximize its effectiveness against the drug cartels.

This hearing will give us an opportunity to examine these problems and their potential solutions. Again, I thank Chairman Camp for agreeing to co-host this hearing, and for the assistance that he and his staff provided us in preparing for it. I would also like to thank our four witnesses, who are responsible for implementing DHS counternarcotics policies, for taking the time out of their busy schedules to join us here today. We welcome Commissioner Robert Bonner, head of U.S. Customs and Border Patrol; Admiral Thomas Collins, Commandant of the U.S. Coast Guard; Assistant Secretary Michael Garcia, head of the U.S. Immigration and Customs Enforcement; and Mr. Roger Mackin, the Counternarcotics Officer at DHS. I thank everyone for coming, and I look forward to your testimony.

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

Opening Statement
Chairman Mark Souder

"Drugs and Security in a Post-9/11 World: Coordinating the Counternarcotics Mission at the Department of Homeland Security"

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

July 22, 2004

Good afternoon. Today's hearing addresses a vitally important topic for Congress and for the nation: the counternarcotics mission at the Department of Homeland Security. Specifically, we are here to discuss how well the Department is fulfilling its counternarcotics mission, what level of material and personnel support it is providing to anti-drug operations, and what steps it is taking to improve coordination and cooperation between its own counternarcotics agencies. I would first like to thank Chairman Dave Camp of the Select Committee on Homeland Security's Subcommittee on Infrastructure and Border Security, for agreeing to hold this as a joint hearing between our two subcommittees. I sit on Chairman Camp's subcommittee, and I have appreciated the strong leadership he has provided on border security and drug interdiction issues.

In the aftermath of September 11, we have focused special attention on preventing and responding to terrorist attacks on our country, and rightly so. But we should never forget the terrible toll that drug abuse continues to take on America. According to the Centers for Disease Control, every year about 20,000 American lives are lost as a direct consequence of illegal drug use. The Office of National Drug Control Policy estimates that the annual economic cost of drug abuse to the U.S. – in lost productivity, health care costs, and wasted lives – is now well over the $150 billion mark.

The Department of Homeland Security is an absolutely crucial player in our efforts to reduce this terrible scourge. When Congress created the Department in 2002, it combined some of the most important anti-drug trafficking agencies in the Federal government – including the U.S. Coast Guard, the Border Patrol, and the former Customs Service. Although there are certainly other federal agencies with a vital role in our fight against drug trafficking, DHS is largely responsible for manning the "front lines" in this mission. The Customs inspectors and Border Patrol agents at U.S. Customs and Border Protection

(CBP); the special agent investigators and Air and Marine personnel at U.S. Immigration and Customs Enforcement (ICE); and the Coast Guard personnel patrolling the waters, represent our nation's first line of defense against the drug traffickers.

To ensure that these agencies would not neglect their counternarcotics role in the new Department, Congress specifically provided that the primary mission of DHS included the responsibility to "monitor connections between illegal drug trafficking and terrorism, coordinate efforts to sever such connections, and otherwise contribute to efforts to interdict illegal drug trafficking."[1] In accordance with this Congressional mandate, the men and women of these agencies have worked hard to fulfill their counternarcotics roles. And there is clear evidence that the Bush Administration's overall anti-drug strategy, including rigorous interdiction and enforcement, as well as treatment and prevention initiatives, is working. Drug use, particularly among young people, is on the decline again after rising significantly during the 1990's.

Several issues have arisen, however, that need to be addressed to ensure that DHS remains on track in the struggle against drug trafficking. In particular, Congress and the Administration need to work together to ensure that the structures and procedures at the new Department reflect the importance of counternarcotics. No one doubts that the individuals currently serving at the Department have a strong personal commitment to stopping drug trafficking; indeed, two of its top officials, Under Secretary Asa Hutchinson, and Commissioner Robert Bonner, who is testifying here today, are both former Administrators of DEA. But we need to make sure that, over the long term, the Department is institutionally committed to drug interdiction. There are at least three major problems that I believe need to be resolved.

First, the status and responsibilities of the Counternarcotics Officer at DHS need to be better defined. Congress created this position in 2002, directing the Counternarcotics Officer to assist the Secretary to coordinate policy and operations within the Department with respect to drug interdiction; to track and sever connections between illegal drug trafficking and terrorism; and to ensure the adequacy of resources within the Department for drug interdiction.[2]

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[1] See 6 U.S.C. 111(b)(1)(G) (primary mission of Department includes responsibility to "monitor connections between illegal drug trafficking and terrorism, coordinate efforts to sever such connections, and otherwise contribute to efforts to interdict illegal drug trafficking").

[2] See 6 U.S.C. 458, which provides as follows:

"The Secretary shall appoint a senior official in the Department to assume primary responsibility for coordinating policy and operations within the Department and between the Department and other Federal departments and agencies with respect to interdicting the entry of illegal drugs into the United

Regrettably, the current statutory provision does not clearly define how this Officer is to fulfill those duties, nor does it give him adequate status or resources to fulfill them. Raising the profile of the Counternarcotics Officer, and assigning specific responsibilities and permanent staff to him, would go a long way toward rectifying this problem.

Second, the new personnel management systems being developed by the Department may not be giving sufficient attention to key missions, including stopping drug trafficking. In February 2004, DHS and the Office of Personnel Management (OPM) issued draft regulations for a new personnel management system for most of the Department's employees.[3] The regulations, which would govern employee performance review as well as pay scales, are quite extensive and detailed, occupying nearly 40 pages of the Federal Register. A computer word search, however, revealed that the words, "drug(s)", "narcotic(s)", and "interdiction" were not mentioned even once, even in the discussion of the DHS mission. The Department's personnel management system must, of course, be flexible, and take into account not only differences in agency cultures, but also differences in locations and roles. At a minimum, however, DHS should include criteria related to counternarcotics activity in its employee appraisal system for relevant enforcement personnel.

Finally, it is clear that more work needs to be done improving the level of communication, coordination, and cooperation between the various agencies within DHS on counternarcotics work. For example, at present there are three entities within DHS that have substantial air and/or marine operations – the Coast Guard, the Office of Air and Marine Operations (AMO) at ICE, and the Border Patrol. These three entities, however, do not communicate with each other on a systematic basis about their flights or marine operations, even when they overlap with respect to mission and to geographic area. This has created a significant problem of duplication of effort, and a safety issue for the pilots and boat operators involved. Additional issues of intelligence sharing, coordinated investigations, and operation deconfliction must also be addressed if DHS is to maximize its effectiveness against the drug cartels.

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States, and tracking and severing connections between illegal drug trafficking and terrorism. Such official shall--

(1) ensure the adequacy of resources within the Department for illicit drug interdiction; and

(2) serve as the United States Interdiction Coordinator for the Director of National Drug Control Policy."

[3] See 69 Fed. Reg. 8030-01 (Feb. 20, 2004).

for it. I would also like to thank our four witnesses, who are responsible for implementing DHS counternarcotics policies, for taking the time out of their busy schedules to join us here today. We welcome Commissioner Robert Bonner, head of U.S. Customs and Border Protection (CBP); Admiral Thomas Collins, Commandant of the U.S. Coast Guard; Assistant Secretary Michael Garcia, head of U.S. Immigration and Customs Enforcement (ICE); and Mr. Roger Mackin, the Counternarcotics Officer at DHS. I thank everyone for coming, and I look forward to your testimony.

Mr. SOUDER. I now yield to Mr. Cummings.

Mr. CUMMINGS. Thank you very much, Mr. Chairman, and I am certainly pleased to join you and our colleagues from the Government Reform Subcommittee on Criminal Justice, Drug Policy and Human Resources and the Homeland Security Subcommittee on Infrastructure and Border Protection in welcoming our distinguished panel of witnesses from the Department of Homeland Security.

I thank all of you gentlemen for what you do everyday to make our Nation a safer place to live, and to help us fulfill our vision of what this Nation ought to be, as a matter of fact, what the world ought to be like, and the employees that you oversee who work diligently every day to protect Americans from a multitude of safety and security threats. We appreciate their service to our Nation and I know we all welcome this opportunity to hear their perspectives on how DHS agencies are succeeding in fighting a coordinated, effective war on drugs and what can be done to build on the successes that have been achieved in this area.

The terrorist attacks on September 11, 2001, had a profound impact on all Americans. The harm inflicted on America that dreadful day cannot be quantified by the death toll from the World Trade Center and the Pentagon or by any other narrow, numerical measure. America was changed that day and we continue to this day to struggle in our efforts to adapt to a post-September 11 world in which Americans are constantly reminded of the threat of future terrorist attacks.

Less visible, less dramatic, and less shocking to the national conscience, but equally profound, however, is the toll inflicted everyday upon American cities and towns by the consumption of harmful illegal drugs and by the collateral social and economic consequences of the drug trade. I have often said about the neighborhood that I live in in the inner-city of Baltimore that we have terrorists standing on our corners and they are fueled by drugs.

As Chairman Souder has stated, illegal drug consumption claims 20,000 American lives each year. Thousands more Americans go to jail or prison for drug-related crimes, or become a victim of drug-related violence or property crime. In my own city of Baltimore, it is not unusual for us to have upwards near 300 deaths by gun, and there would be even more if we did not have one of the greatest shock trauma units in the world. And so I am very familiar with what the chairman is talking about. And by the way, most of those deaths that I talked about and those injuries that ended up being taken care of at our shock trauma unit are drug-related, somewhere between 80 and 85 percent. An estimated $150 billion in economic productivity is lost annually due to drugs. And yet these statistics do not begin to capture the concentrated, cumulative impact on the quality of life, and the quality of life prospects for Americans trapped in neighborhoods crippled by addiction, poverty, and the range of related social ills.

Our response to September 11 was to take the fight to the terrorists militarily and to take steps to insulate our people and infrastructure from threats to our national security at home. The latter involved creating a new cabinet-level department out of existing agencies with wide-ranging functions. Three key border agencies whose functions and assets were transferred to the Department of

Homeland Security had long supplied the majority of our front-line soldiers in the war on drugs. This was only natural given that drugs and various means of inflicting terror enter by the same means—across our borders and through ports of entry around this country.

At the same time, the September 11 attacks gave rise to a heightened recognition of the extent to which drug proceeds are the lifeblood of criminal and terrorist organizations that threaten U.S. security. This recognition is reflected in the Homeland Security Department's mission statement, codified in the authorizing statute, which directs the Secretary to explore links between terrorists and drug trafficking organizations and other pursue drug interdiction.

The drugs and terror nexus is a compelling reason to address the drug threat, but as I have noted, drugs represent a substantial and constant threat to the Nation's security on their own. Chairman Souder and I have shared this view that we must be wary of allowing the threat of singular catastrophic events to detract from efforts to stop the daily onslaught of illegal drugs that gradually and quietly turn lives to waste and communities into war zones.

That is why I was happy in joining Chairman Souder in sponsoring a provision in the Homeland Security Act of 2002 that created within the Department of Homeland Security the position of Counternarcotics Officer, or CNO. It is was our purpose in proposing the CNO provision to create a high level position within DHS that would maintain a high profile and priority for counternarcotics missions and ensure that DHS drug interdiction, investigation, and enforcement efforts would definitely be coordinated with each other and with those of other Federal agencies so as to maximize the efficiency and effectiveness of the combined effort.

Two years later, the Homeland Security Department is up and running. Today provides us with a valuable opportunity to evaluate how the Department's drug mission is being coordinated. The subcommittees have questions related to the effectiveness of the Counternarcotics Officer position and whether it ought to be augmented to achieve the effect we intended, whether DHS assets that contribute to interdiction missions are allocated optimally within the Department, and whether the emphasis on preventing catastrophic acts of terrorism is preventing DHS from obtaining intelligence that could make drug interdiction efforts more effective.

Finally, Commissioner Bonner, Assistant Secretary Garcia, Admiral Collins, and Mr. Mackin are well positioned to provide an informed perspective on these particular issues, and more generally on what more can and should be done to ensure that the war on drugs and the war on terrorism both can be fought with maximum vigor, efficiency, and effectiveness.

I look forward to your testimony, and I want to thank you, Mr. Chairman, for your vigilance in trying to constantly make sure that we have a balance as we fight the war on terror but making sure that we take care of home too.

With that, Mr. Chairman, I yield back.

[The prepared statement of Hon. Elijah E. Cummings follows:]

Representative Elijah E. Cummings, D-Maryland
Ranking Minority Member
Subcommittee on Criminal Justice, Drug Policy and Human Resources
Committee on Government Reform
108th Congress

Joint Hearing on "Drugs and Security in a Post 9/11 World: Coordinating the Counternarcotics Mission at the Department of Homeland Security"

July 22, 2004

Chairman Souder and Chairman Camp:

I am pleased to join you and our colleagues from both the Government Reform Subcommittee on Criminal Justice, Drug Policy, and Human Resources and the Homeland Security Subcommittee on Infrastructure and Border Protection in welcoming a distinguished panel of witnesses from the Department of Homeland Security (DHS).

Commissioner of Customs and Border Protection Robert Bonner, Assistant Secretary for Immigration and Customs Enforcement Michael Garcia, Commandant of the U.S. Coast Guard Admiral Thomas Collins, DHS Counternarcotics Officer and United States Interdiction Coordinator Roger Mackin, and the employees they oversee work diligently everyday to protect Americans from a multitude of safety and security threats. We appreciate their service to our nation and I know we all welcome this opportunity to hear their perspectives on how DHS agencies are succeeding in fighting a coordinated, effective war on drugs and what can be done to build on the successes that have been achieved in this area.

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- More -

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That is why I was happy to join Chairman Souder in sponsoring a provision in the Homeland Security Act of 2002 that created within the Department of Homeland Security the position of Counternarcotics Officer, or "CNO." It was our purpose in proposing the CNO provision to create a high-level position within DHS that would maintain a high profile and priority for counternarcotics missions and ensure that DHS drug interdiction, investigation, and enforcement efforts would be coordinated with each other and with those of other federal agencies so as to maximize the efficiency and effectiveness of the combined effort.

Two years later, the Homeland Security Department is up and running. Today provides a valuable opportunity to evaluate how the Department's drug mission is being coordinated. The Subcommittees have questions related to the effectiveness of the Counternarcotics Officer position and whether it ought to be augmented to achieve the effect we intended, whether DHS assets that contribute to interdiction missions are allocated optimally within the department, and whether the emphasis on preventing catastrophic acts of terrorism is preventing DHS from obtaining intelligence that could make drug interdiction efforts more effective.

Commissioner Bonner, Assistant Secretary Garcia, Admiral Collins, and Mr. Mackin are well-positioned to provide an informed perspective on these particular issues and, more generally, on what more can and should be done to ensure that the war on drugs and the war on terror both can be fought with maximum vigor, efficiency, and effectiveness.

I look forward to their testimony and I thank you, Chairman Souder and Chairman Camp, for holding this important hearing.

I yield back the balance of my time.

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Mr. SOUDER. Thank you. I would now like to yield to Chairman Camp, and I again thank him for his leadership in these areas.

Mr. CAMP. Thank you, Mr. Chairman. I want to thank our witnesses for being here. We have a distinguished panel. And in an effort to move things along, I will just give a brief statement and put my full statement in the record.

Obviously, the purpose of today's joint hearing is to examine the level of cooperation and coordination with the Department of Homeland Security as it relates to the counternarcotics mission. The Subcommittee on Infrastructure and Border Security has held eight hearings looking into the ability of the various agencies within DHS to conduct effective border security, with the focus being preventing terrorists and terrorist weapons from entering the United States. And while terrorism will remain one of the most significant threats to the United States for the foreseeable future, drug trafficking and the use of illicit drugs continues to plague American society.

This hearing is an important opportunity for Congress to stress that while striving to protect the United States from terrorists, DHS must maintain the ability of the legacy agencies to accomplish traditional missions. The counter-drug mission is especially important as the assets and tools used by DHS personnel for counter-terrorism are generally the same as those used for counternarcotics. The allocation of resources, the policy direction, and the training cannot sacrifice one mission for another. When Inspectors at a point of entry search a container, or Border Patrol agents track smugglers, or a Coast Guard cutter intercepts a fast boat, they generally do not know if they are going to find illegal aliens, drugs, weapons of mass destruction, or some other type of contraband. All DHS personnel with inspection, enforcement, and investigative responsibilities must have the skills, resources, and support necessary to effectively meet all of their responsibilities.

I look forward to hearing from our witnesses on how DHS is accomplishing these crucial challenges, any recommendations for improvement, and, most importantly, how the counternarcotics mission is, and will continue to be, a priority for the Department. I want to thank you for being here today, and look forward to your testimony. Thank you.

[The prepared statement of Hon. Dave Camp follows:]

Chairman Dave Camp
Opening Statement – for the record
July 22, 2004

I would like to thank our witnesses for being here. We have a very distinguished panel and in an effort to move to their testimony and questions as expeditiously as possible, I will submit my statement for the record.

The purpose of today's joint hearing is to examine the level of cooperation and coordination with the Department of Homeland Security as it relates to the counternarcotics mission.

The Subcommittee on Infrastructure and Border Security has held eight hearings looking into the ability of the various agencies within DHS to conduct effective border security with the focus being preventing terrorists and terrorists' weapons from entering the United States.

While terrorism will remain one of the most significant threats to the U.S. for the foreseeable future, drug trafficking and the use of illicit drugs continues to plague American society. This hearing is an important opportunity for Congress to stress that while striving to protect the U.S. from terrorists, DHS must maintain the ability of the legacy agencies to accomplish traditional missions.

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When inspectors at a port of entry search a container, or border patrol agents track smugglers, or a Coast Guard cutter intercepts a fast boat, they generally don't know if they are going to find illegal aliens, drugs, weapons of mass destruction, or some other type of contraband. All DHS personnel with inspection, enforcement and investigative responsibilities must have the skills, resources, and support necessary to effectively meet all of their responsibilities.

I look forward to hearing from our witnesses on how DHS is accomplishing these crucial challenges, any recommendations for improvement, and most importantly, how the counternarcotics mission is and will continue to be a priority for the Department.

Thank you for being here today, I look forward to your testimony.

Mr. SOUDER. Thank you. Ms. Sanchez, do you have any opening statement?

Ms. SANCHEZ. I do, and I will try to make my opening statement brief as well. I want to thank the chairman and the ranking member for calling this important hearing today. Too many of our communities in the United States are plagued with drugs and the social ills that come with narcotics use. Drug trafficking in our country continues to take a terrible toll in America. According to the Centers for Disease Control, every year about 200,000 American lives are lost as a direct consequence of illegal drugs.

I am very much looking forward to hearing from the witnesses who will hopefully shed some light on how effectively counternarcotics goals are being pursued under the new Homeland Security Bureau. I am particularly interested in knowing what has been the impact of the reorganization on the counternarcotics mission as measured by drug seizures and arrests; to what extent do DHS agencies perceive or approach the counter-drug and counter-terrorism missions as competing or complimentary; and how well do all of the DHS components communicate and coordinate activities within agencies. This is especially important to me because I keep hearing that coordination and communication problems in some instances are keeping DHS personnel from doing their jobs effectively and efficiently.

Last, I would just like to point out to Commissioner Bonner that there are several outstanding meeting requests from Members of Congress on a number of DHS issues, and my colleagues and I want to bring your immediate attention to those requests. I am hopeful that in the future you will take the time to make yourself more accessible to Members of Congress.

Again, I look forward to the testimony, and I thank the chairman.

Mr. SOUDER. I thank the distinguished Member both of this subcommittee and as ranking member of the Border Subcommittee for her active participation in both.

We are also joined by the Vice-Chairman of the full committee. Congresswoman Dunn, do you have any opening statement?

Ms. DUNN. Thank you very much, Mr. Chairman. I have no opening statement. I want to thank you gentlemen for appearing before us today and I am hopeful that you can create a perspective that will let us know whether we are doing enough for you, if we should shift our emphasis, just how we can be more useful in solving some of these problems. Thank you.

Mr. SOUDER. Thank you. Ms. Norton, do you have any opening statement?

Ms. NORTON. Yes, Mr. Chairman. I appreciate this hearing, the joint hearing because what it does is to emphasize a fact that perhaps was not as much the case before September 11, and that is that the narcotics trade and national security are now indelibly linked. There is no way to think about one without the other when you consider what we have learned in our own committee hearings in this subcommittee on the increasing funding of terrorism from narcotics. If anything, this gives an escalated reason to attack the drug trade. We have already had lots of reasons when you consider the domestic implications and extraordinary damage of the drug

trade here on individual lives. Now, the drug trade is involved with the life of the Nation with security itself.

The emphasis for me in this hearing, which is why the joint hearing interests me, is, of course, on whether or not, this by-word that we always use, "coordination" is, in fact, occurring and whether we can make it occur someplace in Government as vital as this. And for me, coordination really means focus. It means somehow everybody is looking at the same thing even though their missions may differ in some material respects.

So I want to know, at the bottom line, whether what should be an increased attack on the narcotics trade is being felt because of this new national security interest that we now have in the narcotics trade. I, like the chairman and the ranking member, I am absolutely fascinated to see what has happened to the CNO position, Counternarcotics Officer position. When you create a new position like this it is difficult enough to find your way. But I do not see how there is any hope of coordination if that position is not, in fact, central to it. We have to look at that position first and then go from there, scatter out from there.

So I appreciate, again, your work, Mr. Chairman, in focusing us today on this very important new position and this very important new mission of those who have been in the work of attacking the narcotics trade and the damage it does to our country. Thank you.

Mr. SOUDER. Thank you very much.

Before proceeding, I would first like to go over a couple of procedural matters. I first ask unanimous consent that all Members have 5 legislative days to submit written statements and questions for the hearing record, and that any answers to written questions provided by the witnesses also be included in the record. Without objection, so ordered.

Second, I ask unanimous consent that all Members present be permitted to participate in the hearing.

Now as the witnesses know, the standard procedure of the Government Reform Oversight is to ask our witnesses to testify under oath. So if you would each stand and raise your right hands.

[Witnesses sworn.]

Mr. SOUDER. Let the record that each of the witnesses responded in the affirmative.

Thank you again for your patience in getting started, and for your many years of leadership in all your different posts throughout the Government.

We will start with Mr. Bonner.

STATEMENTS OF ROBERT BONNER, COMMISSIONER, U.S. CUSTOMS AND BORDER PROTECTION, DEPARTMENT OF HOMELAND SECURITY; ADMIRAL THOMAS H. COLLINS, COMMANDANT, U.S. COAST GUARD, DEPARTMENT OF HOMELAND SECURITY; MICHAEL J. GARCIA, ASSISTANT SECRETARY, U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT, DEPARTMENT OF HOMELAND SECURITY; AND ROGER MACKIN, COUNTERNARCOTICS OFFICER, DEPARTMENT OF HOMELAND SECURITY

Mr. BONNER. Thank you, Chairman Souder and Chairman Camp, and other distinguished members of the subcommittee. I am very

pleased to join with my colleagues here from the Department of Homeland Security to discuss, in particular, U.S. Customs and Border Protection's role in our Nation's drug interdiction and drug enforcement efforts.

It was over 16 months ago, Mr. Chairman, in fact, March 1, 2003, that all U.S. Government agencies with significant border responsibilities were unified into one frontline border agency to create U.S. Customs and Border Protect within the Department of Homeland Security.

This merger I think, as the members of the committee know, essentially was a merger of a large part of Customs, in fact, all of Customs with the exception of our Office of Investigation, which were the U.S. Customs Special Agents, and the air and marine interdiction assets, but with the exception of that, all of Customs essentially was merged with the Border Patrol, all of the frontline Immigration inspectors, as well as all of the Agriculture inspectors to form what Secretary Ridge has called "One Face at the Border," or one agency to manage, secure, and control our borders.

With that merger, by the way, which is the largest actual merger of people and functions taking place within the Department of Homeland Security, Customs and Border Protection became the single unified agency charged with managing, securing, and controlling our borders, all the ports of entry, and the points in between. This reorganization of our border agencies into one agency, by the way, in my judgment makes us better prepared and better able to protect our Nation from all external threats, not just terrorists and terrorist weapons, but also illegal drugs and from those who attempt to smuggle illegal drugs across our borders.

I want to just assure every member of both committees that Customs and Border Protection is totally committed to its drug interdiction and drug enforcement role at and near our Nation's borders. While Custom and Border Protection's priority mission is to prevent terrorists and terrorist weapons from entering the United States, we retain the traditional enforcement and interdiction missions of our predecessor agencies, and that includes most certainly preventing the entry of illegal drugs across our borders and apprehending those who would attempt to smuggle them into the United States.

Let me also say that our missions against terrorism and our mission against drug smuggling are complementary. They are not mutually exclusive missions. One does not come at the expense of the other. Rather, Customs and Border Protection's initiatives to prevent terrorists and terrorist weapons from entering the United States have actually enabled us to be more effective in seizing illegal drugs and those who attempt to smuggle them across our borders.

There is no better testament to the fact that we have not lost our focus, we have not slackened our efforts than looking at the drug seizures and the arrest rates at our borders over the last year to 16 months. Last year alone, Customs and Border Protection seized 2.3 million pounds of illegal drugs, that is over 1 million kilograms, at and near our borders. That is an average of 6,300 pounds, a little over 3,000 kilograms, each and every day of the year that are being seized by Customs and Border Protection. Of that total, al-

most 1 million pounds of those illegal drugs were seized by CBP at our ports of entry, mainly at our land border with Mexico, but also including JFK and Miami Airports and other ports of entry into our country, and 1.3 million pounds of that total was seized between the ports of entry by the Border Patrol, which, as you noted, Chairman Souder, is now part of Customs and Border Protection.

While last year was a record-breaking year for seizures, we are keeping pace this year and when annualized out I believe that our total seizures may well exceed last year's total, at least marginally. Let me just say, with respect to drug arrests, that last year Customs and Border Protection, this is both Border Patrol Agents and CBP Officers at the ports of entry, arrested 14,000 people for smuggling illegal drugs into the United States. And we are on pace to at least meet or exceed that this year.

Today, Customs and Border Protection has 30,000 uniformed personnel to protect our borders. That is, about 19,000 inspectors or Customs and Border Protection Officers at the ports of entry, and approximately 11,000 Border Patrol Agents. And since September 11, by the way, we have added more detection technology at our borders and we are getting far more advanced information about people and cargo shipments that are arriving in our country or to our country significantly before they arrive. That is improving our ability to target for all threats—terrorists threat, drug threat, and any other threat. We have tripled the number of large-scale, whole container, whole truck x-ray scanning machines. Before September 11 we had 45 of those machines. We now have 151. We have doubled the number of drug seizures using large-scale Non-Intrusive Inspection [NII] x-ray machines from about 225,000 pounds to over 442,000 pounds of illegal drugs.

This sustained border enforcement presence, supported by Border Patrol interior checkpoints—and we have checkpoints interior of the border literally from California, from the Pacific Ocean at San Clemente, all the way to Texas—allow us to add a level of interdiction capability. In fact, by the way, about half of the Border Patrol's drug seizures take place at or near the interior checkpoints of the Border Patrol.

So nearly everything Customs and Border Protection has done, and continues to do, to make our country more secure from terrorists also helps us make the country more secure from drug smuggling and illegal drugs. And our strategies against terrorism and drug trafficking work together hand-in-glove.

So, with that brief statement, let me thank both the Chairs here and the committee for this opportunity to make a brief statement, and I will be happy to answer any questions the committee members may have.

Thank you.

[The prepared statement of Mr. Bonner follows:]

Statement of Commissioner Robert C. Bonner
U.S. Customs and Border Protection
Committee on Government Reform
Subcommittee on Criminal Justice, Drug Policy, and Human Resources
House Select Committee on Homeland Security
Subcommittee on Infrastructure and Border Security
Rayburn House Office Building
Washington, D.C.
July 22, 2004

Chairman Souder, Chairman Camp, and distinguished Subcommittee members: I am pleased to join my colleagues from the Department of Homeland Security to discuss U.S. Customs and Border Protection's role in our nation's drug interdiction and enforcement efforts.

CBP: The New Border Agency

Sixteen months ago, on March 1, 2003, for the first time in our Nation's history, all entities with significant border responsibility were unified into one frontline border agency—the U.S. Customs and Border Protection, or CBP, within the Department of Homeland Security—one agency at and between our nation's ports of entry.

This merger combined the personnel and functions of four different agencies—most of the former U.S. Customs Service, all of the former Immigration and Naturalization Service (INS) inspectors, Agriculture border inspectors, and the entire Border Patrol—42,000 employees, about one fourth of all employees of the Department of Homeland Security.

CBP creates what Secretary Tom Ridge has called "One Face at the Border," one agency to manage, secure, and control our borders, all ports of entry, and points in between. The very existence of CBP, a single border agency within the Department of Homeland Security, makes us vastly better able to protect our nation from all external threats, whether illegal migrants and illegal drugs, terrorists, terrorist weapons, including weapons of mass destruction, or those who attempt to smuggle items across our borders.

CBP's priority mission is homeland security, specifically to detect and prevent terrorists and terrorist weapons from entering the United States. We retain, however, the traditional enforcement and interdiction missions of our predecessor agencies, including the very important mission of preventing the entry of illegal drugs and apprehending those who would attempt to smuggle them into our country.

Our missions against terrorism and drug smuggling are complementary, not mutually exclusive. One does not come at the expense of the other. Rather, the initiatives to prevent terrorists and terrorist weapons from entering the U.S. have actually enabled us to be more effective in seizing other illegal contraband, including illegal drugs.

In fact, the lessons we have learned in our battle against international drug smuggling help us to understand and fight against international terrorism. And, as we've intensified our overall presence, heightened our security measures, increased our detection equipment and targeting abilities along our land borders and at our airports and seaports, we have significantly strengthened our counternarcotics mission.

With our layered defense strategy that employs interdiction enforcement strategies, technology, and inspections, we have increased our capacity to detect all threats. Since 9-11, we have added staffing for both inspectors at the ports of entry and Border Patrol Agents between the ports of entry, and have acquired more inspection technology. We conduct more questioning of travelers, and carry out more inspections of passengers and goods than ever before. As a unified border agency, there are approximately 30,000 uniformed personnel to protect our borders.

On our northern border, for example, before 9-11, we had approximately 1,000 customs inspectors and 500 immigration inspectors on our shared 4,000-mile border with Canada. There were approximately 350 Border Patrol Agents. Today, we have more than 3,400 CBP officers and 1,000 Border Patrol Agents along the northern border.

On our southern border, CBP has nearly 14,000 CBP Officers and CBP Border Patrol Agents. Prior to September 11th, we had 4,371 CBP frontline uniformed border personnel—Customs and INS inspectors—at the southern ports of entry. Today, we have more than 5,000. There are more than 9,000 Border Patrol Agents on and proximate to our southern border with Mexico. Many more of our CBP officers are deployed at our international airports and seaports and international mail and air courier facilities.

For the first time at the ports of entry, we have <u>all</u> border inspectors reporting to the same port director. Last week, we graduated our first class of CBP Agriculture specialists who are now serving to protect American agriculture and our nation's imported food supply from traditional threats, as well as the threats of agroterrorism and bioterrorism. As a single agency, CBP agriculture inspectors are more closely coordinated with other CBP officers in the counternarcotics mission, and work side-by-side with other CBP officers to detect illegal drugs secreted in luggage and carry-ons of passengers and via cargo shipments. Searching for agriculture products that may contain pests and diseases is leading to detection of illegal drugs, as well.

Since 9-11, we have more than doubled the number of large-scale, whole container, whole truck x-ray scanning Non-Intrusive Inspection (NII) systems deployed to our air, land, and seaports of entry—from 64 to 151, and we have seen a corresponding doubling in the number of narcotics seizures—from 225,000 pounds (102,272 kilos) to 442,000 (200,909 kilos).

This sustained border enforcement presence, supported by Border Patrol interior checkpoints that screen traffic traveling away from the border adds an additional level of national security and drug interdiction capability. Just last week, on July 17, for example, Border Patrol Agents in Falfurrias, Texas, seized more than 4,200 pounds of marijuana valued a more than $3.3 million at the checkpoint. The marijuana was concealed in an empty tanker trailer used to transport hazardous materials. The driver of the truck was arrested and our CBP Border Patrol agents turned the driver and marijuana over to DEA for further investigation and prosecution. Our agents were assisted by our CBP canine patrol, another effective and critical component to the detection of drugs and other contraband.

Two weeks ago, on July 7, CBP Officers in El Paso, made a 1,876 pound seizure of marijuana that was concealed in a front wall compartment of a tractor trailer. After targeting the trailer for inspection and having one of our canine officers give a positive alert on the front wall, officers x-rayed the trailer and found the front to contain a false compartment filled with 82 bundles of marijuana.

As we have responded to the terrorist threat, we have increased our narcotic seizures, not lessened them. The numbers tell the story.

Last year, we seized more than 2.3 million pounds (1.1 million kilos) of illegal drugs. That's an average of more than 6,300 pounds a day. Almost 1 million pounds (455,000 kilos) were seized by CBP officers at the ports of entry; and more than 1.3 million pounds (591,000 kilos) were seized by CBP Border Patrol between the Ports of Entry.

Our recent drug seizures have included some of the largest made in recent years, including a nearly 11 ton marijuana seizure in Laredo, Texas, one of the largest single loads of marijuana seized at the Southwest Border. CBP's Automated Targeting System raised red flags on a tractor trailer, which we targeted for further inspection when it arrived at the border. CBP officers ran the 18-wheeler through NII and identified an anomaly within the trailer. Upon further examination, officers discovered 1,292 bundles of marijuana wrapped in plastic, totaling 21,947 pounds.

Last year was a record-breaking year for seizures and we are keeping that same pace this year. From October 2003 through June 2004, CBP seized more than 1.6 million pounds (727,272 kilos) of marijuana, almost 50,000 pounds (22,727 kilos) of cocaine, nearly 2,400 pounds (1,091 kilos) of heroin, and 608 pounds (276 kilos) of ecstasy.

In just seven months of this fiscal year, drug arrests are up over last year. So far, CBP Officers have made more than 5,000 drug arrests, compared to a total of 7,300 in 2003. And, to date, Border Patrol has made more than 4,900 arrests, compared to a total of 7,000 in 2003.

Coordinated Efforts Against Drugs

As a former Administrator of DEA, I am well aware that interdiction alone is not a strategy for success. It is a part of an overall national strategy set forth by the Director of National Drug Control Policy. Part of the national strategy includes multi-agency extended border interdiction coordinated by the United States Interdiction Coordinator (USIC).

Indeed, while CBP, as the single border agency, has become more adept at interdicting drugs, our success depends on our close cooperation and coordination with other law enforcement agencies, including Immigration and Customs Enforcement (ICE), Drug Enforcement Administration (DEA), and the U.S. Coast Guard.

The Interdiction Committee (TIC) has provided a useful forum for coordinating border interdiction efforts to promote a more effective integration of international and border interdiction efforts. TIC includes membership from Immigration and Customs Enforcement (ICE), Drug Enforcement Administration (DEA), U.S. Coast Guard (USCG), and the Department of Defense.

As Chairman of TIC, I work closely with Roger Mackin, the United States Interdiction Coordinator and the Department of Homeland Security Counternarcotics Officer, to ensure the optimum use of federal drug interdiction assets, both at—and beyond—our borders. TIC has worked jointly with the USIC by supplying staff, administrative support and analytical research to support the development of a Mexico Strategy, the creation of the Border Interdiction Support Center (BISC) and the Western Hemisphere Heroin Strategy.

CBP serves as **the** interdiction agency at the border. CBP Officers are the first line of law enforcement protection at more than 317 ports of entry. CBP Border Patrol is the first line of law enforcement protection between the ports of entry. Together, we are the arms and legs, the eyes and ears, of other law enforcement agencies with a counternarcotics mission, and we coordinate closely with other federal, state, and local investigative agencies, specifically with

ICE and DEA, to see that there is an appropriate hand off and investigative follow up for seizures and arrest made by CBP officers and agents.

CBP inspectors and officers at the border work hand-in-hand with the investigators and special Agents at ICE. The inspectors conduct interviews, perform searches of persons, conveyance, and cargo, and as necessary, initiate the first enforcement actions, including arrests, seizures, forfeitures and penalties. For those incidents requiring follow-up investigation, or referral to other law enforcement entities, CBP officers work with ICE Special Agents to ensure follow on investigative efforts, process controlled deliveries, preserve evidence, and with the assistance of federal and state prosecutors, prosecute of the more serious violation of federal drug smuggling laws.

At the ports of entry, we are in contact with ICE Special Agents, who are notified of all discoveries of illegal drugs, and we continue to work closely with ICE to see that appropriate follow up investigations and prosecutions occur.

Between the ports of entry, CBP's Border Patrol works closely with DEA, and state and local law enforcement agencies in seeing that follow up investigations of prosecutions occur. Border Patrol focuses on both people illegally entering the U.S., as well as those who smuggle illegal drugs between the ports of entry. Border Patrol is in contact with DEA to process illegal drugs seized by Border Patrol and to pursue investigative leads.

CBP Officers also cooperate with other law enforcement officers in the counternarcotics mission through a number of multi-agency groups, including Organized Crime and Drug Enforcement Task Forces (OCDETF), High Intensity Drug Trafficking Areas (HIDTA), and with our Canadian partners, the Royal Mounted Canadian Police (RCMP) and the Canadian Border Services Agency, IBETs, our 14 U.S. Canada Integrated Border Enforcement Teams.

Intelligence Drives CBP Operations

As important and successful as these relationships are, CBP needs good intelligence—and indeed needs more actionable intelligence—to better respond operationally to cross-border drug smuggling and other threats. The better we understand what's coming at us, the better prepared we will be to handle it, regardless of the nature of the threat.

CBP regularly shares counternarcotics information and conducts joint operations with other agencies. Indeed, CBP gathers data regarding drug seizures, analyzes trends regarding drug smuggling and drug smuggling methods at the ports of entry. This information is shared with DEA, ICE, and other members of the federal counternarcotics community.

The Border Patrol is one of the most robust collectors of human intelligence in law enforcement. With more than one million apprehensions a year, thousands of intelligence reports are generated by Border Patrol agents.

To date, this year, we have received more than 3,500 intelligence reports from the field. These reports, which include drug smuggling and means of smuggling illegal drugs, are screened by the Border Patrol Field Intelligence Center (BORFIC). Agents collect a variety of intelligence, including drug smuggling, alien smuggling and weapons smuggling. Actionable intelligence is then passed to the relevant Border Patrol sector or other law enforcement agency with primary authority over the enforcement action that is warranted.

Our Border Patrol Field Intelligence Center (BORFIC), in El Paso, Texas, provides daily summaries of organic intelligence reports, intelligence products, and requests for information in support of the CBP Office of Intelligence, Office of Field Operations (OFO), Immigration and Customs Enforcement (ICE), National Drug Intelligence Center (NDIC) Organized Crime and Drug Enforcement Task Force (OCDETF), Department of Justice (DOJ), High Intensity Drug Trafficking Areas (HIDTA), Office of National Drug Control Policy (ONDCP), and other agencies.

BORFIC also routinely provides intelligence reports to the El Paso Intelligence Center (EPIC). This information is incorporated into the EPIC data bases for further sharing within the broader law enforcement community.

CBP is seeking access to Secure Internet Protocol Router Network (SIPRNET) at BORFIC in El Paso to establish better contact and transfer with the U.S. Coast Guard. This is a critical step in improving coordination between CBP's Border Patrol and USCG for maritime intelligence and drug interdiction operations.

In addition, in order to improve intelligence and information sharing between the DHS and other agencies, BORFIC has analysts collocated from ICE, Joint Task Force-North (JTF-N) at El Paso and the Texas National Guard. BORFIC provides a weekly intelligence brief on narcotics and alien trafficking patterns, statistics and concealment methods to Operation Alliance, whose members are composed of drug interdiction agencies.

More specifically, the Arizona Border Control Initiative (ABCI), a joint multi-agency initiative developed by the Border Patrol and coordinated by Border and Transportation Security's Directorate became operational in March 2004 with the objective of establishing operational control the Arizona border. The agencies involved in ABCI include CBP, ICE, Tohono O'Odham Rangers, Arizona Department of Public Safety, and the National Park Service Rangers.

As a byproduct of asserting greater control over the Arizona border with Mexico, during its first three months of operation, the ABCI has resulted in seizure of more than 215,000 pounds of marijuana, more than 1,500 pounds of cocaine, 414 pounds of methamphetamine, and 75 pounds of heroin.

CBP also receives information from other federal, state, and local law enforcement agencies. We currently receive DEA finished products, including country assessments and specific drug threat assessments, as well as routine intelligence community traffic and reporting on drug issues and smuggling.

In addition, specific reports are also uploaded into ORION NetLeads, which is accessible by CBP, ICE, Citizenship and Immigration Services (CIS), Federal Air Marshals, Forensic Document Lab, and the U.S. Coast Guard, and TECS, a law enforcement database with daily intelligence reports and specific lookout information that can be accessed by all of CBP's land, sea, and air ports of entry enforcement personnel. Significant intelligence reports receive further analysis and are reported to DHS in the form of a Homeland Security Intelligence Report. These reports are then distributed by DHS to other federal, state, and local law enforcement agencies.

Although this level of sharing is great, and certainly better than it was before the creation of the Department of Homeland Security, we need better trend analysis and more robust information sharing across agencies in support of all missions, including the interdiction of drug smuggling. ONDCP estimates that each year Americans consume almost 260 metric tons of cocaine and between 13 and 18 metric tons of heroin. These are drugs we missed, which is why we need more and better intelligence.

The majority of CBP's drug seizures are the result of "cold" hits. By that I mean, they are <u>not</u> the result of actionable intelligence or information received from other agencies. For the most part, CBP's border seizures of illegal drugs are the result of CBP's knowledge of drug smugglers methods of concealment and analysis of trends, together with the detection work using CBP broad border search authority, and on many occasions, effective questioning by CBP officers.

We do get actionable intelligence. But CBP would greatly benefit, and drug interdiction would increase nationally, if the flow of potential actionable information and intelligence from investigative and intelligence agencies to CBP were greater.

This includes maintaining a strong feedback loop between drug investigative agencies and CBP, i.e. not just CBP providing seizure and apprehensions for investigative follow up. The investigative follow up results in increased border interdiction based on information developed during investigations.

The need for border awareness, i.e. actionable and strategic intelligence regarding what and who will attempt to penetrate our borders, both on Mexican and Canadian borders, has never been greater than since 9-11. Developing the means to bring together all threat information, including the information regarding the drug smuggling threat, and provide it to our frontline border agency, CBP, on a timely basis is needed in order to significantly increase our effectiveness to staunch drug smuggling, and to be in a better position to see that terrorists and terrorist weapons cannot successfully penetrate our borders.

Conclusion

During this challenging time in our nation's history, as we work to defeat international terrorist organizations, we have not ignored other threats to the security and well-being of our nation, specifically those posed by international drug trafficking organizations, the source of most illegal drug availability in our country.

Nearly everything CBP has done—and continues to do—to make our country more secure from terrorists also helps secure us from drug traffickers. Every hole we plug in our borders through the use of greater intelligence, more and better technology, and more coordination directly contributes to the security of our Nation. Our efforts to combat terrorism and drug trafficking are coordinated and complementary.

Thank you for this opportunity to appear today to share with members of this distinguished Subcommittee the remarkable story of our new agency—CBP—and of the good work being done by CBP and throughout the Department of Homeland Security to safeguard our Nation's borders and our citizens.

We are indeed better prepared to fight against both drug trafficking and terrorism—and other national security threats—than we were before 9-11. I am convinced that our Nation and its citizens are also safer today because of the measures that have been put in place at—and beyond—our borders.

Mr. SOUDER. Thank you.

Admiral Collins.

Admiral COLLINS. Good afternoon, Chairmen, both chairmen, and distinguished members. I add my comments to Rob Bonner's, I am very, very pleased to be here in this panel to discuss this incredibly important issue. And as my colleagues do, the Coast Guard takes extremely seriously Congress' charge to the Department of Homeland Security to protect America's borders against illegal activity, including drugs.

Our maritime strategy combatting illegal drugs is based on flexible, intelligence-driven operations, a focus on international engagement, leveraging technology, and very, very strong strategic partnerships. We have deployed significant resources and have committed tremendous organizational energy to this strategy, and we are getting results.

So far this fiscal year, the Coast Guard has seized over 148,000 pounds, or 68 metric tons, of cocaine in the maritime, valued at almost $5 billion. And we have set a record for the number of arrests at sea, we have set a record for the number of interdiction events, and we have set a record for the number of arrests at sea. All of these are annual records this year with 2 months to go.

We have effectively doubled the productivity per aircraft and cutter hour allocated, productivity in terms of seizures. That success is a direct result of a number of focused efforts. We have effectively doubled the number of our armed aviation assets through a change in tactical deployment and doctrine. We have aggressively employed forward operating locations for our maritime patrol aircraft. We have maintained robust force structure to Joint Interagency Task Force-South, headquartered in Key West. And we have successfully leveraged technology, intelligence, and international coalitions.

Our success is also made possible by the many strategic partnerships within the new Department. We attained a high level of performance, from my view, by improved coordination through planning, intelligence sharing, and joint operations, No. 1, with our DoD partners through joint monitoring and detection operations, and with our international partners through the development of, and we are very proud of this, 26 very strong, active bilateral and regional maritime and law enforcement agreements throughout the Caribbean and South America.

Mr. Mackin, in his joint role as the Narcotics Officer and USIC, has been a great catalyst for these partnering efforts, in invigorating our CD intelligence focus, sharpening our collective strategic emphasis. And as noted in his written statement, our efforts in the counter-drugs fight offer other important benefits to the Nation. The counter-terrorism and counter-drug missions are mutually supportive and reinforcing regarding the ability to detect, monitor, and interdict.

We are also actively involved in interdepartment, interagency planning and operational processes. In addition to our operational assets, that is our ships and our planes, the Coast Guard has over 500 law enforcement personnel assigned around the world involved in interagency efforts to combat illegal drugs. Coast Guard personnel serve on many teams, including the DHS operations and plan-

ning staffs, Joint Interagency Task Force-South and West, we have over 20 people in JIATF-South, DEA's El Paso Intelligence Center, the Panama Express initiative, the Organized Crime Drug Enforcement Task Force Fusion Center, and in ICE's Air and Marine Operations Center, and at ICE's headquarters, just to name a few. I am particularly proud of these partnering efforts and how they are yielding impressive results.

But there is more to be done operationally. From my perspective, although we are focused on coordination here today, the key to further success in the maritime part of this interdiction is not only effective partnering, but it is more importantly about capability and and capacity. For the Coast Guard this includes, for example, additional surveillance packages for our six new C–130J maritime patrol aircraft, they do not have them now; augmenting the number of flight hours on our existing C–130's, we can get more flight hours if we augment them; equipping all our helicopters with airborne Use of Force, which is a key enabler for go-fast; and funding our overall modernization program, it is the centerpiece of our efforts to get more effective at sea. Collectively, from my perspective, these are the clear performance enablers. The President addresses capacity and capability improvements in the fiscal year 2005 budget request, for which I ask for your continued support, and particularly our modernization efforts, which will deliver the capability and the capacity for us to get, continue, and build on these impressive record-breaking results that we have had this year.

Thank you, Mr. Chairman. I would be glad to answer any questions you might have later in the day.

[The prepared statement of Admiral Collins follows:]

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DEPARTMENT OF HOMELAND SECURITY

U. S. COAST GUARD

STATEMENT OF

ADMIRAL THOMAS COLLINS

ON THE

COUNTERNARCOTICS AT THE DEPARTMENT OF HOMELAND SECURITY: HOW WELL ARE ANTI-DRUG TRAFFICKING OPERATIONS BEING SUPPORTED AND COORDINATED HEARING

BEFORE THE

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

AND THE

SELECT COMMITTEE ON HOMELAND SECURITY, SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER SECURITY

U. S. HOUSE OF REPRESENTATIVES

JULY 22, 2004

DEPARTMENT OF HOMELAND SECURITY, U. S. COAST GUARD
STATEMENT OF ADMIRAL THOMAS COLLINS
ON THE
COUNTERNARCOTICS AT THE DEPARTMENT OF HOMELAND SECURITY:
HOW WELL ARE ANTI-DRUG TRAFFICKING OPERATIONS
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ON INFRASTRUCTURE AND BORDER SECURITY
U. S. HOUSE OF REPRESENTATIVES
JULY 22, 2004

Good afternoon Mr. Chairman and distinguished members of the Committee. It is a pleasure to appear before you today to discuss the Department of Homeland Security's counter drug operations and how well anti-drug trafficking operations are being supported and coordinated with our partners in the Department of Homeland Security (DHS).

It has been over a year since DHS was created and I am happy to report that fiscal year 2004 has been an enormous success in our counter-narcotics mission area. In fact, this year is the manifestation of the most successful drug interdiction year in the history of the Coast Guard—netting the seizure of over 68 metric tons of cocaine valued at nearly $4.8 billion. This high performance trend reflects increases over fiscal year 2003, when we seized over 62 metric tons of cocaine—over 54 percent of the total cocaine seized by federal agencies, as reported to the federal drug seizure system. In fiscal year 2002, we seized over 53 metric tons of cocaine equating to 52 percent of the federal total. As the empirical data reveals, the transition to DHS has increased the counter-narcotics performance of the Coast Guard.

In addition to our successes in drug interdiction, our assimilation into DHS is going as planned and increasing the degree of the Coast Guard's integration with other DHS agencies—greatly increasing departmental efficiency. The Coast Guard has preserved its essential qualities as a military, multi-mission and maritime service, and retains the full range of our missions, which are complementary. Threats to the security of our homeland extend beyond overt terrorism. Countering illegal drug smuggling, preventing illegal migration at sea, protecting living marine resources from foreign encroachment, and implementing the provisions of the Maritime Transportation Security Act are all critical elements of national and economic security, and they are all Coast Guard responsibilities.

Furthermore, the Coast Guard provides DHS extensive regulatory and law enforcement authorities governing ships, boats, personnel and associated activities in our ports, waterways and offshore maritime regions. We are one of the five-armed military services, with a robust, around-the-clock command, control, communications and response capability. We patrol and respond with a network of coastal small boats, aircraft, deepwater cutters, and expert personnel in the homeland security and safety

environment. These capabilities are further enhanced in DHS since the Coast Guard is a statutory member of the national foreign intelligence community, and brings extensive intelligence gathering, analysis and coordination experience to the new department. These attributes, which served our law enforcement and other missions well in the past, plays a significant part in maintaining maritime domain awareness and enables us to be the lead federal agency for Maritime Homeland Security.

The Coast Guard's Intelligence Program collects and analyzes information to support both Intelligence and Law Enforcement Community Counterdrug activities. Given the fixed number of counterdrug interdiction forces, intelligence acts as a critical force multiplier, enhancing the Coast Guard's and Joint Interagency Task Force South's (JIATF-S) ability to position assets to best protect the nation's maritime borders through deterrence, detection and interception. The intelligence threat estimates are a key consideration in operational planning in all mission areas.

National level intelligence is used, in combination with the Coast Guard's and other agencies' law enforcement intelligence and information, to plan operations and cue interdictions. All source intelligence received from national-level signals, imagery and human intelligence networks support daily Coast Guard and JIATF-S detection, monitoring and interdiction resources. The Intelligence Community is actively involved in supporting the Coast Guard's counterdrug mission. The Coast Guard's Intelligence Coordination Center works closely with area and field units as well as intelligence partners to coordinate national-level intelligence collection, analysis and reporting. These fused intelligence products are used to support strategic and tactical operations and planning.

The Coast Guard's Intelligence Program has a strong union between its law enforcement and foreign intelligence portions that provide a model of information sharing, which is a critical asset for DHS, not only within the Coast Guard but with various entities within the Department. We strive towards a better intelligence information flow related to all aspects of homeland security and defense, such as border control, alien migration, and counterdrug activities.

Our Intelligence Program does quite a bit to support DHS counterdrug operations. For example, the Intelligence Coordination Center participates in and provides ICC-generated products in support of the various strategic level counterdrug working groups, and the Coast Guard's Attaché Program continues to provide a vital link in supporting the myriad of counterdrug initiatives and activities at various locations in the Caribbean, South and Central American ports. Within the Coast Guard's Intelligence Program is the Coast Guard Investigative Service (CGIS), whose agents support counterdrug activities through various activities and programs with agencies such as the Drug Enforcement Administration (DEA), specifically to Operation Panama Express a key counterdrug smuggling task force comprised of DEA, Federal Bureau of Investigation (FBI), and Immigration and Customs Enforcement (ICE); within ICE - assigned as the Coast Guard representative to the Maritime Smuggling Directorate; agents are co-located within the Coast Guard's Field Intelligence Support Teams and these personnel are actively engaged within other Federal, State and local agencies at numerous regional and local ports. CGIS also participates in the Department of Justice's Organized Crime Drug Enforcement Task Force (OCDETF), including a senior agent as the Coast Guard's

representative at its Washington Agency Representative Group, facilitating information, and setting policies and procedures with regards to counterdrug operations.

The Coast Guard directly participates in the daily counterdrug operations of several interagency/interdepartmental organizations with experienced personnel assigned at: throughout DHS, operations and planning staffs; within Joint Interagency Task Forces South and West (JIATF-S and JIATF-W), in their respective intelligence, operations and strategic planning directorates; at DEA's El Paso Intelligence Center (EPIC) and Organized Crime Drug Enforcement Task Force (OCDETF) Fusion Center; and in ICE's Air and Marine Operations Center (AMOC) as well as liaisons at ICE headquarters, for example. Additionally, the Coast Guard provides the necessary counterdrug endgame with our Law Enforcement Detachment (LEDET) program, during which specialized boarding teams embarked on U.S., British, Dutch, and Belgian naval vessels board suspected drug smuggling vessels.

Similar to our law enforcement partners, the Coast Guard is capitalizing on the synergies available through organizational relationships within the Department of Homeland Security. We have worked with many of these entities on law enforcement operations for decades, but we have capitalized on new opportunities to improve those working relationships by our common mission focus, which transitioned seamlessly as we all moved into the new department.

We are already participating in a department-wide effort to develop information exchange requirements. We have begun the process through an exchange of personnel at the U. S. Customs and Border Protection (CBP) National Targeting Center and the Coast Guard Intelligence Coordination Center (part of the National Maritime Intelligence Center) to coordinate information on cargo and crew on commercial vessels. This will ultimately lead to a system in which every agent in the Department of Homeland Security has access to the same law enforcement information in real time. Consolidating our information will ensure legitimate people and cargo are screened more quickly, and allow more time for our enforcement agents to focus on higher threat targets.

Let me give you an example of an increasingly common success story that is a direct result of our integration. In mid-May, a joint USCG-CBP crewed patrol craft was on routine patrol near the Akwesasne Mohawk Indian Reservation on the St. Lawrence Seaway (this reservation straddles the U.S.-Canadian border). During this evening patrol a crewman observed a fast moving vessel leaving Cornwall Island (Ontario, Canadian portion of the reservation) heading towards St. Regis Village. After the vessel crossed the international boundary into the U.S., the crew of the patrol craft witnessed four suspects unloading hockey bags from the vessel into a waiting vehicle. When the law enforcement team identified themselves, the two suspects loading the vehicle fled the scene in the vehicle; however, our DHS team apprehended the two suspects in the vessel. In this case, we seized 29 pounds of hydroponically grown marijuana along with a 20-foot "Hydra-Yacht" pleasure craft.

Another recent example of interagency coordination also occurred in May. A 110-foot USCG cutter located a French flagged sailing vessel 30 miles east of Florida during a routine patrol. The vessel's master granted a consensual boarding, during which 24 persons claiming Singapore nationality, but suspected as being Chinese nationals, were

located hidden below deck. The 24 illegal migrants were removed from the vessel for their safety, since no life rafts or life jackets were on board. The U.S. Government (following an interagency conference involving several DHS components, the Department of Justice, and the State Department) approached the Government of France and obtained permission to board, search, and detain persons if any evidence of illegal activity was discovered. Coast Guard Investigative Services (CGIS) and Immigration and Customs Enforcement (ICE) investigators interviewed the migrants plus the two French suspected smugglers. Both agencies worked together to collect evidence discovering a suspected human trafficking operation. The migrants and suspected smugglers were later transferred to French authorities in Fort de France, Martinique along with a case package to assist the French authorities in prosecution.

Consolidating these agencies into DHS has allowed us to integrate these relationships more deeply and capitalize on each other's strengths. These strengths, together with our Deepwater program and other multi-year resource efforts, will enable the Coast Guard to achieve our multi-mission goals while also executing the enhanced Maritime Homeland Security (MHS) missions that are a major part of our responsibilities.

Fellow agencies within DHS are also forging strong relationships in regards to acquisition management. DHS has established a Strategic Sourcing Group and a series of commodities councils. The purpose of the Strategic Sourcing Group is to assist in the successful development, deployment and maintenance of sourcing strategies to enhance the DHS acquisition system and ensure commodities are acquired in the most efficient and effective manner. The purpose of each council is to develop long-term strategies for acquiring commodities across the department. Some councils that exist include Weapons & Ammunition, Boats, Aviation, Training, Facilities, and Information Technology.

Additionally, we continue to pursue innovative operational capabilities to increase our drug interdiction effectiveness. For example, we are equipping helicopters with Airborne Use of Force (AUF) and vertical insertion capabilities. This will enhance the Coast Guard's ability in drug interdiction, as well as helping to secure our oceans, ports and waterways against illegal migrant and terrorist activity, by providing capability to fire warning shots and disabling fire, and rapidly/covertly deploying boarding teams aboard vessels at sea. The Coast Guard currently has eight armed MH-68 helicopters operating out of Jacksonville, Florida and four HH-60J armed helicopters out of Elizabeth City, North Carolina. We intend to expand these AUF capabilities within the resource constraints of future budget requests.

The homeland security mission reaches well beyond U.S. borders, requiring strong international and interagency partnerships. Effective maritime interdiction of the myriad threats encountered requires reliable and well-established operational communications between regional partners, operational flexibility, respect for territorial integrity, and mutual trust. The overarching U.S. Coast Guard initiatives in the Caribbean and Eastern Pacific region involve the conclusion and implementation of 26 bilateral and regional maritime law enforcement agreements, which establish protocols, procedures, and points of contact for the key maritime law enforcement activities including shipboarding, pursuit and entry into territorial sea and airspace, shipriding exchange, air-space overflight, order-to-land, and technical assistance. I am pleased to report the United States just signed the Comprehensive Maritime Agreement with the Bahamas on June 29, which

consolidates and strengthens the patchwork of agreements we have worked under for so many years. Implementation of these agreements includes the ongoing deployment of training teams, planned and unplanned bilateral and multilateral enforcement operations, information sharing, and maintenance support.

The Coast Guard has participated at several recent international senior and working level conferences and meetings with Mexico and Colombia, among others: finding strengths, addressing potential operational improvements, and opportunities for cooperation and coordination of effort - synergy. For example, our bilateral agreement with Colombia has yielded over 45 nationality or registration confirmations, leading to 14 Colombian vessels seized, 91 arrests and over 60,000 pounds of cocaine seized in fiscal year 2004 alone.

I recently returned from Colombia, where I met with President Uribe and Colombian Navy Admiral Soto. We agreed to continuing our strengthening of counter-drug operations by assisting the Colombians with Maritime Patrol Aircraft support, officer exchange programs and developing a new tactical initiative to render fuel unusable, aimed at disrupting the logistical/fuel support to Colombian drug smugglers. The development of these initiatives and strengthening of the U.S.-Colombian relationship will yield additional coordinated counter-narcotic successes.

While conducting our drug interdiction and other law enforcement missions, the Coast Guard continues to provide direct and indirect support to combatant commanders executing Operations Iraqi Freedom and Liberty Shield.

Looking ahead, it is clear that attaining additional capacity and capability is critical to the Coast Guard's ability to achieve the levels of future readiness needed to perform its expanded homeland security tasks while concurrently carrying out our other responsibilities. The Deepwater Program is the centerpiece of our efforts to improve current and future readiness for all our missions. It will deliver the platforms and systems needed to close the capability gaps found in today's Coast Guard.

Deepwater's comprehensive system of systems will recapitalize our entire inventory of aging cutters and aircraft, as well as C4ISR systems at sea and ashore - all supported with integrated logistics. Deepwater will provide the means to extend our layered maritime defenses from our ports and coastlines many hundreds of miles to sea, increasing maritime domain awareness. When Deepwater is fully implemented, our cutters and aircraft will no longer operate as independent platforms with only limited awareness of their surroundings in the maritime domain. Instead, they will have improved capabilities to receive information from a wide array of mission-capable platforms and sensors-enabling them to share a common operating picture as part of a network-centric force operating in unison with other cutters, boats, and both manned aircraft and unmanned aerial vehicles.

I appreciate your recent support of the DHS and the Coast Guard as seen in the passing of HR 4567 (The Department of Homeland Security Appropriations Bill, 2005) in the House and we ask for your continued support as this bill goes to conference.

I don't want to suggest for a moment that successful homeland security and non-homeland security mission execution is without its challenges. We are working our

capital assets—and our crews—harder than ever, and the stress is very apparent. The President addresses capacity and capability improvements for the Coast Guard in his Fiscal Year 2005 budget request, which I ask you to support. Deepwater, our plan for major asset recapitalization has never been more relevant and I ask your support for the President's funding request.

Thank you for the opportunity to testify before you today. I will be happy to answer any questions.

Mr. SOUDER. Thank you.

Mr. Garcia.

Mr. GARCIA. Thank you, Chairman Souder, Chairman Camp, members of the committees. It is a pleasure to be with you here today to discuss how U.S. Immigration and Customs Enforcement, or ICE as we call it, is working with our partner agencies within DHS in the fight against narcotics smuggling. My testimony today will focus on the counternarcotics mission of ICE, the authorities and assets we bring to this effort, and how we are working with other agencies to coordinate this mission, a mission that is tied directly to our homeland security. And I think that was a theme that was hit on in many of the statements here today.

The mission of homeland security is to address vulnerabilities that expose our borders to infiltration, our financial systems to exploitation and that weaken our national security. And smuggling is a direct threat to our border security. Organizations that exploit our borders to bring in narcotics could, for the right amount of money, employ those methods to bring in components for weapons of mass destruction. Smugglers that prey on individuals seeking to come to America for economic opportunity could use the same routes and methods and exploit those border vulnerabilities to bring terrorists into our country.

ICE seeks to use its extensive resources and authorities, working with our partners within DHS and other Federal, State, and local law enforcement agencies, to close those vulnerabilities and protect our homeland. Let me give you one example.

Last November, ICE agents, building upon truly terrific work done by Customs and Border Protection inspectors at JFK Airport in New York, targeted 19 airport workers—baggage and cargo handlers and their supervisors—with unrestricted access to international cargo and passenger flights. Working closely with CBP and other Federal and local agencies, this investigation alone netted 400 kilograms of cocaine and hundreds of pounds of marijuana, mostly from Guyana and Jamaica. Twenty-five defendants were charged, including 21 airport employees. This case illustrates how a conspiracy among airport employees to smuggle drugs into the United States compromised our border security. It is apparent how a similar criminal conspiracy could create a vulnerability that could potentially be exploited by terrorists.

With the creation of ICE, we have built upon the U.S. Customs Service counternarcotics program with its extensive border authority, smuggling, and financial crimes expertise, and the Air and Marine assets, and merged them with the Immigration Enforcement authorities of the Immigration and Naturalization Service. Immigration enforcement authorities are a powerful tool that our agents use to attack and dismantle smuggling organizations, whether they smuggle people or drugs, and to bring additional Federal charges against targets or potential informants in ongoing drug smuggling investigations. In fact, in this fiscal year, ICE has effectively used our Title 8, our immigration authority in more than 138 of its narcotics investigations.

Another key component of ICE's approach to counternarcotics is the use of our extensive financial crimes expertise. ICE targets money service businesses, bulk cash smuggling, and trade based

money laundering, such as the black market peso exchange, which are used to launder narcotics proceeds. Since July 2003, ICE and CBP have collectively seized more than $40 million before it could be illegally exported, and ICE has arrested more than 133 individuals.

Our Office of Intelligence maintains an effective and powerful focus on drug interdiction as part of the larger counter-smuggling effort. ICE's Tactical Intelligence Center [TIC] is a center that produces the kind of intelligence that has put interdiction assets right on top of smugglers with multi-ton loads of drugs. In fiscal year 2004 to date, the TIC has provided intelligence that has resulted in the interdiction of 50 tons of cocaine, 34 tons seized and 16 tons sunk, burned, or otherwise destroyed.

One of the key responders to TIC information is ICE's Air and Marine Operations unit, or AMO. AMO assets allow us to cover a much wider range of territory, extending our borders to include source, transit, and arrival zones for narcotics smugglers, and in many cases stop the smugglers before they can even get to the United States. In Operation HALCON, for example, our AMO pilots are working in close partnership with Mexican law enforcement officials to interdict smuggling operations that attempt to penetrate the U.S. border. This initiative in the arrival zone, along with operations in Bahamas and in transit zones, and Air Bridge Denial in the source zone, follow a successful defense in depth strategy.

A recent Operation Bahamas interdiction led to the seizure of 1,000 kilograms of cocaine. Acting on information provided by the DEA to AMO and the Coast Guard, AMO was able to pursue two go-fast vessels off the coast of the Bahamas, eventually using disabling fire to stop them. This operation led to the arrest of six individuals, the seizure of both vessels, and the cargo of cocaine.

Interagency cooperation and coordination is key to the counter-narcotics mission. One recent example of how we are working together happened just a few weeks ago. CBP officers assigned to the Port of Entry in San Ysidro, California, discovered a false compartment in an SUV containing 61 kilograms of cocaine. ICE special agents, with the assistance of airborne surveillance provided by AMO, and in coordination with the DEA, initiated a controlled delivery to a residence in California where ICE agents arrested the recipient of the drugs, seized an additional 44 kilograms of cocaine, as well as two more vehicles outfitted with false compartments. Following successful completion of this delivery, ICE and DEA actively shared information in a joint effort to determine any further investigative action.

In sum, narcotics smuggling poses a threat to our Nation, both as a direct result of the horrific effects on our society of the drug trade and as a national security issue. At ICE we approach it as a traditional law enforcement mission, one by law we are required to continue, and as a homeland security mission, a border integrity issue.

I would like to thank you, Chairman Souder, Chairman Camp, and the members of these committees for the opportunity to testify before you today. I look forward to answering any of your questions.

[The prepared statement of Mr. Garcia follows:]

U.S. Immigration and Customs Enforcement

STATEMENT

OF

MICHAEL J. GARCIA
ASSISTANT SECRETARY

U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT
DEPARTMENT OF HOMELAND SECURITY

BEFORE

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

AND

HOUSE SELECT COMMITTEE ON HOMELAND SECURITY
SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER SECURITY

"DRUGS AND SECURITY IN A POST-9/11 WORLD:
COORDINATING THE COUNTERNARCOTICS MISSION AT DHS"

JULY 22, 2004
WASHINGTON, D.C.

INTRODUCTION

Good morning, Chairman Souder, Chairman Camp and Members of the Committees. It is my pleasure to be with you today to discuss how U.S. Immigration and Customs Enforcement (ICE) is working with our partner agencies within the Department of Homeland Security (DHS) in the fight against narcotics smuggling. My testimony today will focus on the counternarcotics mission of ICE, the authorities and assets we bring to this effort, and how we are working with other agencies to coordinate this mission – a mission tied directly to homeland security.

The mission of homeland security is to address vulnerabilities—vulnerabilities that expose our borders to infiltration, our financial systems to exploitation and that weaken our national security. Smuggling is a direct threat to our border security. Organizations that exploit our borders to bring in narcotics could, for the right amount of money, employ those methods to bring in components for weapons of mass destruction. Smugglers that prey on individuals seeking to come to America for economic opportunity could use the same routes and methods and exploit border vulnerabilities to bring terrorists into our country.

ICE seeks to use its extensive resources and authorities, working with our partners within DHS and other federal, state, and local law enforcement agencies, to close those vulnerabilities and protect our homeland. Let me give you an example.

Last November ICE Agents, building upon tremendous work done by Customs and Border Protection inspectors, investigated a massive narcotics importation conspiracy at John F. Kennedy Airport. The investigation targeted 19 airport workers—baggage and cargo handlers and their supervisors—with unrestricted access to international cargo and

passenger flights. Working closely with CBP and other federal and local agencies, this investigation netted 400 kilograms of cocaine and hundreds of pounds of marijuana, mostly from Guyana and Jamaica. Twenty-five defendants were charged, including 21 airport employees.

This case illustrates how a conspiracy to smuggle drugs into the U.S. among airport employees compromised our border security. It is apparent how a similar criminal conspiracy could create a vulnerability that could be exploited by terrorists. That is why ICE continues to aggressively work to identify and neutralize potential vulnerabilities and thereby protect our country from those that would threaten our national security.

COUNTERNARCOTICS MISSION AND AUTHORITIES

Prior to the creation of the Department of Homeland Security, the former U.S. Customs Service had a robust counternarcotics program built upon the extensive border authorities and smuggling expertise of that agency. Key to the success of that legacy program was a financial crimes expertise developed over the course of 30 years. This expertise was used against narcotics smugglers to seize assets, freeze bank accounts, and trace co-conspirators. The former Customs Service also had an Air and Marine component that provided an advanced interdiction capability on land and sea as well as the ability to support investigations, for example through overhead surveillance support enhanced by the use of night vision and microwave video downlink technology.

The former Immigration and Naturalization Service (INS) was involved in the counternarcotics effort primarily through use of its immigration authorities on various

counternarcotics task forces. Both former INS and former Customs had extensive intelligence resources to support their counternarcotics and smuggling work.

With the creation of ICE, we have merged those customs and immigration tools and authorities into one department and one agency – an agency dedicated to using those tools to protect our homeland security.

Smuggling organizations do not observe traditional divisions of labor. They are instead driven by profit. In fact, if you look at how organized smuggling networks operate, you will see that the most effective smuggling organizations have tremendous flexibility when it comes to what they smuggle. Using the same routes and methods, they may smuggle narcotics one week and human "cargo" the next, shifting their tactics in response to demand, profit margins, and changes in enforcement patterns.

ICE's combined customs and immigration authorities allow us to match the smuggling organizations step-by-step as they move from one criminal enterprise to another. Whether narcotics smuggled through an airport or aliens smuggled into the country along our southwest border, ICE responds with the law enforcement tools necessary to dismantle the criminal enterprise, seize contraband, and seize profits. For example, in Operation ICE Storm in Arizona, we are attacking smuggling organizations that move people but also in some cases move drugs, and we are seeing measurable results – mainly in the decrease in violent crime in the Phoenix area.

Immigration enforcement authority is also a powerful tool that our agents use to attack and dismantle smuggling organizations—whether they smuggle drugs or people—and to bring other federal charges against targets or potential informants in ongoing drug smuggling investigations. This strategy has been used very successfully by drug

enforcement task forces in the past. We are seeing this authority used specifically in ICE's counternarcotics cases: increasingly, Title 8 immigration violation charges are now being brought against defendants alongside drug violations. In FY 2004 to date, ICE has effectively utilized Title 8 authority in more than 138 narcotics investigations compared to 76 cases in all of FY 2003.

Another key component of ICE's approach to counternarcotics is the use of our extensive financial crimes expertise. Criminal organizations such as drug or alien smuggling rings must find ways to disguise their illegal profits. That is why ICE targets money service businesses, bulk cash smuggling and trade based money laundering, such as the Black Market Peso Exchange (BMPE), which are used to launder narcotics proceeds. ICE Special Agents, CBP Inspectors and Border Patrol Agents work side-by-side at land borders, seaports, airports searching people, vehicles and cargo departing the United States.

New bulk cash smuggling authorities under the Patriot Act have given ICE an effective tool to combat bulk cash smuggling. Since July 2003, ICE and CBP have collectively seized $40.5 million before it could be illegally exported, and ICE has arrested more than 133 individuals for bulk cash smuggling as a result of follow-up investigations to these seizures. The majority of these cases were associated with narcotics smuggling, but some had elements of alien smuggling as well. Operation ICE Storm, which I referred to earlier, targeted and successfully took away the profits from these violent human smuggling organizations: in just ten months, this operation has resulted in more than 225 arrests and the seizure of more than $5 million dollars.

ICE has effectively integrated the intelligence experience and expertise of both former Customs and former INS into ICE's counter-smuggling strategies, operations and tactics. ICE is aggressively and effectively disrupting and dismantling the smuggling of drugs, persons, bulk cash and other contraband that comes across our borders and we are working to improve upon our efforts so that we are more effective in responding to these threats.

Our Office of Intelligence maintains an effective and powerful focus on drug interdiction as part of the larger counter-smuggling effort. ICE's Tactical Intelligence Center (TIC) is a classified facility that produces the kind of intelligence that has put interdiction assets right on top of smugglers with a multi-ton load of drugs. In FY 2004 to date, the TIC has provided intelligence that has resulted in the interdiction of 50 tons of cocaine – 34 tons seized and 16 tons sunk, burned or otherwise destroyed.

One of the key responders to TIC information is ICE's Air and Marine Operations (AMO). AMO assets allow us to cover a much wider range of territory – extending our borders to include source, transit, and arrival zones for narcotics smugglers – and in many cases stop the smugglers before they can even get to the United States. In Operation HALCON, for example, our AMO pilots are working in close partnership with Mexican law enforcement to interdict smuggling operations that attempt to penetrate the U.S. border. This initiative in the arrival zone, along with Operation Bahamas, Turks and Caicos in the transit zone, and Air Bridge Denial in the source zone, follow a successful "defense in depth" strategy.

A recent Operation Bahamas interdiction led to the seizure of 1,000 kilograms of cocaine. Acting on information provided by the Drug Enforcement Administration

(DEA) to AMO and the Coast Guard, AMO was able to pursue two go-fast vessels off the coast of the Bahamas, eventually using disabling fire to stop them. This operation led to the arrest of six individuals, the seizure of both vessels and the cargo of cocaine.

To fully take advantage of ICE's expanded authorities—and their particular effectiveness in dismantling smuggling organizations—one of our first priorities as a new agency was to cross-train all of our 5,500 agents. Former Customs agents are gaining Title 8 authority and former INS agents are gaining extensive border search authorities in addition to numerous criminal and civil authorities, creating a unified investigative workforce. Cross-training gives us much-needed flexibility to assign investigative resources where needed to address the changing tactics and methods used by smuggling organizations.

INTERAGENCY COOPERATION AND COORDINATION

As evident from a number of the case examples I have discussed, interagency cooperation and coordination is key to winning the war on drugs, and ICE is a valuable player that brings powerful authorities and assets to the table. Our joint enforcement actions allow our special agents to accurately identify, disrupt and dismantle smuggling organizations -- moving beyond the individuals who transport the drugs to attack the key managers and organizers in those organizations.

Just three weeks ago, CBP Officers assigned to the Port of Entry in San Ysidro, California, discovered a false compartment in an SUV containing 61 kilograms of cocaine. ICE Special Agents, with the assistance of airborne surveillance provided by AMO, and in coordination with the D E A, initiated a controlled delivery to a residence in

La Palma, California, where ICE agents arrested the recipient of the drugs, seized an additional 44 kilograms of cocaine as well as two more vehicles outfitted with false compartments. Following the successful completion of this delivery, ICE and DEA actively shared information in a joint effort to determine further investigative action.

This cooperation extends beyond our borders as well. Perhaps the best illustration of this collaborative interagency approach to counternarcotics is the initiative known as "Operation Panama Express," an OCDETF investigation that targets cocaine smuggling operations originating from Colombia and focuses on identifying and disrupting new smuggling routes and methods. This is an exceptional example of U.S. and foreign law enforcement agencies pooling resources, sharing information, and coordinating efforts to more effectively target the cartels responsible for a significant portion of the drug trade into the United States. Since its inception in May 1998, "Operation Panama Express" has resulted in 614 arrests, the seizure of more than 195 tons of cocaine and $915,000 in United States currency.

CONCLUSION

Narcotics smuggling poses a threat to our Nation: both as a direct result of the horrific effects on our society of the drug trade and as a national security issue. At ICE, we approach it as such: as a traditional law enforcement mission – one we are by law required to continue – and as a homeland security issue, a border integrity issue. Our combined resources make us more effective. Immigration authorities, customs smuggling and financial authorities, wide-ranging intelligence capabilities, an air and

marine presence, and our unique jurisdictions make ICE a powerful force in the counternarcotics effort.

ICE also understands that it is one player in that effort. More is required including increased cooperation and coordination with the Border Patrol officers out on the line in Texas, Arizona, California and the Northern Border; further cooperation with CBP inspectors in the lanes at our ports of entry; and enhanced cooperation with our colleagues in the Coast Guard who play such an important role in this mission. I salute the work done by all the men and women of DHS every day in addressing this threat and the achievements they have made.

I would like to thank you, Chairman Souder, Chairman Camp, and Members of the Committees, for the opportunity to testify before you today. I look forward to answering any questions that you may have.

ICE Counternarcotics Statistics from FY 2001 to Present

ICE Narcotics Seizures (pounds)

FY	Cocaine	Heroin	Cannabis	Meth
2001	204,794	3,809	1,598,587	5,442
2002	202,226	5,641	1,441,890	5,751
2003	226,221	5,014	1,557,061	5,372
2004 - 7/13/04	218,324	2,782	1,724,938	2,936

ICE Narcotics Enforcement Results

FY	Arrests	Indictments	Convictions
2001	13,938	9,093	10,120
2002	12,730	7,374	8,766
2003	12,192	6,382	6,508
2004 - 07/20/04	8,465	4,679	4,392

Category 13 Cases Initiated:		Category 13 Hours Worked:	
FY 2001	15,525	FY 2001	3,113,238
FY 2002	13,762	FY 2002	3,146,348
FY 2003	13,115	FY 2003	3,339,695
FY 2004 - 7/14/04	10,421	FY 2004 - 7/14/04	2,497,041

Mr. SOUDER. Thank you.

Mr. Mackin.

Mr. MACKIN. Chairman Souder, Chairman Camp, distinguished members of the Government Reform and the Homeland Security Subcommittees, it is a distinct privilege to appear before you today and testify as the Counternarcotics Officer of the Department of Homeland Security and as the U.S. Interdiction Coordinator, a position I have held since March of last year.

Chairman Souder, the importance of the position you created for a senior level official within the Department of Homeland Security to coordinate counternarcotics matters cannot be overstated. In the face of very real terrorist threats and the Department's responsibility to secure our Nation from them, the position has helped keep the Department dedicated to what I call its other mission, which is to interdict the entry of illegal drugs into the United States and to track and sever connections between illegal drug trafficking and terrorism. The President, Secretary Ridge, and I are grateful for your continuing efforts and steadfast leadership in the prosecution of this critical mission. Thank you for you unwavering support to the Department of Homeland Security, its mission, and personnel.

While simultaneously addressing the increased terrorist threat, the Department remains strong in its commitment to improve and expand its counter-drug interdiction capabilities and those of our allies against the drug threat. Enhancement to our border security and increased intelligence in the transit zone are yielding greater results for the counter-drug mission. For example, drug seizure rates for this year are significantly higher than for the same period last year and are on pace for a record year. The Department continues to assess the current drug threat carefully and to adjust its plans for the optimal application of interdiction resources.

I would like to note, as my colleagues have already said several times, countering terrorism and drug interdiction are synergistic. The Department is aware of linkages and potential linkages between terrorist organizations, narcotics trafficking, weapons smuggling, and alien smuggling networks. Fortunately, countering terrorism and countering narcotics are synergistic rather than competing. An action or capability focused on one of the threats simultaneously strengthens our security against the other. The strong posture that the Department of Homeland Security maintains against drugs directly strengthens our Nation's security against all border threats, especially since terrorists can readily piggyback already established drug smuggling pathways and systems to threaten our homeland. As President Bush has stated, "If these methods are good enough for hunting criminals, they're even more important for hunting terrorists."

No one, not this Congress, the American public, nor drug traffickers should misinterpret the Department of Homeland Security's focus on terrorism as a weakening of its resolve against illegal drugs. We have strengthened our commitment as we have intensified our overall presence along America's border, in the transit zone, and abroad.

My office, working with the Secretary and DHS components, is focused on improving the preparedness of DHS organizations on the border, its ships at sea, and forward deployed maritime patrol

aircraft. These multipurpose resources greatly enhance the ability of our Nation to engage a terrorist cell or a drug trafficking organization attempting to smuggle people and contraband into the United States. The best example of the value of our counter-drug posture is the highly successful Joint Interagency Task Force-South, which is directed by a Coast Guard officer and vectors a huge amount of DHS resources on a daily basis against smuggling threats. This element, the JIATF-South, was created well before September 11 to manage the detection and monitoring of suspect drug related maritime and air smuggling efforts. After September 11, it became a potent resource to defend against approaches from the south by aggressive terrorist organizations. Hence, our Nation is now more secure because of our earlier development of a joint counter-drug law enforcement and military interdiction structure to secure our southern approaches first against the narcotics threat and now against the terrorist threat.

I can assure you that Secretary Ridge, the Deputy Secretary, the Under Secretaries, and the rest of the DHS leadership team fully appreciate the dimension of the illicit drug threat and its impact on the U.S. populace. To demonstrate this, let me mention just three of a list of DHS' aggressive counter-drug activities. More are in my written testimony.

We have expanded the counter-drug use of maritime patrol aircraft. Responding to JIATF-South's request for increased counter-drug P–3 flight hours from DHS, I immediately recommended, with Secretary Ridge's support, that DHS seek to triple the number of P–3 hours provided to JIATF-South each month for counter-drug use in fiscal year 2005.

Now regarding the important Tethered Aerostat Radar System, in my role as the U.S. Interdiction Coordinator, and with a special focus on DHS, my office spent considerable time working to ensure the continued operation of the TARS. And at our urging, DoD has recommended rebuilding the system to full operational capability.

And last year at the October USIC Summit Conference, I urged the interdiction community to look for ways to raise the number of interdiction successes per month. As a result, cocaine interdiction in the transit zone is higher for the first half of 2004. We now have achieved 152 metric tons of cocaine seizures. This is higher than ever before achieved in any 6 month period.

In conclusion, these achievements, which are just a few of a long list, demonstrate the commitment of the Department of Homeland Security since its creation in March 2003 and when I was honored with the opportunity to serve. I would like to thank the chairmen and the members of the subcommittees for this opportunity to report to you, and for the support you have provided the Department. Like you and all the distinguished members of these subcommittees, the Department of Homeland Security recognizes both the direct and indirect threats that illicit drug trafficking poses to our national security and our Nation. The Department remains committed to using our skills, resources, capabilities, and superb personnel to continue to disrupt, deter, and destroy the organizations

that attempt to steal the lives of our children with the lure of illicit drugs.

I thank you for your continued support, and will be happy to answer any questions.

[The prepared statement of Mr. Mackin follows:]

Statement of Roger Mackin

Counternarcotics Officer and U.S. Interdiction Coordinator

Department of Homeland Security

Before the

House Government Reform Committee and the

Select Committee on Homeland Security

Subcommittee on Criminal Justice, Drug Policy and Human Resources and the Subcommittee on Infrastructure and Border Security

July 22, 2004

Introduction

Chairman Souder, Chairman Camp, and distinguished members of the Government Reform and Homeland Security subcommittees, it is a distinct privilege to appear before you today and testify as the Counternarcotics Officer of the Department of Homeland Security and the US Interdiction Coordinator, a position I have held since being designated in March 2003.

Chairman Souder, the importance of the position you created for a senior-level official within the Department of Homeland Security (DHS) to coordinate counternarcotics matters cannot be overstated. In the face of very real terrorist threats and the Department's responsibility to secure our nation from them, the position has helped keep the Department dedicated to its mission to interdict the entry of illegal drugs into the United States and to track and sever connections between illegal drug trafficking and terrorism. The President, Secretary Ridge and I are grateful for your continuing efforts and steadfast leadership in the prosecution of this critical mission. Thank you for your unwavering support to the Department of Homeland Security, its mission, and personnel.

Overview

The Department of Homeland Security continues to sustain a high level of activities against the flow of illicit drugs to the United States. While simultaneously addressing the increased terrorist threat, the Department remains strong in its commitment to improve and expand its counterdrug interdiction capabilities and those of our allies against the drug threat. Interdiction resources have remained effective against efforts of international drug trafficking organizations to smuggle illicit narcotics into our country. Enhancement to our border security and increased intelligence in the transit zone are yielding greater results for the counterdrug mission. For example, drug seizure rates for FY 04 are significantly higher than for the same period in FY 03 and are on pace to eclipse the record end-of-year totals of FY 03. The Department continues to assess the current drug threat carefully and to adjust in its plans for the optimal application of interdiction resources.

Terrorism vs. Drug Interdiction

The Department is aware of linkages and potential linkages between terrorist organizations, narcotics trafficking, weapons smuggling, and alien smuggling networks.

Terrorist groups such as the FARC, ELN, and AUC in Colombia derive significant revenue from 'drug related' activities. The Department of Homeland Security, with its counterparts in the Department of State, the Department of Defense, the Department of Justice and other government agencies, seeks to disrupt and dismantle drug trafficking networks both to halt the flow of drugs into the United States and to bolster the broader war on terrorism.

Countering terrorism and countering narcotics are synergistic rather than competing. An action or capability focused on one of the threats simultaneously strengthens our security against the other. The strong posture that the

Department of Homeland Security maintains against drugs directly strengthens our nation's security against all border threats, especially since terrorists can use already-established drug smuggling pathways to threaten our homeland. The initiatives that the Department has taken to prevent terrorists, terrorist weapons and related threats from entering the United States have strengthened our abilities to interdict drugs. And the same is true for our capabilities to interdict drug traffickers and their contraband. As President Bush has stated, "If these methods are good enough for hunting criminals, they're even more important for hunting terrorists."

No one, not this Congress, the American public, nor drug traffickers or other criminals should misinterpret the Department of Homeland Security's focus on terrorism as a weakening of its resolve against illegal drugs. We have strengthened our commitment as we have intensified our overall presence along America's border, in the Transit Zone and abroad. Our heightened state of security has strengthened, not weakened, our counternarcotics efforts. In FY 03, for example, the Department's components seized more than 2.31 million pounds of illegal drugs -- about 6 percent higher than for FY 02 -- and made some of the largest individual seizures ever recorded.

Activities of the CNO/USIC

In connection with describing more specifically what the Department, has achieved, the following is a brief review of the activities the Department of Homeland Security has pursued. I have served as the Department's Counternarcotics Officer, and, concurrently, as the US Interdiction Coordinator.

The Drug Threat & DHS Management

- Secretary Ridge, the Deputy Secretary, the Undersecretaries and the rest of the DHS Leadership Team fully appreciate the dimension of the illicit drug threat and its impact on the US populace. In my role as Counter Narcotics Officer for the Department, I ensure that these

senior officials remain informed on current developments relating to the flow of illicit drugs into the US from the principal source countries, Mexico and Colombia, and the impact these drugs are having on US society.

The Broad Value of the US Counterdrug Posture

- My Office, working with the Secretary and DHS components, has focused on improving the preparedness of the drug interdiction community, in particular DHS resources -- personnel staffing on the border, ships at sea, forward-deployed Maritime Patrol Aircraft (MPA), and the Air and Marine Operations Center in California. These resources greatly enhance the ability of our nation to engage a terrorist organization attempting to smuggle people and contraband into the US. For example, the highly successful Joint Interagency Task Force - South (JIATF-S) - which was created before September 11 to manage the detection and monitoring of suspect maritime and air smuggling efforts, and process the vast US counterdrug international intelligence capabilities that support that activity, - became a potent resource, post 9/11, to defend against approaches from the south by aggressive terrorist organizations. Hence, our nation is now more secure because of our earlier development of a joint counterdrug law enforcement and military interdiction structure to secure our southern approaches and the corresponding negotiation of complex bilateral agreements with our hemispheric neighbors.

Maritime Patrol Aircraft

- In 2003, long before the current shortage of Maritime Patrol Aircraft (MPA) hours became a critical problem, I responded to the Director, JIATF-S' call for more P-3 flight hours from DHS. With Secretary Ridge's support, I immediately recommended that DHS seek FY 05

funding to triple the number of P-3 hours provided to JIATF-S each month.

- With the 2004 discovery that DOD P-3 aircraft had experienced wing erosion and that many P-3 airframes would have to be retired, I convened an interagency Working Group to seek ways to address the critical loss. This Working Group has helped to focus the whole interdiction community on the problem, and some short-term remedies are now in place. ICE and USCG have temporarily increased their MPA flying hours, U.S. Southern Command is adjusting forward logistics support to increase "On Station" hours, and the United Kingdom is extending the scheduled deployment of its NIMROD MPA aircraft to the Caribbean this fall. We will consider additional ideas to be presented at the USIC Summit on 28-29 July 2004.

Tethered Aerostat Radar System (TARS)

- In late 2003, questions arose regarding the utility of the Tethered Aerostats Radar System and who should operate it. It is my belief that the TARS is an important interdiction detection and monitoring capability that should be sustained - it provides the only capability to detect low-altitude aircraft attempting to illegally penetrate the southern border of the United States. In my role as US Interdiction Coordinator, and with a special focus on DHS, my office spent considerable time working to ensure continued operations of TARS. After considerable discussion and deliberation, our efforts resulted in DOD agreeing to continue to maintain the TARS in their counternarcotics program. In fact, DOD formally requested that Congress fully support the President's funding request for this program.

Raising Interdiction Success Rate

- At an October 2003 USIC Summit Conference, I urged the interdiction community to look for ways to raise the number of interdiction successes from an average of 8 per month to 10. The Department sought to increase the interdiction rate in the Transit Zone to hit the Drug Trafficking Organizations harder there than ever before. The Interdiction Community responded. Since the start of CY 2004, by optimizing operational efficiency and forward-deploying key resources, the Coast Guard has surged the number of aircraft hours and maritime hull days it commits to JIATF-S. In addition, DoD sustained its high rate of maritime and air resource commitment to the Transit Zone while fighting two wars. As a result, cocaine interdiction in the Transit Zone is higher for the first half of CY 2004 than ever before achieved for a six-month period. We believe this has compounded the impact of the increasingly successful coca crop eradication program in Colombia.

Better Intelligence in the Transit Zone

- ***Support to Panama Express:*** Recognizing that success in any campaign against adversaries is contingent on good intelligence, I have stumped hard to expand US and international interdiction intelligence information collection and analysis capabilities. For example, I focused the attention of the Interdiction Community on the very productive interagency Panama Express project. As a result Panama Express has gained valuable additional personnel, funding and technical support from DHS.

- ***Border Interdiction Support Center (BISC):*** While intelligence is collected by the various US organizations that work on our Southwest Border, there is a need for greater coherence for the totality of the effort. Accordingly, the Department convened an interagency working

group composed of the senior law enforcement operations and intelligence directors. The interagency group unanimously agreed that we should create a "Border Interdiction Support Center" that has its first goal to aggregate all available tactical intelligence on the Southwest Border, analyze it, and distribute leads and reports to all federal, state and local law enforcement organizations having a need for such information. I hosted numerous interagency meetings and video teleconferences to develop the concept. We are now about to get it started. In order to get it established quickly, I have approached DEA about co-locating the Center in DEA's El Paso Intelligence Center (EPIC). DEA has generously responded and it appears likely that the BISC will be co-located in the EPIC. It is important to note that the BISC will complement and augment the counterdrug activities of the EPIC by aggregating, fusing, and analyzing all drug-related information relative to the Southwest Border, an important function not currently fulfilled by any agency. The BISC shall report to the DHS, but will provide highly valuable counterdrug support to the DEA's EPIC, to other interdiction-focused resources that secure the Southwest Border, and to the US military as appropriate.

- ***Drug Intelligence M.O. System (DIMOS):*** Understanding that the clever and highly structured major drug trafficking organizations are in fact businesses, albeit illegal ones, is essential to developing strategies and tactics to defeat them. Currently, there has been little research into that facet of the drug trade, i.e., the business plans. But there is a great deal of unpublished information available among counterdrug investigators and analysts on the business practices of trafficking organization. Departmental staff designed a Web-based, unclassified but secure information collection management system that DOD's DISA has implemented on its ADNETU page (Anti-Drug Network - Unclassified). Any screened/pre-approved investigator or analyst – at

the federal, state, or local level - can access the site to contribute information in response to collection requirements listed therein. The requirements are tailored to the structure of likely business plans used by trafficking organizations. And those with approved access can read all of the reports that have been submitted in response to those requirements. This system will be used by the BISC to collect, store and distribute information from-to US personnel operating along the SW border and others who need to study such information.

Better Overall Counterdrug Intelligence Support

- ***National Drug Fusion Center:*** There is a need for national-level aggregation, fusion and analysis of intelligence on major drug trafficking organizations. The current DEA Administrator recognized this when she led the Organized Crime Drug Enforcement Task Force Program. She conceived the creation of a national drug fusion center that would collect together and analyze all available information on CPOT's (Consolidate Priority Organization Targets) from the 7 leading counterdrug investigation agencies. The Center would feed the analysis back to organizations investigating the CPOT's as well as identifying intelligence gaps to be collected against. This would greatly improve our national performance against the top drug cartels. In recognition of the importance of the concept and since it meshed well with Secretary Ridge's goal for DHS to lead the federal community in collaboration and information sharing, I detailed from my office two DHS world-class counterdrug investigative experts to be key participants in planning and structuring an interagency national drug fusion center. They are making important contributions to setting up the Center. The FY 2005 President's Budget requests funding for eight DHS agents positions to support the OCDETF Fusion Center

Tracking and Severing the Terrorist Nexus

- As noted above, the national Center will gather together for analysis huge amounts of drug-related investigative and intelligence information. This will become the nation's largest holding of such information. As a basic part of the concept, the Center's "supercomputer" database will be linked to the FBI's Federal Terrorist Tracking Task Force (FTTTF) database in order to automatically identify connections between terrorists and drug trafficking organization. This is the most comprehensive and effective approach I know of to match counterdrug information with intelligence on terrorist organizations and activities in order to identify and sever connections between the two. Never before has our nation undertaken such a potentially powerful counterdrug intelligence endeavor, and DHS is playing a pivotal role in its creation.

Drug Revenue Denial

Black Market Pesos Exchange: The most effective way to deter/deny drug traffickers is to prevent the return of their drug revenues to them. Nothing hurts a business more than the inability to collect accounts receivable. With this in mind, in 2003 the department created the interagency Revenue Denial Working Group, chaired by ICE, and charged with determining how best to attack the Colombian Black Market Pesos Exchange (BMPE). ICE, DEA, Treasury, and FinCEN elements have recently started jointly implementing this program.

Note: The BMPE is a currency transfer scheme run by illegal Colombian Peso Brokers who buy, at a discount, bulk drug proceeds in the United States from Colombian drug traffickers and pay the

traffickers immediately in Colombia with pesos. Colombian businessmen need US dollars to pay US exporters for commodities to be shipped to Colombia. Colombian law requires that US dollars be purchased through official Colombian channels at officially established exchange rates. But it is cheaper for Colombian businessmen to buy the dollars from the blackmarket pesos brokers. So, much of the commodities imported into Colombia is paid for with US dollars obtained illegally. Colombia has asked the US Government for assistance in eliminating the BMPE.

The Revenue Denial Working Group has developed an approach to help the Colombian financial investigators gain information on Colombian businessmen who use the BMPE (and on the Colombian drug traffickers who benefit by it). ICE has provided the Colombian-equivalent of our IRS and its financial investigation affiliates with powerful computer servers and software that aid in tracking US-Colombian trade transactions. With professional US training and guidance, the Colombians will be able to identify users of the BMPE and, hopefully, prosecute them to deter the current widespread use of this system.

- ***Financial Attack Center (FAC):*** Under the National Security Presidential Directive 25, the Departments of Homeland Security, Justice and the Treasury, and the Office of National Drug Control Policy collaborated to draft the first National Counterdrug Financial Attack Plan, which also directs the creation of a National Financial Attack Center (FAC) that will bring about a true collaboration of the financial investigative resources of those departments. Information on the most valuable leads and most important drug revenue financial

systems will be pooled and prioritized to support joint law enforcement operations. The FAC, housed at DEA's Special Operations Division and with ICE in a lead role per agreement of the involved agencies, will greatly raise the effectiveness of our efforts in cutting off the flow of illegal drug revenues to narcoterrorists.

Mexico and the Drug Threat

- ***Importance of Mexico:*** The National Drug Threat Assessment (created annually by the National Drug Intelligence Center), the DCI's illicit crop and drug production estimates on Mexico (done by the Crime and Narcotics Center), and the Consolidated Counterdrug Database (CCDB) highlight very clearly the major role Mexico and Mexican Drug Trafficking Organizations play in the overall drug threat to the US. These analytic tools estimate that:

  - ✓ Analysis of the Consolidated Counterdrug Database (CCDB) indicates that from 75 to 80 percent of cocaine shipped from South America to the US is vectored through Mexico. Some amounts of South American heroin enter the US from Mexico.

  - ✓ Despite the Mexican government's concerted and productive efforts to destroy opium poppy and marijuana grown there, Mexico remains historically the second largest exporter of heroin to the US and is the principal foreign source of marijuana sold in US illicit markets (estimate that 4,500 metric tons of Mexican marijuana is successfully smuggled into the US each year).

  - ✓ Of 13 primary illicit drug markets identified in the US Mexican DTO's dominate shipments to 11. In effect, Mexican DTO's run most of the transportation and distribution networks for cocaine in US. Most of the heroin consumed west of the Mississippi is

produced in Mexico and brought to the US market places by Mexican DTO's.

- ***Strengthening Mexican Counterdrug Activities:*** My Office has devoted considerable effort toward increasing the US Counterdrug Community's attention and resource commitment to Mexico. The focus is on strengthening the US Mission's commendable and increasingly successful programs to aid the Mexican Government in building effective non-corrupt law enforcement institutions. Toward this goal I have:

  - ✓ ***Strengthened the impact of the US-MX Bilateral Interdiction Working Group (BIWG):*** The BIWG focuses on improving the effectiveness of joint US-Mexican activities against the flow of illicit drugs through Mexico and into the US. Mexican delegations and US meet every 2 to 3 months. Issues are ironed out; plans for increasing effectiveness are made. Improvements in coordination have been achieved. There is greater candor when addressing difficult issues, leading to better understanding of the interests and needs of both nations. After a year of such efforts there is increased potential for improving the interdiction of illicit drugs in Mexico. A recent assessment of the current capabilities and long-term potential of the Mexican Attorney General's (AG) law enforcement organizations was very positive. The AG's record of apprehensions of senior Mexican drug cartel figures is impressive. The collection and analysis of law enforcement intelligence information that made these achievements possible merit praise. The amounts of in-country drug crop eradication are commendable.

Conclusion

These are the activities and achievements of the DHS CNO and the USIC and supporting staff since March 2003. I would like to thank the Chairmen and the members of the subcommittees for this opportunity to report to you, and for the support you have provided the Department. Like you and all the distinguished members of these subcommittees, the Department of Homeland Security recognizes both the direct and indirect threats that illicit drug trafficking poses to our national security and our nation. The Department of Homeland Security remains committed to using our skills, resources, capabilities and superb personnel to continue disrupt, deter and destroy the organizations that attempt to steal the lives of our children with the lure of illicit drugs.

I thank you for your continued support and will be happy to answer any questions you have.

Mr. SOUDER. Thank you. Chairman Camp is going to start the questioning.

Mr. CAMP. Thank you. I want to thank all of you for your testimony. I have a question that I would like each of you to take a shot at answering, and that is, how has the coordination and sharing of counter-drug intelligence between the various agencies improved since the creation of the Department of Homeland Security? Mr. Bonner, if you want to go first, since you are on the left.

Mr. BONNER. I probably have the easiest job here, I think, in answering that question because, first of all, as a border interdiction agency, the coordination, if you think about it, is essentially transacting seizures of illegal drugs and seeing that there is appropriate followup investigations from those seizures. We have a very close cooperative relationship with ICE in terms of seizures that take place at the ports of entry along the Mexican border. These are the former Customs Special Agents, essentially. That relationship has existed for years and it is a very effective relationship that gets the followup investigations where that can be done in the form of controlled deliveries, and, by the way, Assistant Secretary Garcia illustrated a quintessential type of controlled delivery, the kind of partnership—CBP makes the seizure, hidden compartment, SUV, San Ysidro, we contact the ICE Special Agents. There is a followup controlled delivery up to Los Angeles which leads to more arrests, more drug seizures, which leads to more intelligence to make us do a better job of interdicting at the border.

And on the other hand, this is outside the Department but certainly with the assistance of Mr. Mackin, we have a historic relationship between the Border Patrol, which seizes a vast quantity of illegal drugs at and near the border, and the DEA. Essentially, it is a very similar relationship. They also seize a vast quantity of illegal drugs coming across our border. They make apprehensions, for investigative purposes, those cases are turned over to the Drug Enforcement Administration. That relationship, by the way, continues. It is not broken. It is working very well, in my judgment, from everything I know.

So in that sense, in terms of our interaction, it is primarily our interaction. Customs and Border Protection is a border agency, with our two prime investigative agencies for followup investigative work, and that is ICE and the Drug Enforcement Administration.

Mr. CAMP. And obviously a large part of that is finding patterns and linking those individual cases to potential larger smuggling rings. Is that being done, and who handles that?

Mr. BONNER. That is being done, and certainly we are always looking at the trends in terms of the patterns of drug smuggling, how drugs are being smuggled in. A lot of that information, by the way, is self-generated because we are the border agency, we know how heroin is being smuggled into JFK and Miami. I could talk to you and give you chapter and verse. So, we are using that kind of information to improve our success rate in terms of interdictions and seizures at the border. At the same time, we get the investigative feedback loop, and that is to get information from both DEA and ICE as to things that we need to be looking for as a result of intelligence or information that has resulted from the arrest and

information that is developed from interrogation of drug trafficking organizations and people that belong to them.

So I actually think, if anything, it has been improved under the Department of Homeland Security. I certainly would say I do not see in any way at this juncture that there has been any degradation of the kinds of cooperative relationships we need to have to function. Having that said, I would like to have more information, more intelligence, both tactical and specifically, about who, what, and when is going to cross the border in terms of illegal drugs. We have a voracious appetite for that. That is an area, by the way, I know, working with Mr. Mackin and my colleagues here, we are looking at some ways we might actually improve our interdiction rates and our interdiction successes beyond some pretty impressive statistics or figures that have been occurring in the last year or two, both from Customs and Border Protection, Coast Guard, and the other agencies.

Mr. CAMP. Admiral Collins.

Admiral COLLINS. I would have to say a very positive response to your question. I think the information flow, the coordination——

Mr. CAMP. I know we are running out of time on my time, so if each of you could just answer quickly, then the chairman will not have to use his gavel.

Admiral COLLINS. I think it has improved. There are many, many integrating mechanisms that move information back and forth. We have liaison officers in respective staffs that move this information. I think it is a very positive development.

Mr. CAMP. Thank you.

Mr. GARCIA. Quickly, on a theme that goes to the heart of your question I think, Mr. Chairman, looking at combining intelligence against drug smuggling organizations and now looking at alien smuggling organizations, and the money that fuel both, I think we can do a more effective job now that we are combined.

Mr. CAMP. Thank you.

Mr. MACKIN. Mr. Camp, intelligence is my middle name. I had a career in the CIA as an operations officer and I brought this to this task. We are attacking the outbound flow of currency through what is called the black market pesos exchange attack, it is headed by ICE, I have organized it, bringing the Department of Justice, Treasury, and DHS together to do that. We are instrumental in the planning of the OCDETF Drug Fusion Center, planning and structuring it. We are helping, as Mr. Bonner said, we are helping to create a border interdiction support center for the whole southwest border, to aggregate together all the intelligence, make more sense out of it, and feed it back to the operators. We have been supporting the Panama Express Operation with both people, technical support, and money. And finally, I spend a lot of my time working with our Mexican colleagues to get them to share, to respond more to our direction and to share information back with us. I am just back from a Lateral Interdiction Working Group that I chaired yesterday in Key West on this subject.

Mr. CAMP. Thank you. Thank you, Mr. Chairman.

Mr. SOUDER. Thank you. Mr. Cummings.

Mr. CUMMINGS. Thank you very much, Mr. Chairman. Mr. Mackin, you have two titles, is that right?

Mr. MACKIN. Yes, sir.

Mr. CUMMINGS. You are the DHS Counternarcotics Officer and the U.S. Interdiction Coordinator. And as the Counternarcotics Officer, you have no staff, is that right?

Mr. MACKIN. I have aggregated a staff. I started with nothing and spent quite a bit of time doing that, sir.

Mr. CUMMINGS. Say that again.

Mr. MACKIN. Initially, I was a singleton, and I walked around and shook hands and got contributions and so forth and I got some FTE. And yes, I have a staff now.

Mr. CUMMINGS. OK. How many people on your staff?

Mr. MACKIN. I have nine FTEs and about eleven detailees to my staff, sir.

Mr. CUMMINGS. And do you receive a salary from DHS?

Mr. MACKIN. Sir, I am detailed from the Drug Czar's office.

Mr. CUMMINGS. So then the Drug Czar pays your salary?

Mr. MACKIN. He pays my salary, yes, sir.

Mr. CUMMINGS. Now how does that affect your ability to carry out your statutory duties as the CNO?

Mr. MACKIN. The ONDCP relationship?

Mr. CUMMINGS. Yes, sir.

Mr. MACKIN. It gives me access—I am the Intelligence Officer for the Drug Czar, and so I have a tremendous flow of counter-drug intelligence that I access daily as a result. And so I carry that to DHS. So there is a definite advantage to it.

Mr. CUMMINGS. When you came into this office, first of all, you had a pretty good idea what your role would be.

Mr. MACKIN. I could envision it from my perspective. But as I watched DHS become DHS, it was, OK, I had to learn who the players were and had to convince them by virtue of personality and background that I was worth dealing with. I mean, you can understand that.

Mr. CUMMINGS. I can understand.

Mr. MACKIN. They were very busy doing their jobs and I had to knock on their door and say, "I am here to help."

Mr. CUMMINGS. I understand. How do you feel that you have been treated? I just want to go where you just were leading me, maybe you were not leading me, but I am going down there anyway. So you were sort of like an outsider kind of guy?

Mr. MACKIN. Well, these gentlemen have great corporate enterprises to manage, and I come along and I am the Counternarcotics Officer and they are looking at it and saying this guy is going to tell me how to do my business. So, naturally, there is some trepidation on their part as I knock on their door. But I have been received very, very well, sir.

Mr. CUMMINGS. Good. Now you said you had a vision of what you thought your job should be. First of all, the reason I am asking you these questions is because Congressman Souder and I spent a lot of time creating your position.

Mr. MACKIN. Yes, sir.

Mr. CUMMINGS. And I am curious as to how it is working out. That is where I am going. You got me?

Mr. MACKIN. Yes, sir.

Mr. CUMMINGS. Because I do not want you to think I am trying to do anything but do what I just said.

Mr. MACKIN. As far as the interface on an operational basis, it is going very, very well. My vision is based on years of experience in the CIA working against a drug target, and I did a lot of paramilitary work as well, and I learned that you have to have collaboration, you have to have teamwork of all the people that can play. If they work separately, you will not get there. And that is particularly true against the drug trafficking threat. They are people who are a lot more clever at times than we are and they do not have any rules to go by, and they have more cash to work with. So we have to work as a team. And I walked in saying I have to help DHS to collaborate within and between DHS and the other organizations. The other thing is we have to have superb intelligence. In any endeavor, any human endeavor, you have to understand what you are up against or what your path is. And I have spent a lot of time trying to help improve that. And third, you have to focus. You cannot do it all. So collectively, are we putting our resources where they will get the greatest return. Those are the three precepts that I work by.

I have gotten excellent support from Secretary Ridge. Let me note that the first time that I briefed Secretary Ridge on the drug threat and he noted that, it was in the testimony here, that we are losing about 20,000 people a year directly to drugs, he stopped me for a moment and he said, "That is over six Twin Tower events a year." "Yes, sir, it is." He got it. The Deputy Secretaries that we have understand it very well, all the Under Secretaries are quite aware. And I have spent my time trying to educate them, for those that were not already familiar, to that subject, and I think I have had some success, sir.

Mr. CUMMINGS. So you had a full understanding then when I said that when you go to someplace like the inner-city of Baltimore, you have terrorists right on the street corners?

Mr. MACKIN. Yes, sir. Sir, we have foreign criminal organizations working throughout the country that deliver those drugs to your cities, and that bothers me a lot. We have enough criminals inside our own country without the foreign criminal organizations coming in. And that shows me how easy it is for terrorists to get here. So we are working very hard and I think there are indications of success of the synergism working the counternarcotics enterprise and terrorism. We are getting stronger.

Mr. CUMMINGS. You understand what our concern was. I know that there have been numerous questions already, we worried tremendously when Homeland Security was developed that emphasis would be taken off of the drug problems right here in this country and that—I did not realize my time ran out. I just want to ask this one question, Mr. Chairman—that so much attention would be shifted. And we understand the shift, we really do. But at the same time, to that lady who cannot come out of her door on Madison Avenue in Baltimore because she is afraid, she cannot even go to church because she is afraid that she is going to be mugged, or the person who goes to bed at night unable to sleep because they are afraid somebody is going to break in the window and try to rob them to get money for the next fix, or people who go to funerals

two or three times, maybe four times a year for relatives and people they know who have been killed on the streets, they see what happened on September 11 and they kind of say, OK, that was a major deal, we hope it never happens again, but what they are more afraid of is what they see everyday. And so I am glad you have that perspective.

Mr. MACKIN. It is a terrible tragedy, sir. I will be frank. I do not think the Nation realizes it has a drug problem. I know that there are very concerned people here, hugely concerned people here, and all the people we have in the field that suffer and sometimes die at risk, they are aware of it. But, by-in-large, I do not think our country is. As a result, there is too much passivity to it. You have terrible things going on in Baltimore, but there are a lot of people who live in comfortable neighborhoods that do not experience that and so they are not aware of it, and thus they do not vector concern about it.

Mr. CUMMINGS. Thank you very much.

Mr. SOUDER. Thank you. I have questions for each one of you, and I am sure we will have at least a second round because some of these are pretty critical regarding your departments. But I want to followup on Mr. Cummings' questions with Mr. Mackin.

First of all, let me just say flat out that regardless of how it was worked in transition, and as you know, I was very supportive of you getting this position, when Mr. Cummings and I worked with the Speaker to create this, we did not view your position as a detailee. Period. And while there are useful things to be gained, as long as you are a detailee, you will be treated like a detailee.

Second, are you aware that your staff are technically employed by Secretary Ridge and you cannot hire or fire your staff without the chief of staff's approval?

Mr. MACKIN. No, sir. But I have people on my staff who could do that, if they had to.

Mr. SOUDER. You would have to go to Secretary Ridge because they are not directly under your employee.

Mr. MACKIN. I did not realize that, sir. Let me point out that most of the people, as you say, people look at me as a detailee, most of the people do not know that I actually get paid by ONDCP.

Mr. SOUDER. The problem is that the Department of Homeland Security is supposed to be invested in narcotics. We know ONDCP is invested in narcotics. The question is, is the Department of Homeland Security invested in narcotics? The administration resisted this proposal in this Department. It was put in the bill over their objections by the House and the Senate and they need to follow what the intention of Congress was in this position. What funds do you directly receive from DHS, and who gives them to you? Do you have a budget for your department with flexibility?

Mr. MACKIN. Well, the FTEs that I have, sir——

Mr. SOUDER. Beyond even that, what kind of budget do you have in your department?

Mr. MACKIN. I do not have one, sir.

Mr. SOUDER. Do you believe that, given the fact that you do not have direct control over your employees, your salary is paid by ONDCP, and that you do not have a regular budget, do you believe that you can accomplish the missions?

Mr. MACKIN. Well, unfortunately, I have had to spend quite a bit of time concerned about office space, getting people, getting the administrative support, travel money, and so forth. It is forthcoming. I have not had any travel turned down. DHS pays the freight. But it is just that, yes, you do walk in sort of with hat in hand looking for help rather than being, say, an official member.

Mr. SOUDER. I know what difficulties there are. And as I made clear in my opening statement, look, this is not about individuals. We are very fortunate in the mix of individuals we have as far as counternarcotics missions. That will not always be true. And furthermore, we are not always going to have the respite period we have had here for an extended period where we have not had an active terrorist attack since September 11 which could divert all kinds of resources unless we have structural protections to make sure there is adequate resources for the DHS to accomplish multiple missions.

Furthermore, I want to make clear, the reason you are in your slot is we all agree, anybody who works with narcotics, that intelligence is absolutely critical. But intelligence is not the only thing here. Let me just say as a Member who has followed this issue since I have been a Member, and before that as a staff, I find the increasing proliferation of intelligence proposals confusing and almost impossible to understand. Now here we are on the day when the 9/11 Commission report is being issued, the 9/11 Commission, like internally in Congress, understands there needs to be a coordination and centralization, your major proposals are that we need another center down at EPIC. The question is, does DEA agree with that?

Mr. MACKIN. Yes, sir.

Mr. SOUDER. Well, it is a little mixed. OCDETF is trying to do these drug fusion centers. What we want to know—on the ground, we have a Riverside Center, we have the JIATFs, we have EPIC, we have the Intelligence Interpretation Center in Johnstown, we have RIS for local law enforcement, we have this proliferation. It is going to be a little difficult to convince some of us that there is a shortage of intelligence centers. Now if there are new centers, if each agency—in effect, what you are proposing here now is DHS needs an intelligence center, that this proliferation of intelligence centers may be necessary. But it is going to be a little bit of a hard sell when I believe the general public and Members of Congress are looking at how do we coordinate and consolidate intelligence centers, not how do we add intelligence centers.

That is just kind of an initial reaction. Because when I was recently down on the Southwest border, and I want to make sure I get this into the record, two things: One is, there was a highly mixed opinion about the functions of the intelligence center and how we are going to work this through, and I have heard that directly.

The other thing is the Southwest border is, without a doubt, our No. 1 transit zone for illegal narcotics. It also, at least at this point, looks like our most vulnerable. Those of us who live more North are very concerned about the northern border long term, but there we have better controls and are working aggressively with the Canadians to improve where those holes are in the northern border

and legal holes. But the Southwest border is also very vulnerable on terrorism. Now when we had all the chief people in the sector of New Mexico, El Paso, and Arizona and asked them whether they had heard from the Counternarcotics Office, every single one testified under oath, No. In fact, only one had ever heard of you. And they are the people on the Southwest border.

Now part of the question is your job was not just to create another intelligence center, or to go in a meeting with Mr. Ridge. Your job is to get out, and I know it is hard because there is line authority and your staff, but to keep the counternarcotics message in front of all of their divisions. Your assignment, created by Congress, is to make sure that, particularly in the area like the Southwest border, that they at least know there is a Counternarcotics Office. It was just astounding, under oath.

Mr. MACKIN. Sir, if I had not been paying attention to it, how did I propose the Border Interdiction Support Center that will fill a need that is not filled right now? It is all stovepiped along the border. It has been that way for 15 years and I am trying to help make that change so that it becomes a coherent activity and maybe we can improve our efficiency.

Mr. SOUDER. I am anxious to talk about how we integrate EPIC, how we integrate the other centers, and how we improve intelligence. You are absolutely right on TARS. My understanding is the bill we are about to vote on in Congress reduces TARS again in the budget. We have to be more aggressive here.

Mr. MACKIN. It is a shame, sir.

Mr. SOUDER. Yes, shame on Congress as well. And part of our proposal is how to get TARS under your division so that we have in the Department of Homeland Security not only an intelligence center, but actually intelligence to work with. Because if the military is not committed to helping keep the intelligence at an adequate level, what good does it do to make more intelligence centers if we do not have the intelligence. And we have gaps in our system if we do not have the TARS up. That is just a plain truth, and you pointed that out. But intelligence, as I am trying to point out here, is only part of the problem in the Southwest border.

Mr. MACKIN. I agree, sir. I am hoping that the aggregation of the intelligence would improve the performance of the operators. I spent most of my time as a paramilitary operator, I am not an intelligence puke, but I know the value of it. You have to know what you are doing. Now with Panama Express working the transit zone, we have more intelligence than we can exploit because, as Admiral Collins said, we do not have the capabilities to exploit. I cannot do magic in that aspect. But I assure you that I understand operations.

Mr. SOUDER. Thank you. Ms. Sanchez.

Ms. SANCHEZ. Thank you. My question is for Commissioner Bonner, and I understand that this is not going to relate necessarily directly to the topic at hand, but it deals with some of the frustrations that I and some of my colleagues have had with DHS and the various agencies that are grouped under that in terms of getting accurate information and finding out who is accountable for certain things. There have been a number of requests made to meet with you specifically related to the issue of the immigration sweeps

that are being conducted in Southern California and elsewhere that do not appear to have much reasoning behind them as they relate to what we all think should be DHS' primary goal, which is catching terrorists and counter-terrorism efforts.

I do not think there is a person in this room that would not agree that Federal resources are very scare and that what is important is how are those resources being used, and who is making the decision of where those resources will be committed. The sweeps that we have seen in the Southern California region I imagine, and maybe you can correct me if I am wrong, probably have a very minimal impact in dealing with the immigration problem, but they have had a very successful impact in terms of scaring not just illegal immigrants, but legal immigrants in California to the point where they are afraid to send their children to school, or go to the doctor's office for doctor appointments, or go to work so that they can support their families, and I am talking legal residents as well.

So while I have you here, I would like to ask you, what purpose do you think those raids serve? And concretely, can you give me any answers to what they have accomplished? Whether or not those raids will continue? Because we have met with Mr. Garcia from ICE the other morning, Under Secretary Hutchinson, we do not get a clear answer as to whether those will continue. How the sweeps can be justified as not being based on ethnic profiling or racial profiling? And whether or not ICE is not, in fact, the agency who should be conducting those interior enforcement operations? I know 5 minutes is scant time to try to answer those question, but go ahead and give it a try.

Mr. BONNER. Let me take a stab at it anyway. First of all, in terms of Border Patrol Agents, they are part of Customs and Border Protection, so they ultimately are reporting to me and I am responsible. Second, let me say, I do not want to get into a debate as to sweeps, but let me just say that the Border Patrol actions or activities that took place in Southern California, in Corona and Ontario, in particular, I would not call them "sweeps." They were intelligence-driven. They were not simply randomly going up to areas and communities.

Ms. SANCHEZ. I have a followup question on that point.

Mr. BONNER. Could I complete my answer though, because this gets directly to your question, and that is that the primary responsibility within the Department of Homeland Security for purely interior immigration enforcement is ICE, is Mr. Garcia, not me. With that said, and I understand Under Secretary Hutchinson may have spoken to you or others, so I thought that there actually had been some conversation on this subject.

Ms. SANCHEZ. Conversation, not a lot of information.

Mr. BONNER. Well, I am trying to give you some anyway on it. What I am telling you is that the Border Patrol, as part of Customs and Border Protection, its primary responsibility is controlling the border. Now we are going to do everything we need to do to control the border, and that is not just taking enforcement actions at the physical border itself. So some actions that are going to be taken by the Border Patrol, have been and will continue to be taken, are not going to be just at the borderline itself. That would not make a lot of sense, because then you could say once somebody actually

gets past the physical border itself they are home free. Well, that is not the case. And so we are going to control the border and that means we are going to be taking actions that are relevant to controlling the border. And certainly any place where people that have illegally entered the United States may be transiting or moving through is certainly a Border Patrol responsibility.

And last let me say, that with respect to what is a purely interior enforcement activity, and I have tried to define that for you, that requires approval from Border Patrol headquarters. I have made that directive. I have made it clear. Now if Mr. Garcia comes to me and he says, "You know, Commissioner Bonner, I need your help for some interior immigration enforcement activity," and I have the resources to help ICE do that, of course I will. But our primary responsibility is going to be controlling the border and getting better control of the borders of our country, which we have always needed to do but it is absolutely essential in the post-September 11 environment because of the potential of terrorist penetration of our borders, and that includes not just the Canadian border, but the Mexican border.

Ms. SANCHEZ. I have a brief followup question, if I may be permitted, Mr. Chairman, with respect to the intelligence. We have heard that these sweeps were, in fact, intelligence-driven based on requests from local law enforcement agencies who provided intelligence that supposedly was the basis of these sweeps or roving patrols or whatever you choose to call them. In fact, Congressman Baca spoke with the Ontario police department because that was cited as the source given for the intelligence, and they have responded in writing that they never sent intelligence or requests for those types of sweeps that were conducted in those areas. So fundamentally, the question I have is, this intelligence that was supposedly based on local law enforcement request, apparently, according to them, was never requested by them.

Mr. BONNER. Look, all I can tell you is what I understand. My understanding is it was information or intelligence-driven, intelligence-using, in the broadest sense. And as a former Administrator of DEA, and frankly, in my current capacity, I have never disclosed sources to anybody. So I am not going to disclose sources here or get into who gave the information or who did not give the information. It is my understanding there was some actionable information that the Border Patrol was relying on.

Ms. SANCHEZ. I thank the chairman for his indulgence.

Mr. SOUDER. Thank you. Congresswoman Dunn, do you have any questions?

Ms. DUNN. Thank you very much, Mr. Chairman. Yes, I do have a question. I am very relieved to hear from your testimony that the counter-terrorism mission is shoring up your work in doing counternarcotics work. There was some early concern I recall soon after the beginning of the Department over a year ago that legacy responsibilities might be neglected as you take on a whole lot of new responsibilities that are very important in making sure that terrorists do not get into our Nation.

I represent a district that is adjacent to a major seaport on the West coast. It also has a border with Canada, a 120 mile maritime border, and then a number of miles of land border. In the last few

years since September 11, and with the capture of Ahmed Rassum, who was trying to get into the United States and complete that famous bombing at LAX, there is a conjoining of the problems that we have with the northern border and what is happening down further South. But more often, when we think of terrorism and drug enforcement, we think of the southern border.

I would like to hear what you have to say about how you cooperate among yourselves, what is the level, how many meetings do you have, how do you transmit information. And then also with the Canadian government, I would like to know whether you believe that we are moving along in a positive way in dealing with the Canadian government as we do both the anti-drug and the counter-terrorism responsibilities.

Mr. BONNER. Let me just say one thing, and I will try to be brief on this. One of the main mechanisms that we have to coordinate, particularly on the northern border—and let me say parenthetically, there are some significant amounts of illegal drugs that are coming across from Canada into the United States. This is primarily high potency THC content, but there is significant seizures that we are making at or near the Canadian border. But the mechanism for coordination at the northern border actually is a very good one. It is the IBETS, or Integrated Border Enforcement Teams, and the IBETS are made up of not only Customs and Border Protection through the Border Patrol, but ICE, DEA, as well as the RCMP, and the Canadian Border Security Agency. There are 14 of these along the northern border. There is one actually that started in British Columbia in the State of Washington. But there are now 14 of them that string the entire northern border. They work very effectively to exchange information and also to coordinate joint anti-smuggling interdiction and enforcement actions. And as I say, all of the U.S. Government agencies of note here participate in this with the Canadians. It is a very effective coordination mechanism that is specifically, for the most part, dealing with smuggling issues, and a lot of that is drug smuggling.

Mr. GARCIA. Just to followup quickly, if I might, on that very point. I actually was in Washington State fairly recently and had an opportunity to visit the facility. I walked through it and I saw Canadian officials sitting there working side-by-side with American analysts, U.S. law enforcement, looking at data, analyzing it, looking at trends. In fact, they were I think working on an alien smuggling case particularly when I went through there and were communicating that information with a Border Patrol team that had actually seen some of the actual activity of this organization on the border very recently near where this facility was located. So I got to see really first-hand how the organization Rob is describing works, and I was really struck by the fact that we had Canadian counterparts sitting there side-by-side with access to their information and their systems, sharing it with us. I thought that was very much of progress, especially given the risk you cite, the Rassum case, I remember it well, as I know Commissioner Bonner does, and the very real threat that posed to national security.

Ms. DUNN. And what about among yourselves, how do you share information, how do you work together?

Admiral COLLINS. It is done at the tactical level, operational level, and the strategic level. At the Washington level, for example, there is a weekly operations policy meeting within BTS, the Coast Guard attends that, we compare notes at the strategic level on how we move forward. There is coordination at the field level as well. A great example of that I think is in Florida, it is just terrific cooperation, which is one of the most threat-ridden vectors, if you will, in our country from whether it is migrants, whether it is drugs, or whatever. There is terrific planning, coordination. It happens all the time. On the air side particularly, the air folks from ICE and the air folks from the Coast Guard do scheduling meetings, they work collaboratively together to schedule deployments. And it played out very, very positively in the last Haitian crisis, for example, on the migrant side. But it also applies on the drug side. So I think there has been very, very positive, cooperative action. And every week there is multiple cases that happen where it is ICE participation, Border Patrol participation, Coast Guard participation that is yielding great results, whether it is a migrant interdiction or a drug interdiction.

Mr. BONNER. Could I put a quick word in for the Interdiction Committee which meets in Washington on a monthly basis? It is something I chair, but Mr. Mackin has been a tremendous participant in it. He basically helps suggest the agenda for it. But this is a pretty high level, Washington level meeting, which is essentially the Interdiction Committee, and it has the high level Coast Guard representatives, ICE, DEA, Roger Mackin, me, I chair these meetings. We meet monthly and we do exchange information about what is going on at a pretty high level and discuss issues such as what strategy improvements could we make in terms of, let us say, a Mexico strategy to do a better job interdicting drugs that are moving up through Mexico.

Ms. DUNN. Yes?

Mr. MACKIN. Well, first, I have personal interaction with these gentlemen and with some of their superiors on a weekly to monthly basis depending on the nature of the relationship. But more than that, they have been very generous in providing liaison officers to my staff. And so as issues come up perhaps discussing shortages of resource at certain areas, we will convene a meeting and these will be representing those organizations in carrying the information back, or if I have questions I get immediate response through them. Each of these organizations has one or more people on my staff. It has been very helpful.

We attend the staff meetings, by-in-large, on a weekly basis, and that gives venue to talk about issues that we have worked in a our daily activities. I might say to Admiral Collins, were you aware of such and such, or he will say that to me, and then it often triggers actions for our staffs to convey information and develop ideas and solve problems.

Ms. DUNN. Thank you.

Mr. SOUDER. Thank you. I want to make sure the record shows that Ms. Christensen and Ms. Sheila Jackson-Lee have both joined the hearing, and they are both on the Homeland Security Committee.

We have three votes on, of which we have roughly about 7 minutes in this first vote, then two 5 minutes. Are all of you able to stay if we get back here in 20 minutes or so, so we can continue the questioning?

And is it OK if we go vote, or would you rather start your questioning?

Ms. NORTON. I think if only 7 minutes, I will defer.

Mr. SOUDER. OK. With that, the subcommittee stands in recess. [Recess.]

Mr. SOUDER. The subcommittee will come to order.

I now yield to Ms. Norton for her questions.

Ms. NORTON. Thank you, Mr. Chairman. The witnesses have at least comforted me in their testimony, because I believe all of them testified to increased confiscations and seizures. And since I can only judge this in some respects by the bottom line, I appreciate that is happening.

I suppose Mr. Bonner's testimony leads to this question, because I appreciate the way in which your testimony at Page 7 indicated where improvements need to be. It is very good to see witnesses testify about what they have done, that is clearly what you are supposed to do and what everybody always does, but also about what you are trying to do.

My question really goes to whether or not there has been any change in the methodology. Commissioner Bonner talks about "cold" hits because you are aware of their methods for concealing, and of course cold hits amount to something close to random along with a little sense, yes, it is called intelligence, of how they operate. But Mr. Bonner's testimony at Page 7 does understand that we are in a new world where the kind of intelligence we are applying to terrorism ought to be applied to narcoterrorism as well. You say that you do get actionable intelligence, but "would greatly benefit, and drug interdiction would increase nationally, if the flow of potential actionable information and intelligence from investigative and intelligence agencies to CBP were greater." That is what I want to ask you about.

Since the new connections have been set up through the Department of Homeland Security, is there any reliance on intelligence, as that word is used, as opposed to the old way of interdicting narcotics through "cold" hits, random hits? What I am looking for is whether or not it is true that when one is looking for WMDs one might find drugs, or when one is looking for drugs one might find WMDs. In the ports, for example, you could conceal all kinds of things, all kinds of bioterrorism and so forth, and if they have not already discovered this, then they certainly are going to discover that not only can we make money through narcoterrorism, these folks will be looking for drugs, we will not put any drugs in here, we will put some WMDs, so they will not even bother with this. What I am trying to ask, therefore, is whether your own work in narcotics detection has truly penetrated the kind of intelligence we are doing I understand routinely now for terrorism?

Mr. BONNER. Thank you, Ms. Norton. Let me say that you are right, that part of what you do at the border in terms of interdicting and intercepting drugs and people smuggling them is you do look at patterns and trends. We also, of course, are aided by drug-

sniffing canines at our land borders and our international airports. We are aided by other kinds of detection equipment. But one of the things we are doing, too, with respect to let us say the terrorist threat, is we are taking a look at and getting advance information on all cargo shipments coming into the United States, through all modes, by the way, commercial trucks, sea containers, it does not matter. And part of what we are doing is using strategic intelligence to try to figure out better who and what to look for and what to look at for all threats.

One quick example: part of that is anomaly analysis. An anomaly analysis is something that is out of the ordinary. That could be a terrorist weapon, it could be drugs, it could be something else. A quick example: not too long ago we had a shipment of cargo that was coming into a West Coast seaport that was manifested by advance manifest information as frozen trout and it was being shipped actually to another location through a U.S. seaport on the West Coast. There was an anomaly there. One is, it is a little unusual that frozen trout is coming from Asia that ultimately was going to Central America. It was anomalous. But second, there were some other anomalies about it, and that was it was not being shipped in a refrigerated container. So, OK, we definitely are going to look in that container. Now it was not a weapon of mass destruction. It was not illegal drugs. It was a cache of a large amount of automatic weapons that was going to Central America. But I am just saying this same methodology, the same approach that is helpful in terms of selecting out the let us say cargo shipments that we are going to x-ray scan and that sort of thing is helpful for the illegal drug threat.

But beyond that, I would just echo what Mr. Mackin said, and that is, that we can do better. The more intelligence or information we get at the border, let us say the land border with Mexico, if we have enough, we can double the number of seizures at the Mexican border. That is not the "be all and end all" of a counter-drug strategy. But it is part of a strategy to seize as much of the illegal drugs produced as far back into the supply chain as we can, along with going after the drug money, along with going after and removing the major traffickers, the key players and organizations. But Mr. Mackin has suggested in his testimony, and I fully agree with it, that we ought to be looking at, maybe under the EPIC umbrella, but doing a better job of collating information, intelligence, whatever you want to call it, particularly for our border with Mexico, so that we are increasing our prospects, our visibility, and can increase what are some petty impressive drug seizures now, but even beyond, exponentially beyond what we are doing right now.

Ms. NORTON. Does the cross-training help the interchange of methodologies here, the cross-training of your personnel at the border?

Mr. BONNER. Yes, it does. For example, when "One Face at the Border" is combining Agriculture inspectors with Customs inspectors and Immigration inspectors now as one CBP inspection work force, one of the things Agriculture inspectors, they have x-ray machines at most of the international airports and they are looking for organic material, they are mainly looking for fruits for med flies and that sort of thing, that is important, but we have trained them

also to be looking for illegal drugs which are also organic material, cocaine and heroin. So we are getting synergies, too, by creating one unified border agency that is looking at all the missions and working more effectively and more efficiently toward all of the missions of Customs and Border Protection, at least the border agency, and that includes the interception of illegal drugs, which is a very important part of our overall mission.

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

Mr. SOUDER. Thank you. I want to pursue Ms. Norton's line of questioning for just a minute. Obviously, as you get the Vacasas and the x-ray equipment, that is something that can have a joint function. But to some degree, some of these things are mutually exclusive. At the border, if a bomb dog is checking a car, it is not a drug dog, and when you are looking at San Ysidro, El Paso, Laredo, these huge areas where we have so much traffic going across, just a minute delay causes absolute chaos because of long lines. And so not everything is able to be done jointly. But as we get more equipment, and probably the No. 1 important things are the actual training of your agents, in other words, they look at the vehicles, they look at the equipment, they look at the anomalies in the bills of lading, in the invoices, and to the degree that they are trained. Now one of the things that we are trying to address, and I mentioned it in my opening statement, is we are very concerned that narcotics does not seem to be in the long-term measurement. Now the people who have been trained in this area and who have worked with this long-term have already picked that up, and you have many experienced agents. The question is, what is being done in the Department of Homeland Security for people who are coming on board, for new people who are coming in, for some of the people maybe in Department of Agriculture who have not historically looked at narcotics, to train them, and how does the Department see that as being part of the review? Initially, as I am sure you are all aware, if we ever get a Homeland Security authorizing bill through, we are certainly looking at that and have huge bipartisan support of adding that, with the caveat of cooperation. We are not looking to see if we have this in this sub-agency, and we have this in this, cooperation should be part of that, too, but we want to see that as part of the personnel training evaluation.

Mr. BONNER. We are cross-training all of our inspectional work force for the multitude of missions, it is not just one, but that certainly includes the anti-narcotic mission and detection. We are putting heavy emphasis, Chairman Souder, on essentially what I call targeting skills, and that is using advance information to target against threats.

We actually learned what we are doing in the anti-terrorism area to better target essentially by virtue of things that were being done by legacy U.S. Customs through passenger analysis units at JFK, at Miami, and other international airports, and through what we call manifest review units, which are at all of our major seaports and our international airports for air cargo. The principles that we have taken for identifying terrorist risks are actually drawn from things that particularly legacy U.S. Customs was doing very, very well in terms of thinking about how do you, given the limited amount of time you have, how do you select what—what vehicles,

what people, what cargo—we need to spend extra time with in secondary and do a fuller inspection, and making sure that we have the right array of technology and equipment to do that. But most of this technology and equipment, we are still working on canines, by the way, to get a canine that can detect both bombs and illegal drugs.

Mr. SOUDER. That would be great.

Mr. BONNER. We are working on that at Front Royal right now. But nonetheless, most of this stuff really is overlapping and I think it does overall improve our effectiveness against the drug threat.

Mr. SOUDER. Do any of you have a response to the fact that we did a word search and could not find "narcotics" or "drugs" or anything in the evaluation proposals?

Mr. BONNER. Which proposals?

Mr. SOUDER. The proposed personnel manuals for the Department that is 40 pages and had nothing——

Mr. BONNER. The Human Resources design.

Mr. SOUDER. Yes. Because, basically, anybody who has been in any Government agency or in the private sector knows that is the bottom line for a lot of employees. Am I being measured by something?

Mr. BONNER. I do not know the answer to that.

Mr. SOUDER. OK. I want to ask a couple of technical questions. If you want to get back, I am not looking for long answers, but I want to make sure that I have some understanding and that we understand on the record.

Let me move first to Mr. Garcia. In the air and marine operations, you provide aerial support. The ICE pilots and aviation enforcement officers could lend aviation expertise to ongoing drug smuggling investigations. Have you converted all of your aviation personnel to 18.11 agent job series to enhance their anti-smuggling investigation capability, and if not, why not?

Mr. GARCIA. Currently, Chairman Souder, we are looking—let me just step back a little bit. Our Marine officers, our folks in AMO, go through the same 18.11 training course at FLETC that our special agents in the Office of Investigation do. What I have before me now is a proposal to convert the hundred-some-odd Marine Enforcement Officers from their series as Marine Enforcement Officers to 18.11. I am looking at it. I think there is a lot of merit to that proposal. I was actually out with Marine Enforcement Officers in Miami not too long ago and they were telling me about a stop they made where the drugs were thrown overboard or whatever contraband they had, by the time they caught the boat, nothing on it, but the people on the boat were actually re-entering felons after deportation, which is a serious charge and they had turned them over to authorities, and how efficient it would be to have them with not only Customs but Immigration enforcement as we are training all of our agents. And I think there is much merit to that.

The key issue for me, obviously, is coordination of those investigative resources with our Office of Investigations and looking at the plan for doing that so we are not going at cross-purposes, and you can see the merit in that. So I think it is a proposal that has much merit, and I am considering it right now.

Mr. SOUDER. Thank you. Commissioner Bonner, a similar type question. It has come to our attention that you plan to create a new employee classification for the inspectors at ports of entry called 18.95 classification. Apparently, this will give the inspectors the authority to do investigations, including controlled deliveries after they make seizures. How are you going to ensure that this does not decrease the willingness of inspectors to call in ICE special agents to do this work?

Mr. BONNER. First of all, I am not contemplating doing that. Next week we are going to convert all legacy Customs and Immigration inspectors to Customs and Border Protection Officers and they will have a new classification series. But we are doing that to unify and integrate the agency. At the current time, I contemplate we continue our historic relations with the special agents now at ICE for followup controlled deliveries from drug cases. And as I said in my earlier testimony, the Border Patrol actually has a relationship with DEA in terms of followup investigations. So we are an interdicting agency, we do not do followup investigation. We interdict the drugs and we make arrests of the people that are involved in smuggling them. But I do not contemplate at this time any change in terms of having CBP Officers do controlled deliveries. I am looking for Mr. Garcia's agents to do that for port of entry seizures, and DEA to do it with respect to between the ports of entry.

Mr. SOUDER. When you and Mr. Garcia debate changes like you are debating in either of these that have a big impact on narcotics, do you discuss this with Mr. Mackin and alert him before so he can get a counternarcotics officer opinion?

Mr. BONNER. Well, I would but I am not even discussing. I have not had any internal discussions in Customs and Border Protection at headquarters. If there is anything that we might talk about at some point, it would be what I call the bag and tag cases, which are cases that do not have any followup investigative potential because you cannot do a controlled delivery and the magnitude of the case does not warrant a criminal investigation. It is, basically, we have a truck driver and we have drugs, and we want to make sure that where a prosecution can occur, a prosecution occurs. But right now, ICE is handling that. And at least for the foreseeable future, until Mr. Garcia says he wants to do it some other way, that is the way it is going to be done. At some point I might talk to Mr. Garcia about whether there is a more efficient way to do some things, but I can tell you right now, in terms of followup investigations and controlled deliveries, that is a 18.11 investigative agency function, and that is either ICE or DEA. It is not CBP.

Mr. SOUDER. OK. My question was broader than that, but let me ask this specific to Mr. Garcia. On the 18.11, do you discuss with Mr. Mackin—I mean, the point here is that beyond whether you are individually committed, what he is supposed to be is a watchdog in the agency, that when there is a policy change that could affect counternarcotics, that he at least knows your internally debating it, not that he is informed at a meeting that it is done, because he is supposed to be making sure that function is not threatened, and, in fact, is expanded. That does not mean he is going to disagree. But it is an awkward position because we deliberately did

not put him into a line control over your agencies because you know your subparts of the agency. But we need to know that he is in the middle of the decision process to at least watch that.

Mr. BONNER. OK. But the premise is, you take my point here——

Mr. SOUDER. Right. You are not changing, I understand that.

Mr. BONNER. I think it would be a bad idea to have CBP Officers doing controlled——

Mr. SOUDER. Right. On 18.65 I got the point. But it would be if you make other decisions related to narcotics. And in the 18.11 decision, here is one that you said is moving forward. I just wondered whether his office has been consulted in that process.

Mr. GARCIA. Chairman Souder, a very good point. I am not sure, to be frank, on the 18.11 issue, with the hundred or so marine officers, if our offices have spoken. I have not spoken to Mr. Mackin. I can tell you that he is very much involved in discussions we have on our policy, on our working relationships, on MOUs or MOAs on arrangements we have both within the Department and outside the Department that I know he is personally involved in, and I thank him for that effort.

Mr. SOUDER. Thank you. And let me pursue one other matter here, and this is for Commissioner Bonner, Admiral Collins, and Secretary Garcia. In the ICE, AMO, Border Patrol, Coast Guard, each of you have air and marine assets that they also have overlapping missions, particularly with respect to drug smuggling. It is part of all your missions. I am going to give you the series of four questions and then would like each of you to explain how you see your unique mission as far as air and water, what do you think the other two agencies' air and marine missions are and how they differ from your mission, and how you think we can make this more efficient. And we also understand the Department has commissioned a study by an outside consultant of air and marine programs.

I would like to hear each of your reactions to this because this is, to some degree, where the rubber meets the road: How do we sort this through, how do you view each other, and how do we resolve this. Because drugs are not the only mission and it is not the only reason you have air and marine divisions, but to some degree it is a primary part of it.

Ms. JACKSON-LEE. Mr. Chairman, could I ask you to yield just for a moment?

Mr. SOUDER. Yes. Do you want to do a statement?

Ms. JACKSON-LEE. Yes. If you would, I have a security briefing going and I came back—gentlemen, if you would indulge me—to support this hearing and to support what you are doing. I very much want to associate myself with the purpose of this hearing. We have travelled together and I hope the gentlemen understand this is not a critique that is without purpose or recognition of the good service that you do. I think in the backdrop of the September 11 report today that talks about collaboration and being able to singularly determine or have governance over the intelligence, it is equally important to recognize that smuggling drugs, aliens, or arms are, frankly, the same threat against terrorism or the same threat of terrorism. In addition, we know that narco terrorist orga-

nizations include the revolutionary armed forces of Colombia, the Islamic radical groups, and others.

I would encourage this hearing to move forward on the idea of a singular person that coordinates and has standing in the Homeland Security Department. I hope that we will have an opportunity to work on this together, Mr. Chairman. I would just say to the fine witnesses, with whom I work with as the ranking member on the Immigration Claims Committee, we can be enhanced and better for it when we find a stronger voice inside the Homeland Security that coordinates some of these actions dealing with the smuggling of drugs, aliens, or arms, which will continue and will continue to be the fuel of terrorist acts around the world.

Let me also ask unanimous consent to submit my entire statement into the record. And I would appreciate being able to submit the questions of the ranking member of the full committee, Mr. Turner, into the record as well. Both of us are off to a briefing and I apologize for having to depart. I thank the chairman for his indulgence and well as the chairman and the ranking member, Mr. Cummings, for this great work on this matter.

[The prepared statement of Hon. Sheila Jackson-Lee follows:]

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Statement of

Congresswoman Sheila Jackson Lee

Joint Hearing – Homeland Security Subcommittee on Infrastructure and Border Security & the Government Reform Subcommittee on Criminal Justice, Drug Policy, and Human Resources, "Counternarcotics at the Department of Homeland Security: How Well Are Anti-Drug Trafficking Operations Being Supported and Coordinated?"
July 22, 2004

2247 RHOB, 2:00 pm

Chairman Camp, Ranking Member Sanchez, Chairman Souder, and Ranking Member Cummings, it is a privilege to participate in today's joint hearing. Thank you for your effort and leadership to this

effect. Smugglers cross jurisdictional lines, whether they are smuggling drugs, aliens, or arms. If they approach our borders by sea, they fall under the jurisdiction of the U.S. Coast Guard. When they reach our borders, their activities fall under the jurisdiction of the Bureau of Customs and Border Protection (CBP). If they manage to cross our borders and enter the United States, they fall under the jurisdiction of the Bureau of Immigration and Customs Enforcement (ICE). If the illegal cargo is drugs, many other agencies also are involved.

The need for all of these agencies to cooperate is obvious, and the stakes are high. The security of our borders is a top national priority. Terrorists associated with Islamic Radical Groups (IRGs) and narco-terrorists organization operate sophisticated networks designed to move not only weapons, drugs, and other materials, but people as well. The narco-terrorist organizations include the Revolutionary Armed Forces of Colombia (Fuerzas Armadas

Revolucionarias de Colombia, or FARC) and the United Self-Defense Forces of Colombia (Autodefensas Unidas de Colombia, or AUC).

I know that the Department of Homeland Security (DHS) is aware of the need for multi-agency cooperation. For instance, in Operation ICE Storm, ICE joined with top law enforcement and government officials in an unprecedented multi-agency initiative to combat human smuggling and the violence it has generated in Arizona and nationwide. DHS also established a Fraud, Intelligence, Smuggling and Terrorist Team (FIST) with CBP Officers and Border Patrol Agents, and Special Agents from ICE. FIST addresses Category III cases, such as fraudulent and imposter documents which are used to attempt illegal entry through our Ports of Entry and at Border Patrol Checkpoints. This collaborative effort has resulted in many arrests, and it illustrates what can be

accomplished when CBP and ICE maximize their efforts through proper communication, shared intelligence, and joint operations.

On the other hand, I know that more needs to be done in some areas. For instance, ICE has an investigative method known as, "controlled delivery," which refers to operations between ports of entry. In controlled delivery operations, ICE allows certain known smugglers or contraband into the country under the control and surveillance of law enforcement officers. The objective of this program is to identify the key people who organize such operations, rather than just arresting the low level courier or smuggler. CBP has viewed controlled deliveries as antithetical to its mission of interdicting contraband and aliens who are being smuggled into the country. ICE and CBP have drafted a Memorandum of Understanding (MOU) on the use of controlled deliveries, but this has not evolved into a formal policy yet. Consequently, work remains to be done to ensure the availability of this valuable investigative tool when it is appropriate to use it.

I also am aware of the fact that the National Targeting Center (NTC) does not devote a significant amount of its attention to drug trafficking, despite the fact that it analyzes intelligence and issues directives to border inspectors regarding suspect cargo shipments.

I look forward to hearing from our distinguished witnesses about the progress DHS has been made in coordinating its counternarcotics mission. I am particularly interested in the efforts that are being made to obtain and share intelligence data. We cannot win the war on drugs by simply putting men out into the field to patrol our country and its borders. The smugglers are too inventive for that approach to be successful. This is illustrated by the use of tunnels to smuggle drugs, tunnels which also could be used to pass weapons or terrorists. Tunnels are difficult to spot. They typically are found by chance or through tips from informants.

I will be asking the witnesses questions about the use of informants. I would like to know more about the role that

informants play in the investigation of drug smuggling operations. Also, I am interested in hearing about the incentives that are used to get information from informants. I am particularly interested, however, in hearing about the extent to which CBP, ICE, DEA, and other groups are working together in cultivating and sharing information from informants.

Thank you.

Mr. SOUDER. Thank you very much. Without objection, the full statement will be inserted in the record, and the questions from you and Mr. Turner. I thank the gentlelady for her leadership and constant concern on the narcotics issue. It has been bipartisan and it is very important that we continue to do that.

Ms. JACKSON-LEE. Thank you.

Mr. SOUDER. How about we go in the reverse direction. Mr. Garcia, do you want to start on these?

Mr. GARCIA. Yes. Chairman Souder, you are asking a question that gets to core competencies of what these various divisions do. I will perhaps speak on AMO and let the other gentlemen take a shot at giving their first description of their own programs.

I think if you look at the AMO core competencies, you look at three different categories. You look at an air and marine law enforcement capability, and we were just talking about that with the 18.11, the training at FLETC and the investigative course work. You look at the tremendous equipment they have, the infrared cameras, for example, and I have seen them, I have been with the Air and Marine and had demonstrations, an ability to monitor, for example, a controlled delivery, to testify in court about a deal that was done and who was present and what happened and to present evidence as witnesses. A tremendous law enforcement capability. In my experience as a prosecutor and working in law enforcement in various agencies, it is a very unique and impressive capability.

You have air and marine interdiction, detection, tracking, interception, marine vessels and aircraft engaged in smuggling illegal drugs, people, contraband, as the Congresswoman was just mentioning. We see that across smuggling organizational lines now and they do that within certain lanes and parameters, working with their counterparts represented here at the table.

And air space security mission is the third mission. We see that most starkly here in the National Capital Region where AMO is responsible for maintaining that security zone. They have done that work in Olympics in Atlanta and in Salt Lake City, and at other special events like Presidential inaugurations.

So I would divide it into those three we call core competencies of law enforcement interdiction and air space security as an AMO mission.

Mr. SOUDER. Admiral Collins.

Admiral COLLINS. We have quite a substantial air arm, as you know, Mr. Chairman, over 211 major aircraft, rotary wing an fixed wing, C–130 is the heart of our fixed wing fleet, and we have several classes of helicopters, and we also have a medium endurance jet. They service all our wide range of missions, from requirement for surveillance for fish, migrants, drugs, and other things as far flung as the Bering Sea and the deep Caribbean and the Western Pacific. So our venue is very, very wide. It goes all the way to China and back, all the way to Guam and back. It provides surveillance capabilities, strategic lift capability, I think we are the primary strategic lift with our C–130's for the Department, so moving rapid response teams, security teams and so forth from FEMA, from us, from others is through the C–130's. They also are equipped with fairly significant surveillance equipment. Of course, the other unique part about our air arm is they are the primary

rescue and recovery of vehicles for our search and rescue mission and I think the world's preeminent search and rescue organization. We save over 4,000 to 5,000 lives a year in the United States through this. And you have to look at the aircraft types. Some very different capabilities embedded in our aircraft than you will find in other aircraft. So it is not just to say they have a fleet. We have a fleet, it is a fleet with a particular set of competencies, a certain set of capabilities, reach, and a whole host of other things that are built in to service the particular mission set that we have.

There is very, very I think close collaboration on the use of those fleets. There is no duplication when it comes to use of aircraft for the counter-drug mission. We can use every single aircraft hour we can get. It is the long pole in the tent, Mr. Chairman, in terms of servicing the counter-drug mission. And we are doing that collaboratively. The integrating mechanism for the two fleets is JIATF-South, quite frankly, in terms of that southern vector, integrating these resources, applying them to the best part of the mission. Clearly, ICE's aircraft are very, very focused and very, very productive into air bridge denial, but they are also involved in our at-sea in surveillance, as we are. But we need both of those competencies, both of those capabilities to do the job, and they are coordinated, again, through that integrating mechanism.

We are also looking at enterprise-wide systems in the Department. What I mean by that is how we acquire them, which ones we acquire, how we vet the requirement. We have an organizational entity called the Air Council that is looking at these issues, logistics, mission assignment, and a whole host of other things to acquire and support aircraft. That is actively looking at these things as we speak.

There is a Commodity Council on how we buy particular equipment, and can we leverage economies of scale. There is an example where the Border Patrol has bought off a small boat contract, we have over 1,800 small boats in the Coast Guard around the country. We have an existing contract with a very, very capable boat company, it happens to be from a company called Safe Boat in Puget Sound, that the Border Patrol has bought off.

So we are looking at are there synergies, whether it is procurement, whether it is maintenance, whether it is deployment, in how do we integrate these things together. And we have a lot of things in motion to look very, very aggressive like that. I think it is a very positive development and I think we will find efficiencies both in deployment, maintenance, and everything else across the Department as we manage these in a non-redundant but complimentary way. And that is the focus, integrated operations.

Mr. SOUDER. Mr. Bonner.

Mr. BONNER. Well, it is an excellent question. Let me just say I am in the unusual position of having seen, as Commissioner of Customs, to have overseen the very fine work of AMO, which was the air and marine interdiction division which was part of our Office of Investigation at legacy Customs. So I am very familiar with the good work that is done by the air and marine assets that are now over in ICE. It was kind of like ships passing in the night because, as a result of this reorganization, of course, the Border Patrol became part of Customs and Border Protection and the Border

Patrol has air assets and it has a few small what I would call brown water assets that are important at the St. Lawrence and other locations.

There are 116 Border Patrol aircraft in the Border Patrol fleet, about 78 or 80 of those are rotors. These tend to be very tactically, operationally driven use of air assets that is directly related to the border control mission, which is both the interception of illegal people that are illegally coming into the United States, and the interception of illegal drugs that are moving across the border, particularly the Mexican border, into the United States. They are, by the way, far and away the most efficient use of air assets in terms of per hour air time of any of the air assets of the Federal Government, and I include DEA, and I am very familiar with DEA's air assets. But by that I mean, for every air hour flown by a Border Patrol aircraft, there are three apprehensions that are directly related to that aircraft, on average, and a significant amount of illegal drugs that have moved across our borders. In fact, when you think of the drive-throughs, and this is illegal drugs down in Arizona and other places, but I mean loads that are literally being driven through the border, the only way the Border Patrol actually can successfully interdict is to have air assets that can follow and get onto those vehicles.

So Border Patrol uses its assets. I think the Commandant is right that there are some unique assets that are specifically related to this mission. But let me add that we put together, actually under the Border and Transportation Security Division of the Department, the Arizona Border Control Initiative. This is something we started about mid-March. It is led by the Border Patrol but it is multi-agency. The ICE participates in it in a number of different ways but part of it is adding to the 14 helicopters that we have deployed in essentially the Arizona sector, this is the Tucson sector that we are trying to take control over right now, the air and marine assets. We have coordinated that. They have contributed significant assets including the use of Blackhawks to assist moving teams of Border Patrol agents so apprehensions can be made, and this is both illegal migration but it is also drug smuggling. So we are coordinating on it.

But on the other hand, I would say that, sort of looking at it from the point of view of trying to control the physical border, these air assets that Border Patrol has are incredibly important. The one thing we do not have at Border Patrol is we do not have assets that can go and interdict what I would call well beyond the border. These are the Air and Marine, former Customs air and marine P–3s, the Cessna Citations that over-fly Mexico as part of Operation HALCON, very successful, by the way. So from Border Patrol's point of view, we are not out there in terms of the Caribbean and the East Pacific and over Mexico. That is Air and Marine, because it has extended border assets to do interdiction work, and that is the Coast Guard, which has some significant assets that are out there doing interdiction work. So we do not really overlap with that area, that theater in terms of Border Patrol assets. I hope that is helpful.

Mr. SOUDER. Thank you. Let me make a brief comment and then I am going to yield to Chairman Camp for anything he wants to

cover here. You also, by each kind of defining who you were, kind of defined some of your differences. I think it is important as we move forward to continue to work to resolve this. As we have looked at some amendments in the Homeland Security bill, and as I wound up talking and trying to work through kind of the difficulties of having so many authorizers and how we work through this process, and getting support of Mr. Sensenbrenner and talking to Don Young, who have very strong opinions about the Department of Homeland Security Select Committee but at the same time understand that there are multi tasks, that we are going to have to figure out how we integrate the tasks that are clearly homeland security-related and the other tasks in the Department which may or may not be homeland security related.

The Coast Guard is a classic example of that because fisheries and search and rescue are really more dominant in the mission than homeland security and narcotics have been. It is not that they are not important, and port security, for example, is a huge part of that. But there is no question that when I have been briefed at the different regional places that the bulk of the Coast Guard points are going to have, depending on the location—for example, on Lake Michigan and in the mid-West, you are going to have one set; if it is in Alaska, you are going to have another set; if it is on the Texas-East Coast, you are going to have another set. But you have multi task missions that we have to sort out and most of those, with the exception certainly of the Caribbean, most of the Coast Guard missions tend to be more toward the border. And I will let you rebut that point or add to it in a minute. Whereas in the Border Patrol, clearly, while there might be some fungibility inland, as you have clearly stated, you are pretty much, in addition, to interdict right at the border—on the Rio Grande with the boats—you are pretty much an addition and a discouragement. And the goal is immigration, which is a terrorist function potentially as well as an immigration function, and a narcotics function. But the usual thing, and this is what has been our continual discussion about Shadow Wolves, is whether we should have a similar thing on the North border. And the AMO division of the Department of Homeland Security has historically had tasks that do not fit the box. In other words, they go both directions. They go this way from the border, and they go this way from the border. Certainly, by the way, I just want to say for the record, Mr. Bonner, I agree with you that the Border Patrol cannot be like a picket fence, only that you have to have some back checkpoints like up in New York State or in Arizona or in California and have to have the ability to enforce it, otherwise once they get through it will take so long to follow through.

Now with that concept I think in the Department of Homeland Security, if we are going to keep our narcotics function, that one way to address this, as long as there is adequate funding in the Department that we need to battle for, is that there are going to be some units that do not fit the traditional function that may even have narcotics and contraband as a primary function as opposed homeland security. I want to get your reactions.

Admiral Collins, you have been chomping at the bit.

Admiral COLLINS. Thank you, Mr. Chairman. I would just like to add just a little bit on the helicopter capability, in particular, about the range and the reach of those. Yes, we have helicopter stations in the Great Lakes, in Alaska, along the coastal regions, and certainly they have search and rescue responsibility in the coastal arena. But those same helicopters, those air stations provide deployers to all our ships. Most of our ships are helicopter-equipped ships, they have a helicopter deck, they deploy to the Caribbean, they deploy to the Western Pacific, they deploy to the Bering Sea, they carry helicopters. Helicopters give them reach, give them surveillance capability for law enforcement, particularly for counter-drugs.

We also have I think incredible capability. It has turned around the seizure rate for us. That is the reason why. And if you plot it, you plot it over time and you see huge spike in the growth of our seizure rate, it has everything to do with those airborne capabilities. Use of force from helicopters, the HITRON squadron based out of Jacksonville, eight helicopters that have machine gun and laser-guided sniper rifle capability that can stop go-fast. We have all our arrests at sea, a great deal of our seizures are a result of that activity. They are the arrestees that go to Panama Express. They are the arrestees that give us all our information. They are the arrestees that give us the indictment and extradition out of Colombia. This is the enabler for the drug war. And our next step is to embed that capability organically in every helicopter in the U.S. Coast Guard so it is not just the HITRON helicopters. We will have security zone enforcement, vessel escorts in and out of ports, and a whole hosts of other things. So it is both homeland security, law enforcement, and counter-drug effort of great import to this Nation. And we have special dispensation with the Justice Department to use Use of Force in domestic airspace.

So I think it is a potent force for our country and the one that we can offer. So I just wanted to add that clarity to the reach and the focus of that fleet.

Mr. SOUDER. I will let each comment. Mr. Garcia, then Mr. Mackin.

Mr. GARCIA. Thank you, Mr. Chairman. You make very good points in terms of where are we, where does that border end. And it has to be somewhat fluid because we have to treat it as the most effective way that we can address the threat that we have all been talking about here today. It is difficult when you are looking at it that way, as the border is fluid and our response must be, and how do you put a particular asset in a particular box. Some judgment has to be exercised, a call has to be made, and then you have to show flexibility in how you use the asset, in how Air and Marine, or the Coast Guard, or Commissioner Bonner's assets work with the other assets, how we support each other, and Commissioner Bonner gave the example in Arizona. We always look for efficiencies. Admiral Collins mentioned procurement, we also have purchased off the Safe Boat contract as well, how do we save money, how do we order, how do we procure materials for these units, and always looking at can we do it more efficiently. BTS I know right now has a group going that is looking at the air assets

particularly, and where they are, how are we using them, and is that the best structure for it.

I know there has been interest here and in other places in Congress about the same issues. And we balance that also with the fact that we have gone through a period of tremendous reorganization and upheaval already. People are being asked to do really incredibly difficult and important work out there and they want to know with some certainty where they are and what they are doing in the mission.

So, we would never say we do not want to change, because change can be a very good thing. But we balance that against the fact that we have gone through many changes in the last 16 months or 18 months or so. I can assure you that analysis is constantly going on at every level I just described. And I can say that, having worked with the people here at the table, they are also committed to looking at those assets and using them in the most efficient way and considering them as national assets in doing the work that you describe.

Mr. SOUDER. Mr. Mackin.

Mr. MACKIN. Mr. Souder, just a brief comment to endorse Admiral Collins' discussion of the Use of Force helicopters. They are integral. He has done a marvelous thing in creating them and sustaining them and now he is embarking on doing that for all of the helicopters. That will greatly increase the interdiction capability of our forces both in Caribbean and the Eastern Pacific. And so I applaud that. And in thoughts for the future, any aid that you can give him to move that faster is certainly appropriate. Thank you.

Mr. SOUDER. Thank you.

Mr. BONNER. Just a very short comment, and that is that looking at it from the perspective let us say of the land border, and particularly Mexico where most illegal drugs, at least the vast majority, are coming through, I think it is a truism, Mr. Chairman, to say that smuggling is smuggling is smuggling, and it does not really matter whether it is people being smuggled, whether it is drugs, or whether it is terrorists. The reality is you need air assets to be effective, to have the mobility that we need to be able to track down, intercept, and interdict.

Mr. SOUDER. Thank you. Chairman Camp.

Mr. CAMP. Thank you, Mr. Chairman. I just have a couple of mission-specific questions. Mr. Garcia, the Office of Air and Marine Operations is expanding their presence on the northern border and also in our own National Capital Region. And with slightly over 1,000 people, how have these activities impacted AMO's ability to provide counternarcotics support to ICE and Customs and Border Protection?

Mr. GARCIA. You are correct, we are increasing the presence on the northern border. Everybody has realized that risk. We discussed the Rassum case earlier, a particular example of the risk. To date, Mr. Chairman, as we have increased the presence, it has been very gradual. In fact, I visited the station that we are building up in Washington, I know there is one scheduled in upstate New York that is actually going forward there, we have detailed personnel in, we are in the process of hiring, and have hired for those stations particularly. So in discussing that very issue with

Air and Marine, they have not seen a decrease either in their effectiveness on the Southwest border or in their ability to support other Federal agencies such as CBP.

Mr. CAMP. Admiral Collins, the Coast Guard has an increased U.S. presence in U.S. ports, which is a new mission, basically, in many ways. How has this impacted the Coast Guard's ability to conduct surveillance and search for narcotics vessels?

Admiral COLLINS. It is not a new mission. We have had the mission since 1790. We were created as a law enforcement agency, by the way, by Alexander Hamilton. So it is not a new mission. It is sort of taken off the back burner. We had 45,000 people dedicated to port security during World War II, which is bigger than the entire U.S. Coast Guard today. So we have had that, it has just ebbed and flowed. It is taken from the back burner and put on the front burner and the flames are turned up a little bit now.

You are right in saying that we have had to allocate resources to greater surveillance, both from a boat perspective and air perspective, in the ports of the United States, particularly during Orange condition. When that happens, we have pulled assets, clearly, there is less deploying helicopters with our ships, there is less fixed wing support deep in the Caribbean. And so it has had a resource impact. That is why I mentioned in my opening statement, Mr. Chairman, Chairmen, that it was a capability capacity thing to us was the key issues in terms of servicing the wide range of missions that the Nation needs.

What is the good news is that we are capable of flexing back and forth very, very quickly and to mobilizing the surge into the highest risk at the time. And the other good news is we have doubled the effectiveness of the existing assets. Let me give just a couple of statistics. During the 1992 to 1996 timeframe, we allocated 73,000 air hours to the drug mission and had an average seizure rate of 6 percent overall, overall, 6 percent. In the year 2002 to 2003, we allocated 72,000 air hours to the drug mission and we have an average seizure rate of 13 percent. We have more than doubled the productivity of those aircraft. And that has a lot to do with using acute intelligence, international partnerships and coalitions, bilateral agreements with over 26 nations in the Caribbean and South America, and a host of other initiatives that we have put together to leverage the heck out of those assets.

Could we do more if we had more assets? Absolutely. In the go-fast war, for example, we can document that during the last 12 months that we forego about 55 tons of cocaine. We had hard intelligence and we had go-fast, but we did not have the surface asset or the HITRON helicopter to prosecute the intelligence. So we have intelligence-rich environment getting better, and better, and better at it in the interagency. We do not have the force structure capacity to handle all the intelligence.

Mr. CAMP. Commissioner Bonner, with the money flow in terms of drug trafficking, CRS has a report that in the Caribbean alone they estimate $3.3 billion is traced to the illegal drug industry. What programs does DHS have in place to track and disrupt that money flow, which is significant?

Mr. BONNER. It is significant. Again, this is a coordinated effort. But from the CBP end of it, we have not only inbound authority,

we have outbound authority to essentially search and question people going outbound or vehicles going outbound. And so we do seize a fair amount, I do not have the data right in front of me now, of outbound cash, most of which is drug money. This is money going across the Port of Laredo out to Mexico, and sometimes money going out to Canada and elsewhere that is mainly drug-related.

But we do coordinate on this overall issue of how do you do this more effectively with ICE and with the special agents in ICE who have considerable, formidable expertise in terms of money laundering and drug money laundering. So we work in combination. Sometimes, by the way, ICE will suggest to us where we might be looking for outbound drug money, this is intelligence-cueing and that sort of thing, and we coordinate with them. Well, I do not want to go into another situation I was talking to Mr. Mackin about on the public record. But in any event, this is an important part of our responsibility in terms of seizing outbound currency and cash. Part of that, too, is sometimes homeland security-related because we have seized a very significant amount of outbound cash going to the Middle East, much of which was generated by drug trafficking activity. I am not saying it was going to terrorists, but I am saying that just by doing some targeting of outbound money that is leaving the United States either through our international airports or through our land border, it is an important part of how we view our overall responsibility and use of authorities to get after drug money laundering.

Mr. CAMP. Yes, Mr. Mackin.

Mr. MACKIN. Mr. Camp, I would like to point out that I spend quite a bit of my time working the outbound money issue with Mexico and with Colombia, I am working with my ICE colleagues who are experts in that area. I am helping to work with our Mexican colleagues there about investigating the leads that we can harvest in the United States and get them to help, because often the money is identifiable only after it gets down there you discover it has arrived, you did not know which car was bringing it over. So we are trying to work to improve their capability to work these issues with both ICE and with DEA. And with Colombia, the black market pesos exchange is a serious problem there and we have worked with them to develop a program where we can identify—I have to be careful how far I get into this—information that the Colombians can use to go after both businessmen and traffickers that are using this black market pesos exchange to their advantage.

Mr. GARCIA. Mr. Chairman, I think there is a success story in the paper today. Working in Colombia actually, we seized with a unit we work with down there 78 properties, the Colombians seized millions of dollars in value, showing that we are tracing the money into the source countries. So, progress on that front. In fact, using some of the new tools under the Patriot Act, the unlicensed money brokers, the bulk cash smuggling, authorities that have really made us a lot more effective in the money laundering area, and using our money laundering coordination center to deconflict and look at intelligence information on a money laundering front. So, an incredibly important part of what we all do here.

Mr. CAMP. Thank you. Thank you very much for your testimony today. It was a very good hearing. I appreciate your being here and all that you had to say. Thanks a lot, Mr. Chairman.

Mr. SOUDER. Thank you. Congresswoman Kelly from the Banking Committee is just forming a financial terrorism working group with a number of us who are on committees from Homeland Security to Financial Services to Judiciary, and we are putting together a group of people who have been tracking this, because in Congress you all get hauled up for all kinds of things, so many kinds of committees, and we need to be talking more too.

I have some additional written questions. It would be helpful if we can get answers in writing and we do not have to use up so much time. I very much appreciate your taking a long time this afternoon to do this. So maybe we can do it with written followup and we will not have to take so much of your time in the future.

I appreciate all your leadership and long-time commitment. It is a very difficult time to try to figure out how to coordinate all these things and where the priorities are, and you need to keep working aggressively at it. As you are well aware, I am very concerned about the counternarcotics, what the role of Mr. Mackin is in the agency in a structural way, not him personally but his position; that we figure out how to work out the Air and Marine; we figure out how we are going deal with the challenges on the norther border as well as the southern border; how we make sure that if we get in a period where we have 3 months of sustained Orange that we do not lose the narcotics war by having everything pulled in tight and that we have some units that are still able to support DEA and some of the other narcotics agents who have that as their primary mission.

So we will look forward to continuing to work together. We appreciate your work.

And with that, the subcommittee stands adjourned.

[Whereupon, at 5:03 p.m., the subcommittee was adjourned, to reconvene at the call of the Chair.]

[The prepared statements of Hon. Michael R. Turner and Hon. Joe Barton, and additional information submitted for the hearing record follows:]

Statement of the Honorable Jim Turner

Select Committee on Homeland Security
Subcommittee on Infrastructure & Border Security
joint hearing with the Committee on Government Reform
Subcommittee on Criminal Justice, Drug Policy, & Human Resources

"Counter Narcotics at the Department of Homeland Security:
How Well are Anti-Drug Trafficking Operations
Being Supported and Coordinated?"

2247 Rayburn House Office Building
2:00 P.M.

Thank you Chairman Camp and Chairman Souder.

I would like to welcome all of our witnesses. The work that you are doing is vital to this country. I thank you for your commitment to the Department's fight against drug trafficking.

Chairman Souder, the Homeland Security Committee has held several hearings over the past year and a half to examine the ongoing coordination challenges faced by the Department. For instance, we've looked at intelligence information sharing, and air and marine coordination. Counter narcotics coordination is one area, however, we have yet to examine, so I'm glad we're here today to focus on this important mission.

As you know, Mr. Chairmen, four DHS agencies are on the "front lines" in the war against illegal drugs: Customs and Border Protection; Border Patrol; Immigration and Customs Enforcement, and the Coast Guard. In fact, out of the 22 federal agencies that have counter narcotics missions, CBP, Border Patrol, and ICE, combined, account for over half of all **large** drug seizures. These agencies have a long history of working together – at least 20 to 30 years in the case of legacy Customs units and the Coast Guard.

The need for coordination on counter narcotics mission is not new. While it is important that we understand how these agencies continue to improve the coordination of their counter narcotics missions and operations, it will be instructive to hear from the witnesses how the addition of a new primary mission - the prevention of and response to terrorist attacks - has impacted their ability to carry out their counter narcotics duties.

There is no doubt that the merger and reorganization of former Customs and the Immigration and Naturalization Service units has been challenging. I understand Chairman Souder's concern that counter narcotics enforcement – not typically thought of as a homeland security mission – may be getting short shrift.

Mr. Mackin, I look forward to hearing about your strategy to strengthen coordination of DHS counter narcotics operations and how that will work with DHS' core mission of preventing a terrorist attack. Particularly, I want to know how far along you are in developing a

comprehensive counter narcotics strategy for DHS agencies. I also would like to hear about any specific challenges you have faced since taking this job – and any additional authorities you believe are needed.

Thank you again Mr. Chairmen, I look forward to today's testimony.

Statement by Rep. Joe Barton
Select Committee on Homeland Security
Joint Hearing of the Subcommittee on Criminal Justice and Drug Policy, and the Government Reform Subcommittee on Human Resources

"Counternarcotics at the Department of Homeland Security: How Well are Anti-Drug Trafficking Operations Being Supported and Coordinated?"

July 22, 2004

Mr. Chairman, I want to thank you for holding this joint hearing today. The importance of the efforts by our federal, state and local officials in combating drug trafficking operations can not be overstated. Aside from the damaging effects of illicit drug use on our citizens and communities, drug-trafficking operations finance and support a number of criminal activities, including terrorism.

I am deeply concerned about this issue. The North Texas area is used both as a destination and a secondary shipment point for drugs destined for locations throughout the United States. This area's proximity to the Mexican border, centralized location in the U.S., highway corridors such as I-20, I-30, I-35 and I-45, and access to the DFW Airport, the third busiest airport in the world, make this an

attractive base of operations for several Mexican drug trafficking organizations. Methamphetamines; cocaine, both powder and crack, heroin and marijuana are the most frequently trafficked, with marijuana accounting for over 50% of all U.S. seizures occurring in Texas, according to the Office of National Drug Control Policy.

Combating not only the demand for these drugs, but the supply-side and arrival of these drugs into the U.S. has been one of my top priorities as a Member of Congress. The Office of National Drug Control Policy designated North Texas as a High Intensity Drug Trafficking Area (HIDTA) in 1998 following a request made by myself and other Members of the North Texas delegation. In 1999, I established a drug task force with the Dallas/Ft. Worth International Airport to improve the drug detection efforts in order to slow down the importation of drugs into the area. Partners included American Airlines; the Drug Enforcement Agency (DEA); Delta Airlines; the Federal Aviation Administration (FAA); the Federal Bureau of Investigation (FBI); the High Intensity Drug Trafficking Area (HIDTA);

Transportation Workers Union of America; and the U.S. Customs Service. This was done in response to an incident that occurred at the Miami Airport. On August 25, 1999, over 70 people were arrested including a number of American Airlines employees and Sky Chef employees for smuggling drugs into the US. This was one of the biggest busts on record and was a joint operation of Customs and the DEA. Authorities seized 691 pounds of cocaine and 17 pounds of heroin. At that time, stopping drug smuggling at airports was mainly left up to the individual airlines and Customs.

In meeting with the task force, a common complaint mentioned by most was the fact that the organizations were not on same page. Airlines, airport security personnel and federal/state agencies did not work together effectively to develop security systems that coordinated all of the various security efforts provided by these groups. The task force compiled a "white paper" of suggested improvements to security, many of which, following September 11th have been put in place - including enhanced federal involvement in airport security, additional

passenger screening, and increased security at airport operation area entry points. Although the focus of airport security today is preventing terrorist acts, improved security measures have helped stem the flow of illegal drugs.

I am anxious to hear from immigration and customs enforcement agency officials and the Coast Guard agencies, now under the Department of Homeland Security, how they believe the coordination efforts are working, and what changes, if any, should be made to ensure continued success in destroying drug trafficking organizations.

I yield back. Thank you.

U.S. Department of Homeland Security

United States Coast Guard
Commandant
United States Coast Guard

700 7th Street, S.W.
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January 31, 2005

Mr. Marc Wheat
B-373 Rayburn House Office Building
Government Reform Subcommittee on Criminal Justice, Drug Policy
and Human Resources
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Wheat:

Please find enclosed the US Coast Guard responses to questions for the record from the 22 July 2004 Counter Narcotics joint hearing before the House Homeland Security Subcommittee on Infrastructure and Border Security and the House Government Reform Subcommittee on Criminal Justice, Drug Policy and Human Resources

Please contact me at 202-366-6658 if you have any questions.

Sincerely,

Michele Rappaport
Congressional Affairs Specialist
Office of Congressional and Governmental Affairs

Cc: Mike Twinchek
Homeland Security Subcommittee on Infrastructure and Border Security

ARREST AUTHORITY

QUESTION: The House of Representatives just passed legislation that would give Coast Guard increased arrest authority, as well as increased authority to do criminal investigations. Is the purpose of this authority to pursue more narcotics cases? Will you be expanding the training of Coast Guard personnel to include criminal investigation training?

ANSWER: Section 801 of the CGMTA adds a new § 70118 to title 46, United States Code (which lies in a section created by the Maritime Transportation Security Act of 2002), which provides:

§ 70118. Firearms, arrests, and seizure of property
Subject to guidelines approved by the Secretary, members of the Coast Guard may, in the performance of official duties—
(1) carry a firearm; and
(2) while at a facility—
(A) make an arrest without warrant for any offense against the United States committed in their presence; and
(B) seize property as otherwise provided by law.

This provision grants the Coast Guard limited authority to have its personnel carry a firearm, make an arrest, and seize property while in the performance official law enforcement patrols ashore. It does not grant the Coast Guard any new authority to conduct criminal investigations. The Conference Report specifies Congress' intent that the Coast Guard employ this authority for "conducting port security operations at facilities defined under § 70101 of title 46." The purpose of this authority is thus not to "pursue more narcotics cases", although it would permit Coast Guard members, in the performance of official duties at facilities, to make arrests without a warrant for any offense against the United States committed in their presence, including violations of federal narcotics laws. This authority is not investigative in nature, given the requirement that arrests may only be made for offenses committed in the presence of Coast Guard members, and therefore this legislation will not impact Coast Guard criminal investigation training.

COUNTER NARCOTICS AT DHS

QUESTION: In February of this year, the Department and the Office of Personnel Management (OPM) issued proposed new regulations for a personnel management system at DHS – which did not mention drug interdiction activities. Will you be providing any comments or other input to the drafters of those proposed regulations concerning counter narcotics activities? Are you taking any steps, or do you plan to take any steps, to ensure that the personnel management systems (especially the employee performance appraisals) used at your agency explicitly take drug interdiction activity into account?

ANSWER: The proposed new regulations for a personnel management system at DHS applies to the civilian workforce only. With the exception of 78 Coast Guard Investigative Service agents (1% of our civilian workforce) USCG civilian employees do not perform specific drug interdiction activities. Therefore, we have no comments or other input to the drafters of the proposed regulations concerning counter narcotics activities. Drug interdiction activities, nor any other mission specific criteria, are not part of current performance standards which measure general competencies regardless of specific duties.

COUNTER NARCOTICS AT DHS

QUESTION: Do the employee performance appraisals currently used by your agency already explicitly take drug interdiction performance into account?

ANSWER: No. Current civilian performance appraisals measure performance standards of general competencies and do not take into account drug interdiction performance or any other mission specific criteria. Only 1% of the current USCG civilian workforce is directly involved in the drug interdiction mission.

INTER-DEPEPARTMENTAL COORDINATING PROGRAMS

QUESTION: In general, who should represent the Department of Homeland Security on inter-departmental coordinating programs, committees, or task forces? Should it be the Counternarcotics Officer? Or should it be another DHS official?

ANSWER: The Chief Narcotics Officer (CNO) for DHS has the primary responsibility for coordinating policy and strategy within DHS, and between the Department and other Federal agencies with respect to drug trafficking and its narco-terrorist links. The CNO is also the United States Interdiction Coordinator, and as such is responsible for ensuring that the interdiction efforts of the United States are consistent with the objectives of the National Drug Control Strategy. They coordinate with department and agency heads, U.S. Ambassadors and military commanders, interagency working groups, task forces, and coordinating centers which have interdiction responsibilities.

Individual DHS components have specific interests, relationships, and equities that are considered in formulating national policies and priorities. The CNO's staff works closely with subject matter experts on various staffs engaged in counternarcotics efforts to ensure that these specific interests and equities are preserved.

The CNO has the primary responsibility to coordinate policy and operations within and outside DHS and should not only represent, but be the primary advocate for resources and materials necessary to stop the flow of illegal drugs into the United States.

UNMANNED AERIAL VEHICLES (UAV)

QUESTION: During our Subcommittee hearing in Las Cruces, New Mexico, we learned that the Border Patrol, Immigration & Customs Enforcement Air and Marine Operations (ICE AMO), and the Coast Guard have all begun to test and evaluate unmanned aerial vehicles (UAV), similar to the Predator drone used by the military, to patrol the borders and our coastal waters. It appears, however, that each of the three agencies is pursuing separate UAV programs.

- Do the divisions within Department of Homeland Security coordinate their testing and evaluation programs for the UAV's?
- Would it not make more sense to choose one UAV that would service all three agencies?

ANSWER: DHS recently developed a UAV inter-agency working group as a logical step to develop an "alignment of efforts" for all DHS directorates with regard to UAV utilization. Given the differing geographic and environmental regions that DHS organizations operate within, the group determined that the first step in synergistic operations would be to determine if a land based UAV could be utilized as a national asset within DHS. Funding was obtained from DHS's Science and Technology directorate to contract the Center for Naval Analysis to perform an "Analysis of Alternatives." This study, which is nearing completion, compares rotary wing and fixed wing aircraft, both manned and unmanned, based upon criteria established by the working group over several months of discussions.

Given the many diverse missions conducted by DHS agencies and the myriad locations and environments they operate in, a single asset solution may not be feasible. The Coast Guard will develop its future direction with regard to UAV operations in light of the pending CNA report and in full collaboration with its DHS aviation partners.

AIR AND MARINE ASSETS

QUESTION: At the hearing, we briefly discussed the air and marine assets and missions of ICE AMO, the Border Patrol at CBP, and the Coast Guard. For the written record, we would like your detailed answers to the following:

- What are the unique missions of the Coast Guard's air and marine operations?
- What are the unique missions of ICE AMO's and Border Patrol's air and marine programs, and how do they differ from the Coast Guard's?
- Would we provide the American people with a more efficient program if we were to combine the efforts of three separate air and marine programs into two, or maybe even just one program?
- We understand that the Department commissioned a study by an outside consultant of its air and marine programs. We have requested that Assistant Secretary Garcia provide us with a copy of that study (or of the most recent draft of the study). Do you agree with the recommendations it made? If there are any recommendations you disagree with, please identify them and state why you disagree.

ANSWER: Our partners in Immigration and Customs Enforcement (ICE) and Customs and Border Patrol (CBP) perform important duties enforcing border security against the entry of illegal drugs and migrants, including in U.S. territorial seas and the contiguous zone. However, our multi-mission nature and dual responsibilities, both as an armed force and a regulatory enforcer, make us unique in the U.S. Government. Further, the Coast Guard is the only U.S. agency with the capability and authority to perform law enforcement functions in the deepwater environment. Not only is the Coast Guard responsible for countering maritime smugglers of illegal drugs and migrants, but we also conduct a variety of other missions that directly contribute to homeland security including: Patrols to sustain a bountiful exclusive economic zone (including protection against foreign fishing vessel incursions); marine mammal sanctuary and environmental protection; and ports, waterways and coastal security. The Coast Guard is also the world's premier maritime search and rescue organization, conducting all our missions along the U.S. and its territories' coasts, the Bering Sea, Pacific and Atlantic Oceans and the Caribbean.

The President, using the Executive power to control the borders of the U.S., has suspended the entry of undocumented aliens into the U.S. Executive Order 12807, issued in 1992, directs the Coast Guard to enforce this suspension as part of its border control function. Presidential Decision Directive 9 (PDD-9), issued in June 1993 to establish national policy to prevent and suppress alien smuggling, mandates the Coast Guard interdict migrants as far at sea as possible.

Section 89 of title 14 of the United States Code compels the Coast Guard to make inquiries, examinations, inspections, searches, seizures and arrests upon the high seas and waters over which the United States has jurisdiction, for the prevention, detection and suppression of violations of the laws of the United States. Additionally, enforcement personnel use all necessary force to compel compliance with respect to vessels subject to the jurisdiction of the United States. Section 637 of title 14 expressly addresses and provides indemnification for the use of warning shots and disabling fire by Coast Guard vessels and aircraft engaged in stopping non-compliant vessels.

While U.S. Coast Guard surface assets are on patrol, including buoy tenders, they are fully prepared to conduct the enforcement of all applicable laws and treaties (drugs, migrants, fish, environmental, security) as well as search and rescue. Aircraft similarly deploy as a multi-mission platform. Fixed- and rotor-wing aircraft are equipped to conduct search and rescue operations during law enforcement patrols. Larger surface platforms, medium and long endurance cutters, are usually equipped with helicopters which can deploy for both search and rescue and law enforcement operations, including detection, monitoring, and investigation. The Coast Guard does not posses single-purpose equipment, nor a single-mission cutter, boat or aircraft.

The Coast Guard has an outstanding working relationship with ICE and Border Patrol to enforce U.S. anti-smuggling laws, and we routinely coordinate operations with their Air and Marine Operations (AMO). While it is possible that some efficiencies might be gained by combining programs, we are not in a position to determine if those efficiencies would be significant, nor do we know the potential costs associated with such an effort. Further, the Coast Guard is unable to comment as to the specifics of other agencies' missions and equipment.

The "Assessment of Aviation Operations and Support" has been conducted with the assistance of Booz-Allen-Hamilton. It is our understanding that DHS has made the Assessment of Aviation Operations and Support results available to the Government Accountability Office to aid in their engagements pertaining to the Review of the DHS Efforts to Share Assets. DHS has indicated that it has already initiated many of the recommendations stemming from the report; additionally, DHS advises that it will make the report available for distribution once the report has been reviewed and accepted throughout the Department.

FLEET MODERNIZATION PLANS

QUESTION: ICE, Coast Guard, and CBP have all proposed fleet modernization plans – i.e., buying new vessels, aircraft, and other equipment to help you meet your agency responsibilities. These plans will all be quite expensive, so we have some questions about them.

- If you were not able to implement your modernization plans, how would that affect your agency's ability to operate?
- Given the limited set of resources available to Congress, how would you allocate money for equipment procurement for all three programs?

ANSWER: Without a timely Integrated Deepwater System (IDS) recapitalization effort, the Coast Guard will be unable to fulfill its crucial Homeland Security obligations.

Background: The IDS primary contract with Integrated Coast Guard Systems, LLC, (ICGS) was awarded on June 25, 2002 and work is in progress to upgrade existing surface and air assets while developing new and more capable platforms including improved systems for command, control, communications, computers, intelligence, surveillance, and reconnaissance and advanced logistics capabilities.

On October 30, 2003, the DHS Investment Review Board (IRB) designated the IDS Program as a DHS Level 1 Investment and approved the strategic direction. The IDS was designated as a top priority program for DHS in the Acquisition Decision Memorandum.

Impact of Denial: The Deepwater Program was initiated to replace legacy assets as they aged, their performance dropped, and projected threats outpaced legacy asset capabilities.

Legitimate maritime activity and potential maritime threats have been on the rise since before 9/11, and since 9/11 the Coast Guard's area of operations and operational tempo continues to grow substantially. The Coast Guard's current fleet is aging, technologically obsolete, and prone to frequent system failures. Most current assets will reach the end of their projected lives by 2010. In simplest terms, a decision to cancel the ongoing IDS recapitalization effort would remove the Coast Guard's ability to develop and field a cost-effective and integrated system of cutters, aircraft, sensors and associated support systems that is necessary to meet the Nation's maritime security needs.

The *National Strategy for Homeland Security* identifies re-capitalization of the U.S. Coast Guard as one of six major initiatives under Border and Transportation Security, which are necessary to "promote the efficient and reliable flow of people, goods, and services across borders, while preventing terrorists from using transportation conveyances or systems to deliver implements of destruction." DHS pledged continued fiscal support to the re-capitalization of the aging Coast Guard's fleet, as well as targeted improvements in the areas of maritime domain awareness, command and control systems, and shore-side facilities.

America needs a Coast Guard IDS that can effectively and efficiently carry out assigned missions in support of National interests. *The Report of the Interagency Task Force on U.S. Coast Guard Roles and Missions* noted that the Coast Guard performs its vital services in an effective and efficient manner. This executive-level Task Force considered the re-capitalization

and modernization of the Deepwater fleet as a near term national priority and cited the Deepwater project as a unique opportunity to develop and field a cost-effective and integrated system of cutters, aircraft, sensors and associated support systems that will meet the Nation's maritime security needs.

FLIGHTS AND AERIAL MISSIONS

QUESTION: Right now, it appears that the Border Patrol, Coast Guard and Immigration and Customs Enforcement Air and Marine Operations (AMO) do not communicate with each other on a systematic basis about their flights and aerial missions. This creates a potential not just for mission duplication, but also officer safety – two federal aircraft patrolling the same area or chasing the same target may end up crashing into each other. What steps have you taken to improve that communication? Wouldn't it make sense to have each Department of Homeland Security (DHS) agency provide advance flight information to one operations center, which could then help "deconflict" the missions?

ANSWER: Coast Guard aviation units currently provide continuous flight schedule information to the operational commanders and Commandant as part of the Aviation Management System. The Coast Guard has offered the use of this system to DHS's Border and Transportation Security (BTS) directorate and it is being considered within the Department.

The newly formed Aviation Management Council (AMC) for DHS has created a concept of operations that addresses this issue for joint response activities for significant events. The AMC is also investigating other deconfliction measures to improve safety and efficiency in Departmental aviation operations. As to the safety of flight issue, all Coast Guard aircraft are equipped with airborne Traffic Collision and Avoidance Systems (TCAS) to avert midair collisions. Additionally, all DHS aircraft are required to operate under the umbrella of the Federal Aviation Administration's (FAA) air traffic control system to the maximum extent possible.

For areas in which joint BTS and Coast Guard aviation operations often occur, the Coast Guard is, and will continue to, work closely with BTS to ensure the safety of flight of all aircrews and to maximize the operational effectiveness of all DHS aviation missions. For example, joint operations in the Miami and San Diego areas are commonplace and involve ample interagency coordination to ensure clear airspace of the missions and sharing of resources. As mission requirements dictate, the agencies within DHS are effectively communicating to ensure safe, effective, and efficient aviation operations occur.

HITRON PROGRAM

QUESTION: The Coast Guard recently decided to arm all of its helicopters after the success of the HITRON program. How will this decision improve the Coast Guard's ability to conduct anti-drug smuggling operations?

ANSWER: Arming all Coast Guard helicopters is a goal of the Coast Guard, but it is not yet accomplished. The incorporation of Airborne Use of Force (AUF) capability into the fleet of 35 HH-60J and 84 HH-65C operational helicopters will significantly enhance the Coast Guard's ability to provide armed aerial response for all mission sets [Counter Drug (CD), Homeland Security, Anti-Terrorism, etc]. Available AUF flight hours will increase from 4,800 flight hours to over 75,000 flight hours. Available AUF Days Deployed Aboard Ship (DDAS) will increase from approximately 800 DDAS to 3,800 DDAS.

The Coast Guard's Helicopter Interdiction Tactical Squadron (HITRON) that operates from Jacksonville, FL currently employs eight leased Augusta MH-68 aircraft to conduct Airborne Use of Force-Level III (AUF-III) operations (the highest level of AUF, incorporating precision disabling fire). The decision to employ leased aircraft to conduct AUF-III operations was based primarily upon the urgent need to develop AUF capability to combat the CD threat, a mission that the HH-65A/B was not equipped at the time to perform. The unique, single-purpose MH-68 is an effective bridge to the fielding of organic AUF capability for the entire Coast Guard fleet.

The Coast Guard is currently engaged in a bold program to re-engine the HH65 to address safety and reliability concerns. A noteworthy benefit to the program is that it will provide a re-engined HH-65 fleet that will have the power and capability to conduct all AUF mission profiles. The re-engined HH-65's provide significantly improved AUF performance over the leased MH-68's, and are more economical to own and operate. The Coast Guard's goal is to migrate the AUF capability and missions to the HH-65 fleet as soon as possible.

USE OF FORCE POLICY

QUESTION: Is it true that the Coast Guard has a use of force policy that allows your personnel to shoot to disable aircraft and vessels, whether air to air, air to ground or air to vessel? If so, we would like you to provide the Subcommittees with a copy of that policy.

- What is the specific legal basis for the Coast Guard's authority to use force in air-to-air, or air-to-ground, situations?
- If this is true, why hasn't this policy been implemented for all DHS agencies – including the aviation programs of CBP and ICE?
- Has the ability to employ weapons from aircraft helped in the fight against drug traffickers?
- Have you made attempts to share your use of force policy with the Border and Transportation Security (BTS) Directorate, in order to help create a uniform DHS policy?

ANSWER: The Coast Guard use of force policy permits the use of force from aircraft in two situations: 1) non-deadly warning shots and disabling fire directed at non-compliant vessels subject to the jurisdiction of the United States; 2) deadly force directed at any person or conveyance, including aircraft, that presents an imminent risk of death or serious physical injury to any person. Except in self-defense, the Coast Guard has not authorized the use of ordnance force against aircraft.

Section 89 of title 14 of the United States Code authorizes Coast Guard personnel to use all necessary force to compel compliance with respect to vessels subject to the jurisdiction of the United States. Section 637 of title 14 expressly addresses and provides indemnification for the use of warning shots and disabling fire by Coast Guard vessels and aircraft engaged in stopping non-compliant vessels.

Section 2 of title 14 provides that the Coast Guard "shall engage in maritime air surveillance or interdiction to enforce or assist in the enforcement of the laws of the United States." Coupled with the inherent right and obligation of military unit commanders to take all necessary steps to defend themselves and other U.S. forces in the vicinity (the Coast Guard is a branch of the armed forces of the United States at all times," 14 U.S.C. 1), 14 U.S.C. 1 and 2 provide adequate authority for the use of force against aircraft in self-defense. In addition to these authorities, 46 USC 70118 authorizes Coast Guard personnel to carry weapons and effect seizures at facilities. To the extent that an aircraft violates Federal law or presents an imminent risk of death or serious physical injury at or over a facility, the Coast Guard has additional authority to use reasonable force to seize the aircraft in order to protect life.

The Coast Guard is not in a position to comment on whether other Federal agencies have implemented similar policies. We note that with respect to drug interdiction in international waters, Federal agencies other than the Coast Guard and Department of Defense (DOD) are not typically equipped to operate surface law enforcement assets or ship-based armed aircraft far from U.S. shores (and DOD operations in drug interdiction areas require deployed U.S. Coast Guard law enforcement detachments to ensure that DOD personnel are not required to participate directly in search, seizure, arrest, and other similar law enforcement activities. See 10 U.S.C. 375 and 379).

In 1998, the Coast Guard estimated that it was stopping less than 10 percent of the drugs entering the United States via the sea. Spurred by these estimates, Admiral James Loy, then Commandant, directed the Coast Guard to develop a plan to counter the go-fast threat. This gave rise to the Helicopter Interdiction Tactical Squadron (HITRON). Starting in late 1998, ten volunteers pioneered and implemented new tactics to stop the drug-laden go-fasts. During this early proof of concept phase, HITRON intercepted and stopped all five go-fasts encountered. The results were 2,640 pounds of cocaine, and 7,000 pounds of marijuana seized and 17 smugglers arrested. This 100 percent success rate represented a dramatic increase in go-fast seizures, and resulted in a cultural change for Coast Guard aviation.

Since fiscal year 2002, including proof of concept (POC), HITRON helicopters have contributed to 60 maritime drug interdictions netting 64 metric tons of cocaine, 9.4 metric tons of marijuana and 36 pounds of heroin. In stopping all 60 go-fast vessels encountered, HITRON helicopters fired only warning shots nine times, and fired warning shots and disabling fire 26 times. In the other 25 cases, the suspect vessel stopped before warning shots or disabling fire were needed.

	POC	**FY02**	**FY03**	**FY04**	**TOTAL**
CASES	5	11	21	23	**60**
COCAINE SEIZED (MT)	1.51	10.8	28.8	22.9	**64.01**
MARIJUANA SEIZED (MT)	3.54	1.78	0.00	4.15	**9.47**
HEROIN SEIZED (LBS)	0	0	36.6	0	**36.6**

Overall, the ability to employ weapons from aircraft has helped in the fight against drug traffickers. In fact, this year the Coast Guard already achieved the highest annual seizure record for the Coast Guard of 240,518 pounds. The HITRON capability is a substantial factor in our success against the go-fast threat.

We have shared our policy with ICE and CBP through the Department of Homeland Security (DHS), and the Department has issued a uniform use of force policy. With respect to drug interdiction in international waters, which is well outside the jurisdiction of ICE and CBP and where the go-fast vessels typically operate, the Coast Guard is the only entity equipped and authorized to operate surface law enforcement assets and ship-based armed aircraft.

AIRSPACE SECURITY

QUESTION: Both the Coast Guard and AMO have been performing airspace security duties recently, and apparently Coast Guard will be providing airspace security at the Democratic and Republican conventions. We have several questions relating to this subject:

- How much experience with airspace security does your agency have? Do you feel that you have the right assets and training to continue to provide airspace security? Is your agency equipped / staffed to take the lead on airspace security?
- How has providing airspace security at these events impacted your counternarcotics efforts?
- Should this mission continue to be a shared responsibility of Coast Guard and AMO? Which agency has the most experience with airspace security, and is best suited to provide it? Who will make the decision about which agency should take the lead?

ANSWER: The Coast Guard has been providing airspace security in its many missions since the development of aviation within the service in 1916. The Coast Guard has extensive experience establishing and enforcing short-notice Temporary Flight Restrictions around major maritime mishaps or events. Recent examples of this are the John F. Kennedy, Jr., TWA Flight 800, and Alaska Airlines Flight 261 search efforts. These events required the Coast Guard to define the scope of the flight-restricted area, and then enforce the area (keep out commercial, private and news aircraft) to allow for effective search and rescue operations. In these operations, a Coast Guard fixed- or rotary-wing aircraft may also act as On-Scene Commander, controlling all surface and air rescue assets on scene.

The Coast Guard also participates in airspace security in its Law Enforcement mission. Coast Guard helicopters provide the air support enforcing security zones around High Interest Vessels (HIV), such as Liquefied Natural Gas (LNG) tankers and military vessels arriving to or departing from critical U.S. ports. All Coast Guard helicopters also provide airspace security while protecting critical infrastructure in the maritime environment. The Federal Aviation Administration (FAA) frequently requests patrolling Coast Guard helicopters identify unknown aircraft loitering around power plants or bridges, and direct them to depart the area.

In April 2004, the U.S. Secret Service formally requested that the Coast Guard provide airspace security for National Special Security Events, specifically requesting "U.S. Coast Guard participation in conducting aerial surveillance, interception, queries, and escorts of low altitude, slow speed aircraft." The Commandant of the Coast Guard pledged support with his reply in May 2004 that these "clearly are Coast Guard core missions that will be performed when needed." In recent months, the Coast Guard has led or assisted with airspace security for the G8 summit, President Reagan's funeral, the national conventions, and intelligence-driven events.

The Coast Guard is well qualified to lead airspace security missions in the maritime environment. Coast Guard fixed- and rotary-wing aircraft, operated by properly trained and qualified aircrews, are the appropriate capability for executing this mission.

- The Coast Guard's "Aviation Center of Excellence," the Aviation Training Center in Mobile, Alabama, has created an extensive training program to support this mission, including an exportable training program, syllabi, performance standards, mission-specific checklists, as well as a Tactics, Techniques and Procedures (TTP) Manual.

- The service's Helicopter Interdiction Squadron (HITRON) in Jacksonville, FL remains the nation's premier airborne use of force unit for civil law enforcement missions. The Coast Guard is engaged in exporting the phenomenal counter-drug success of the HITRON unit by arming all organic rotary wing aircraft throughout the service. This will allow the CG to respond quickly and capably to emerging homeland security threats, both on the water and in the air. This also provides flexibility to increase counter-drug and migrant interdiction efforts as warranted.
- As DHS' largest air force, the CG has the resources it needs now to perform this vital mission.
- The service's existing relationships with federal, state and local response and law enforcement resources, as well as Department of Defense resources, ensures an integrated, well-coordinated approach to security missions.
- The CG's Integrated Deepwater System will enhance even further the service's command and control capabilities for airspace security events. Both CG aircraft and ships will have improved sensors, communications, intelligence fusion, and "common operating picture" capability that will be completely interoperable with other DHS and DOD agencies.
- The CG already has in place the authorities needed to carry out security missions both within the U.S. and in international waters. The Coast Guard also has extensive experience in forging bilateral agreements with other nations in order to extend CG authority into the territorial seas of partner nations.

The Coast Guard is prepared to both lead and participate in airspace security missions. When the Coast Guard is not the lead agency, the service teams with the lead agency and other participants to provide a fully integrated, non-redundant operational approach. No one agency is equipped to own the airspace security mission – it takes a coordinated effort with resources from many of our security partners. This mission supports the Coast Guard's strategic objectives for Maritime Homeland Security, which include reducing America's vulnerability to terrorism and protecting the U.S. population centers, critical infrastructure, maritime borders, ports, coastal approaches, and the boundaries and seams between them.

Providing airspace security at recent NSSE's did not impact the Coast Guard's counter narcotics effort. Aviation assets dedicated to providing airspace security for the events were part of a larger overall Coast Guard security effort. No counternarcotic patrols or deployments were delayed or lost as a result of this support.

A decision concerning who amongst DHS agencies should have the lead for airspace security, either generally or for a specific event, rests with DHS. Both Coast Guard and AMO leaders participate in a variety of DHS working groups designed to coordinate the operation and management of department-wide resources and procedures. Coast Guard and AMO field leaders also coordinate their operations on a routine basis. The CG believes that are appropriate forums for advancing the current CG-AMO relationship to provide a coordinated DHS approach to airspace security.

AIRBORNE MARITIME PATROL

QUESTION: How significant of a problem is the continuing reduction in the Defense Department's contribution to airborne maritime patrol? What solutions would you suggest?

ANSWER: Maritime Patrol Aircraft (MPA) availability has been reduced for a number of factors, including defense operations (in support of IRAQI FREEDOM), homeland (port and coastal) security (the Department of Homeland Security's declared Code ORANGE levels), National Security and Special Events (NSSEs) (G8 Summit, Democratic and Republican National Conventions), and the physical reduction of airframes due to U.S. Navy P-3 Orion airframe fatigue.

According to the U.S. Interdiction Coordinator (USIC), the U.S. Navy's P-3 inventory has been reduced by 40 percent in available number of aircraft that can be deployed at any one time. In an order to extend the life of existing aircraft, each is allotted only 58.4 flight hours per month.

Additionally, USIC hosted an interagency study that estimates the losses in U.S. Navy, RNLN Netherlands) Navy, and British (RN) MPA hours have reduced MPA flight activity in the Western Hemisphere transit zone by as much as 360 hours per month in fiscal year 2004. USIC has requested all agencies to take whatever actions they can to reduce the impact of this gap. Among possible solutions are:

- Forward basing MPA
- Extending deployments to reduce transit time
- Conducting maintenance in the forward operating location (FOL)
- Flying MPA only when endgame assets are readily available
- Expansion of the MPA program to alleviate flight hour reductions

Longer-term solutions lie in the Coast Guard's investment in the missionization of C-130J aircraft, Deepwater assets, to include Unmanned Aerial Vehicles (UAV), Long Range Patrol (LRP) aircraft and the maturing of a Common Operating Picture as part of Maritime Domain Awareness.

COAST GUARD INTELLIGENCE PROGRAM

QUESTION: One major issue facing DHS and the entire federal government is coordinating all of the disparate agencies' gathering, analysis, and dissemination of intelligence. To better help our Subcommittees understand this issue, we would like to obtain information on the scope, function, organization and number of intelligence centers, task forces, databases, and similar programs both within DHS and those supported by DHS. Please provide us with a complete list of the following:

- Each intelligence center, intelligence office, intelligence-related task force or other coordinating organization, and information-sharing database (involved in obtaining, collecting, analyzing, communicating, and/or disseminating criminal or security information or intelligence) that your agency administers, including information on its purpose and scope of operations, and listing each agency that participates in it (and the extent and nature of that participation).
- Each intelligence center, intelligence office, intelligence-related task force or other coordinating organization, and information-sharing database (involved in obtaining, collecting, analyzing, communicating, and/or disseminating criminal or security information or intelligence) that your agency participates in (but is administered by another agency), including information on its purpose and scope of operations, and listing the extent and nature of that participation.
- Any deficiencies, which your agency has identified in how DHS or partner agencies obtain, collect, analyze, communicate, and/or disseminate criminal or security information or intelligence, and proposed solutions.
- The nature and extent of your agency's interactions with the newly established Terrorist Threat Intelligence Center.

ANSWER:

Coast Guard Intelligence Units:

- Maritime Intelligence Fusion Centers (MIFCs). The Maritime Intelligence Fusion Centers (MIFC LANT and PAC) are responsible for providing actionable intelligence to Coast Guard operational and tactical commanders in support of all mission areas within their respective geographic areas of operations.
    - MIFC Lant (located at Naval Air Station Oceana, Dam Neck Annex in Virginia Beach, VA) was established in 2003.
    - MIFC Pac (located at Alameda, CA) was established in 2003.
- The MIFCs collect and fuse all-source intelligence information, providing direct support to Coast Guard forces. They also serve as the primary conduit for inserting intelligence into the Area Commanders' Common Operational Picture (COP). Additionally, they:
    - Consolidate and assess Field Intelligence Reporting (shared with intelligence community partners and DHS and DHS Components).
    - Harness national intelligence collection means (technical and non-technical) and pull operationally relevant intelligence originating from international, national and regional partners.
    - Work with Navy's Shipping Control Centers to assist in identifying and tracking maritime targets of interest.

- Coast Guard Intelligence Coordination Center (ICC). The ICC, located at the National Maritime Intelligence Center (NMIC) in Suitland, MD, has a section dedicated to strategic maritime counter-drug intelligence issues. The analysts have a line of standing production on regions, i.e., SOUTHCOM Area of Responsibility, and related counter-drug activities. The product line has a national readership comprised not only of USCG personnel, but interested persons from DHS components (ICE, CBP), CIA, Combatant Commanders, Office of Naval Intelligence (ONI), the Joint Intelligence Task Force-South (JIATF-S), Defense Attaches, and appropriate foreign governments.
- ICC COASTWATCH. COASTWATCH is a joint effort between with the Office of Naval Intelligence and the ICC at the National Maritime Intelligence Center to gather and analyze information on ship Notice of Arrival reports on vessels, people, and certain dangerous cargoes approaching U.S. ports. Since September 2001, ICC COASTWATCH has sent approximately 500 warning reports on arriving crewmembers. These include individuals who are positive or likely matches with individuals listed in federal databases as individuals wanted for questioning in connection with extremism, known criminals, foreigners denied entry by the Immigration and Customs Enforcement (ICE) Agency, stowaways, absconders, and crewmembers of special interest.
- ICC COASTWATCH Targeting Branch. The Targeting Branch was established in the Spring of 2002 to identify suspect shipping companies and merchant ships that might pose a security threat to the U.S. They utilize all-source intelligence to identify potential shipping threats across the broad spectrum of Coast Guard missions, to include national security, human smuggling, narcotics smuggling and marine environmental protection. When there are indications that a merchant ship or shipping company may pose a potential or real security threat, the Targeting Branch will monitor the ship and warn relevant agencies and port-level units when that vessel is scheduled to arrive in a U.S. port so the appropriate actions may be coordinated prior to its arrival.
- Field Intelligence Support Teams (FISTs). These teams are located in 29 ports within the U.S. and report on suspicious activity that could be terrorist pre-operational planning. But these teams also support other CG missions. They work closely with the Captain of the Port, state and local law enforcement sharing information in order to maintain port security. Some examples of the type of information gathered:
    - Report on vessels equipped to conduct foreign intelligence in/near U.S. ports.
    - Share threat information with Other Government Agencies (OGAs) regarding threats to ferries, casinos, bridges, power and petrochemical plants and other maritime infrastructure.
    - Provides information to boarding teams.
    - Stowaway interviews help ID patterns in stowaway activity, increasing interdiction rates through better targeting of vessels of high interest.
    - Reporting has also resulted in several ongoing local law enforcement and FBI investigation into suspicious activities.
    - Partnering with Canadian authorities predicted a shift of drug/migrant smuggling operations from one Great Lakes region to a new area.

Coast Guard Intelligence Databases/Information Sharing Activities:

- Human Smuggling Database. Along with CBP, ICC manages a Human Smuggling Database that tracks incidents of smuggling of people via maritime means based on all source information.

- SANDKEY. In 2003, SANDKEY tracked over 83 metric tons of cocaine in 33 separate events bound for the United States. SANDKEY, in coordination with other agencies, led to the seizing of 28 tons of cocaine, another four tons abandoned en route, 83 arrests, and the confiscation of 16 vessels. An additional 35 tons of cocaine were accounted for and later validated by the Consolidated Counter-drug Database (CCDB). Intelligence efforts aided by SANDKEY have been a factor in all of the significant maritime law enforcement events, High Seas Drift Net (HSDN), Alien Migrant Interdiction Operations (AMIO), Maritime Boundary Line (MBL), and High Interest Vessel (HIV) cases. These efforts continue to grow, especially concerning support to counter-drug (CD), AMIO, and Homeland Security (HLS) missions.
- Annual Worldwide Maritime Threat Assessment. The ICC produces this assessment, which covers maritime terrorism, crimes, and piracy. It is distributed to government and commercial entities and is meant to foster awareness and further information sharing.
- Operation Drydock. This was a 14-month, joint U.S. Coast Guard and FBI criminal and counterterrorism investigation into national security threats and document fraud associated with U.S. merchant mariner credentials. The investigation revealed nine individuals who held Merchant Mariner Credentials and had suspected associations with terrorist groups.
- Migration Crisis. CGIP provides senior U.S. officials with an accurate and timely warning of potential issues regarding illegal migrants. Most recently, this past winter, political unrest in Haiti led to an increase in Haitian migration activity. Throughout the crisis, Coast Guard intelligence experts provided a steady flow of reports and analysis to top U.S. officials, as well as, DHS and CG and operational commanders from other services.
- Counter-drug Activities. Coast Guard Intelligence collects and analyzes information to support Intelligence and Law Enforcement Community counter-drug activities. We continue to engage our Intelligence Community and Law Enforcement partners to develop new sources, improve analytical processes, and provide actionable intelligence to operational and tactical commanders in counter-drug activities.
- Pre-Arrival and Screening of Ships and Crew. After the events of 9/11, all commercial ships arriving from foreign countries are subject to pre-arrival screenings and boarding to verify that their crew and cargo do not pose security concerns. One Hundred percent (100%) of the crew and passengers onboard foreign and U.S. flagged merchant vessels over 300 gross tons are vetted by the Coast Guard against intelligence and law enforcement databases for possible threats to national security.
- Port Threat Assessments. The Port Threat Assessment (PTA) is the analysis of the threat for the port, including terrorism and crime – both foreign and domestic – using law enforcement and intelligence information. PTAs complement the Port Security Assessment, which covers the vulnerability aspects of specific strategic U.S. ports. There are 361 total domestic ports of which 55 are deemed militarily or economically critical (15%). Of these 55 ports, 14 PTAs have been completed (27%), with 5 more will be completed by the end of FY04. The remaining 36 PTAs are planned for completion by early FY06.
- Additional capabilities are continually being examined as the CG's Intelligence Program matures. One example of this is the development of a Counter-Intelligence Program, which is currently in the second phase of the development process.

Additional Information Sharing Activities:

- Increasing DHS' information capabilities, and coordinating intelligence information sharing and collaboration across the entire federal government are monumental tasks. DHS has accomplished much in a short period of time and we continue to press forward to strengthen our capabilities and our ability to support the overall DHS mission set. In order to better facilitate this effort the Department of Homeland Security has formed the DHS Information Sharing and Collaboration (ISC) Program, appointed a Director, and formed a staff including representation from all internal components, including the USCG. DHS is a participating member of the larger national effort to improve and enhance information sharing and collaboration and to integrate ISC concepts and capabilities into the changing intelligence community (IC) environment under the various transformation efforts brought forth by the 9-11 Commission and by earlier and subsequent Administration and Congressional action. The ISC Program of DHS has already begun the work of assessing the here and now, of envisioning and forming the Information Sharing Architecture, and is engaged in building the business plan which will guide and govern the future efforts to construct the appropriate enterprise architecture to assure full and complete sharing throughout the entire Homeland Security Environment. Many of the efforts being undertaking are technical in nature, but the primary effort is not merely technical but rather one of changing policy and procedure to motivate and empower necessary technical change in order to achieve the goals of functional interoperability and information transparency in order to accomplish the information sharing and collaboration mission.
- Intelligence Sharing Architectures, Exchange of Intelligence Analysts and Liaison Officers. The Coast Guard Intelligence Program (CGIP) provides access to its intelligence databases, advice to others in developing database, and provides exchange and liaison officers to various agencies working in the Maritime and Counterdrug arenas. These include: TTIC, DEA, FBI, BTS, Navy, Joint Inter-agency Task Forces-South and West, EPIC, DIA, DoD, ICE, CBP, DHS, DHS/IA, DOJ, the U.S. Attorney's Office, DOT, ATF, National Drug Intelligence Center, Organized Crime Drug Enforcement Task Forces (OCDETF), High Intensity Drug Trafficking Areas (HIDTA) Task Forces, and INTERPOL.
    - Specific Examples of these:
    - CGIP has provided three officers to IAIP as intelligence analysts to ensure maritime intelligence requirements are being satisfied, including reach-back for support.
    - CGIP has assigned a CG Investigative Service agent at ICE with a reciprocal ICE agent assigned to the USCG HQ – Law Enforcement Office, as liaisons for law enforcement and intelligence, information during investigations and operations.
    - CGIP and CBP have recently exchanged personnel to enhance data sharing between the CG Intelligence Coordination Center's COASTWATCH and CBP's National Targeting Center (cargo tracking) processes.
    - Human Smuggling and Trafficking Center (State Department) – the ICC provides one person three times a week to coordinate any maritime issues.
    - Coast Guard has a permanent presence on the FBI National Joint Terrorism Task Force and select Regional Joint Terrorism Task Forces.

- Coast Guard is one of the key participants in the Proliferation Security Initiative (PSI), a combined multi-agency and multi-national effort to stop shipment of weapons of mass destruction.
- The CGIP, Defense Intelligence Agency, and the National Geospatial Agency are working together to enhance the situational awareness of the Captains of the Port with commercial satellite imagery of maritime areas of interest.
- CGIP provides the Joint Interagency Task Force-Counter Terrorism (JITF-CT) with a dedicated maritime threat analysis cell that supports Homeland Security. The cell researches, analyzes, and produces finished intelligence products addressing maritime-related threats for use by U.S. intelligence and law enforcement officials.
- The Joint Maritime Exploitation Cell (JMEC), a joint CGIP and Office of Naval Intelligence effort, provides analytical support to the Joint Interagency Task Force South and West.

- Coast Guard COASTWATCH and CBP's National Targeting Center (NTC) have worked hard to develop complementary roles in the area of targeting and tracking cargo, vessels, and people. This effort is enhanced by the exchange of CBP and CG personnel to eliminate duplication of efforts and ensure free flow of information such that the centers act nearly as one entity. The focus and expertise of the two efforts are however, separate functions – one based on a cargo targeting and tracking process and one based on vessels and people from a law enforcement and intelligence perspective. In practice these two entities are working together toward maritime domain awareness.
- Maritime Domain Awareness (MDA). The Coast Guard is the lead on integrating and coordinating intelligence information to support a national MDA capability.
  - Collect and analyze all available sources of maritime and maritime related information and intelligence, and leverage them into a common operational picture;
  - Effective MDA enables the Coast Guard to develop a layered defense that allows for the identification of threats as early and as distant from our borders as possible;
- The Coast Guard has taken a leadership role within DHS. CGIP ensures that law enforcement information and intelligence products generated by the Coast Guard are rapidly shared within DHS by providing access to its intelligence databases, advice in developing intelligence sharing architectures, and assignment of liaison officers within DHS, DHS Components and other agencies active in the maritime arena. Additional initiatives between the CG and DHS are:
  - DHS has been given access to all USCG intelligence databases, especially PATHFINDER, with immediate access to USCG generated intelligence reports.
  - DHS is using the USCG Field Intelligence Reports (FIRs) to assist them in rapidly passing information to the Directorate of Information Analysis and Infrastructure Protection to further disseminate to appropriate agencies, state and local officials.
  - CGIP actively participates on all DHS working groups related to intelligence and information sharing to ensure that Coast Guard is leaning forward in satisfying all DHS requirements.

- Coordination with US- VISIT. The US-VISIT program, sponsored by BTS, is currently being implemented to oversee immigration and boarder management. The Coast Guard is a member of the US-VISIT executive steering committee and attends weekly implementation meetings on the project. The Coast Guard shares responsibility for immigration issues at the maritime border including the five key processes of US-VISIT, that of Pre-entry, Entry, Status Management, Exist, Analysis. The Coast Guard is testing the US-VISIT technology in both the afloat and Marine Safety fields to determine how the Coast Guard might best support the missions of the US-VISIT program to accomplish our shared goals of maritime border security.

USCG Interactions with the Terrorist Threat Integration Center:

- The CGIP provides access to its intelligence databases, advice to others developing intelligence sharing architectures, exchanged intelligence analysts and liaison officers, and worked directly with other agencies active in the Maritime Domain and Counter Narcotics arenas. These agencies include TTIC.
- The Coast Guard exchanges intelligence analysts and liaison officers with other agencies active in the maritime arena. There are currently three Liaison Officers at TTIC.
- CG intelligence products, collections, and reporting are shared with the TTIC and the Intelligence Community.
- The Coast Guard has access to TTIC Online, a secure website hosted by TTIC, which serves as the front door for the Intelligence, Law Enforcement, Homeland Security and Military communities to access a broad range of counterterrorism threat information. TTIC Online contains approximately 3.5 million documents, including finished intelligence; disseminated reports from the Intelligence Community; access to a repository of tearlines ; warnings, alerts, and bulletins issued by the Federal government; and links to other terrorist-threat resources.

COAST GUARD RESOURCES

QUESTION:
In March 2004, the Government Accountability Office (GAO) reported that Coast Guard resources dedicated to counterdrug enforcement decreased by 44 percent. This is largely due to increased port security responsibilities (harbor patrols). Admiral Collins, last year the GAO stated that the Coast Guard intends to return the resources committed to counterdrug operations to pre-9/11 levels.

- Has this goal been achieved? If not, what is your plan to accomplish this given the Coast Guard's increased responsibilities for port and coastal security and the support of Operation Iraqi Freedom?

ANSWER:
The Coast Guard continues to manage resources to conduct the many missions that it has been assigned. Resources committed to counterdrug missions have not returned to pre-9/11 levels, however current performance has surpassed previous years.

Consistent with the National Drug Control Strategy (NDCS), the Coast Guard's counterdrug strategy is goal oriented; the current removal goal is 15 percent of non-commercial maritime movement of cocaine. The removal goal is not tied to resource hours.

As of September 14, 2004, the Coast Guard broke all previous records for annual cocaine seizures, having seized 172,018 pounds of cocaine to date during fiscal year 2004. Additionally, the Interagency Consolidated Counter-drug Database (CCDB) Working Group has credited the Coast Guard with removal (cocaine lost with the scuttling of a vessel or ejected and lost on the ocean) of an additional 82,212 pounds of cocaine from the commerce stream this year, bringing the Coast Guard total to 241,713 pounds of cocaine removed. Notwithstanding an intensive commitment to preventing and deterring acts of terrorism and maritime transportation security incidents in our ports, waterways, and along the coasts, the Coast Guard was able to maintain U.S. national security presence to the deep Caribbean and Eastern Pacific Ocean to contribute to the interagency effort that produced this stunning result.

The Coast Guard attributes this success to unparalleled interagency cooperation and coordination, a network of bilateral agreements negotiated with transit zone nations, and unprecedented availability and use of law enforcement information and intelligence between the Department of Justice, Immigration and Customs Enforcement, Customs and Border Patrol, Drug Enforcement Administration, and the Federal Bureau of Investigation.

Because all of our cutters are multi-mission, any non-drug interdiction event takes patrol time away from the counter-drug mission. Migrant cases historically take a considerable amount of time to process. To increase our efficiency, the USCG continues to seek technology to reduce the amount of time necessary to process a case. The Coast Guard is currently evaluating the Automated Biometric Identification System (IDENT) portion of the U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT) program for possible deployment in the Caribbean. The Dominican Republic remains a consistent source of illegal migration attempts into the United States via Puerto Rico. The Coast Guard is determining the feasibility of deploying IDENT on cutters to help counter this threat. Subsequent to an interdiction, a cutter would utilize the compact IDENT equipment to fingerprint and photograph migrants. This capability would provide the U.S. government with important information on confirming identity of a

migrant along with their immigration or criminal history. This system can also be used to identify "special interest" nationals attempting to enter the United States. Overall, it would be another tool to reduce the amount of time necessary to process a migrant case.

Since 9/11, the Coast Guard has procured additional small boats for harbor security to allow patrol cutters to remain offshore to conduct traditional law enforcement missions. Additionally, the fiscal year 2005 budget request provides for additional patrol cutters to help meet the increased responsibilities. However, Code ORANGE threat level in the Homeland Security Advisory System and other National Special Security Events (NSSE) such as the G8 Summit and the Democrat and Republican National Conventions require major assets for command and control.

March 1, 2005

Re: Joint Subcommittee hearing, "Drugs and Security In A Post-9/11 World: Coordinating The Counternarcotics Mission At The Department Of Homeland Security," July 22, 2004

Although a letter was sent to the Honorable Michael Chertoff, Secretary of the Department of Homeland Security, regarding outstanding responses to the Subcommittee's questions for the hearing record, U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement, and the Office of the Counternarcotics Officer at the Department of Homeland Security, failed to respond in a timely manner. Due to publication deadlines, these responses will not be included in this hearing record. They will, however, be included in a subsequent official hearing transcript.

TOM DAVIS, VIRGINIA
CHAIRMAN

HENRY A. WAXMAN, CAL
RANKING MINORITY M

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House of Representatives

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Minority (202) 225–5051

February 18, 2005

Hon. Michael Chertoff
Secretary
Department of Homeland Security
3801 Nebraska Avenue, N.W.
Washington, D.C. 20528

Re: Subcommittee hearing, "Northern Ice: Stopping Methamphetamine Precursor Chemical Smuggling Across the U.S.-Canada Border," April 20, 2004

Joint Subcommittee hearing, "Drugs And Security In A Post-9/11 World: Coordinating The Counternarcotics Mission At The Department Of Homeland Security," July 22, 2004

Dear Secretary Chertoff:

On April 20, 2004, the Subcommittee on Criminal Justice, Drug Policy and Human Resources (Government Reform Committee) held a field hearing in Detroit, Michigan entitled, "Northern Ice: Stopping Methamphetamine Precursor Chemical Smuggling Across the U.S.-Canada Border," attended by Mr. Kevin Weeks, Director of Field Operations at the Detroit Field Office of U.S. Customs and Border Protection. The Subcommittee sent written questions for the record to Mr. Weeks on May 5, 2004.

On July 22, 2004, the Subcommittee on Criminal Justice, Drug Policy and Human Resources (Government Reform Committee), and the Subcommittee on Infrastructure and Border Security (Select Committee on Homeland Security) held a joint hearing entitled, "Drugs And Security In A Post-9/11 World: Coordinating The Counternarcotics Mission At The Department Of Homeland Security," attended by the following four witnesses: Commissioner Robert Bonner of U.S. Customs and Border Protection; Admiral Thomas Collins, Commandant of the U.S. Coast Guard; Assistant Secretary Michael Garcia of U.S. Immigration and Customs Enforcement; and Mr. Roger Mackin,

then the Counternarcotics Officer and U.S. Interdiction Coordinator. Written questions for the record were sent to all four of the witnesses on August 23, 2004.

Despite repeated requests on our part (including a letter from Chairman Souder t your predecessor, Secretary Ridge in December), and assurances from the witnesses' staff, we have received responses only from Admiral Collins. To date, no responses fro Commissioner Bonner, Assistant Secretary Garcia, the office of Mr. Mackin, or Mr. Weeks have been submitted to us.

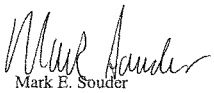
After being told by the witnesses' staff that the responses were still being reviewed by the Office of Management and Budget (OMB), we took the unusual step of writing to Director Bolten in January 2005 to ask that the process be expedited. Our staf was informed by Director Bolten's staff that OMB had completed its review of any responses that had been submitted.

We have now reached the final deadline for completing the records of the 108th Congress. Pursuant to the Committee's authority under Rules X and XI of the House of Representatives and the Constitution of the United States, we ask that your Department please submit the outstanding written responses without further delay, no later than the close of business on February 22, 2005.

Thank you very much for your time and assistance. If you have any questions, you may have a member of your staff contact Nick Coleman, a member of the Criminal Justice Subcommittee staff, at 202-225-2577.

Sincerely,

Tom Davis
Chairman
Government Reform Committee



Mark E. Souder
Chairman
Subcommittee on Criminal Justice,
Drug Policy and Human Resources
Government Reform Committee

cc: Hon. Robert Bonner, Commissioner, Customs and Border Protection
Hon. Michael Garcia, Assistant Secretary, Immigration and Customs Enforcement
Adm. Robert Utley (ret.), Acting Director, Office of Counternarcotics Enforcement

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JIM COOPER, TENNESSEE

BERNARD SANDERS, VERMONT,
INDEPENDENT

August 23, 2004

The Honorable Michael J. Garcia
Assistant Secretary
U.S. Immigration and Customs Enforcement
Department of Homeland Security
425 Eye Street, N.W.
Washington, DC 20536

Re: "Drugs And Security In A Post-9/11 World: Coordinating The Counternarcotics Mission At The Department Of Homeland Security"

Dear Assistant Secretary Garcia:

Thank you very much for your testimony on July 22, 2004 before the Subcommittee on Criminal Justice, Drug Policy and Human Resources (Government Reform Committee), and the Subcommittee on Infrastructure and Border Security (Select Committee on Homeland Security). We found your testimony both insightful and helpful. Due to the limited amount of time available for the hearing, however, we were unable to address all of the issues involved. To better help the Subcommittee understand these significant issues, we are submitting to you the attached lists of questions for the record, including a list submitted by Rep. Jim Turner, Ranking Member of the Homeland Security Select Committee.

In order to help the Subcommittees move forward with their work on this subject, we request that you respond to these questions in writing no later than the close of business on Thursday, September 23, 2004. Your answers will be included in the written record.

Thank you very much for your time and assistance. If you have any questions, you may contact Nick Coleman, a member of the Criminal Justice Subcommittee staff, at 202-225-2577, or Mandy Bowers, a member of the Border Security Subcommittee staff, at 202-226-8417.

Sincerely,

Dave Camp
Chairman
Subcommittee on Infrastructure and Border Security
Select Committee on Homeland Security

Mark E. Souder
Chairman
Subcommittee on Criminal Justice, Drug Policy and Human Resources
Government Reform Committee

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

SELECT COMMITTEE ON HOMELAND SECURITY
SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER SECURITY

"DRUGS AND SECURITY IN A POST-9/11 WORLD: COORDINATING THE COUNTERNARCOTICS MISSION AT THE DEPARTMENT OF HOMELAND SECURITY"

JULY 22, 2004

FOLLOW-UP QUESTIONS FOR THE WRITTEN RECORD FOR ASSISTANT SECRETARY MICHAEL GARCIA, U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT

1. In February of this year, the Department and the Office of Personnel Management (OPM) issued proposed new regulations for a personnel management system at DHS – which did not mention drug interdiction activities. Will you be providing any comments or other input to the drafters of those proposed regulations concerning counternarcotics activities? Are you taking any steps, or do you plan to take any steps, to ensure that the personnel management systems (especially the employee performance appraisals) used at your agency explicitly take drug interdiction activity into account?

2. Do the employee performance appraisals currently used by your agencies already explicitly take drug interdiction performance into account?

3. In general, who should represent the Department of Homeland Security on interdepartmental coordinating programs, committees, or task forces? Should it be the Counternarcotics Officer? Or should it be another DHS official?

4. The Washington Post recently reported that deficiencies in the ICE Federal Financial Management System (FFMS) are so severe that they place the bureau at risk of violating the Anti-Deficiency Act, which would put restrictions on the agency's ability to spend funds.

    a. Have the deficiencies in FFMS hampered ICE's ability to combat the flow of illegal narcotics into this country?

    b. Can you, on a daily basis, determine your status of funds?

    c. Will you have enough money to meet your salary and expenses for the remainder of this year?

5. Because of these financial problems, the Office of Air and Marine Operations (AMO) now requires administrative waivers to "back fill" positions in the field that become vacant when staff are assigned to new locations on the Northern border and at the National Capital Region (NCR).

   a. Has your inability to staff field positions along the Southern tier affected your drug interdiction efforts?

   b. Will the transfer of aircraft from Southern locations to the Northern border as well as airspace security programs allow AMO to have a sufficient presence in the source/transit zones and areas along our Southern border?

6. ICE, Customs and Border Protection (CBP), and Citizenship and Immigration Services (USCIS) are currently engaged in what is called a "tri-bureau reconciliation of funds" between the 3 agencies. At stake is approximately $550 million purportedly owed to ICE by CBP.

   a. What is the current status of this reconciliation process? Who is going to make the final decision on this?

   b. Without the transfer of $550 million, will ICE be able to operate until the end of the year?

   c. Does this money shortfall affect ICE's ability to combat the flow of illegal narcotics into this country?

   d. What impact will this shortfall have on ICE in fiscal year 2005 and subsequent years?

7. During our Subcommittee hearing in Las Cruces, New Mexico, we learned that the Border Patrol, ICE AMO, and the Coast Guard have all begun to test and evaluate unmanned aerial vehicles (UAV), similar to the Predator drone used by the military, to patrol the borders and our coastal waters. It appears, however, that each of the three agencies is pursuing separate UAV programs.

   a. Do the divisions within DHS coordinate their testing and evaluation programs for the UAV's?

   b. Would it not make more sense to choose one UAV that would service all three agencies?

8. Are AMO and the Border Patrol fully cooperating on signal intelligence programs at the borders? Do they share the information obtained from these signal intelligence programs?

9. Currently, the Border Patrol at CBP has a memorandum of understanding (MOU) with the Drug Enforcement Administration (DEA), under which the Border Patrol notifies DEA of major drug seizures at the border and gives DEA the option to follow up and investigate the seizures. Are you actively seeking such an MOU with the Border Patrol for ICE's Special Agents? If so, what steps have you taken, and what is the status of those efforts? If not, why not?

10. At the hearing, we briefly discussed the air and marine assets and missions of ICE AMO, the Border Patrol at CBP, and the Coast Guard. For the written record, we would like your detailed answers to the following:

    a. What is the unique mission of ICE AMO?

    b. What are the unique missions of Coast Guard's and Border Patrol's air and marine programs, and how do they differ from AMO's?

    c. Would we provide the American people with a more efficient program if we were to combine the efforts of three separate air and marine programs into two, or maybe even just one program?

    d. We understand that the Department commissioned a study by an outside consultant of its air and marine programs. Please provide us with a copy of that study (or of the most recent draft of the study). Do you agree with the recommendations it made? If there are any recommendations you disagree with, please identify them and state why you disagree.

11. ICE AMO, Coast Guard, and CBP have all proposed fleet modernization plans – i.e., buying new vessels, aircraft, and other equipment to help you meet your agency responsibilities. These plans will all be quite expensive, so we have some questions about them:

    a. If you were not able to implement AMO's modernization plans, how would that affect that agency's ability to operate?

    b. Given the limited set of resources available to Congress, how would you allocate money for equipment procurement for all three programs?

12. Right now, it appears that the Border Patrol, Coast Guard and AMO do not communicate with each other on a systematic basis about their flights and aerial missions. This creates a potential not just for mission duplication, but also officer safety – two federal aircraft patrolling the same area or chasing the same target may end up crashing into each other. What steps have you taken to improve that communication? Wouldn't it make sense to have each DHS agency provide advance flight information to one operations center, which could then help "deconflict" the missions?

13. The Coast Guard recently decided to arm all of its helicopters after the success of the HITRON program. Why haven't the AMO helicopters been armed utilizing the same criteria utilized by the Coast Guard?

14. Both the Coast Guard and AMO have been performing airspace security duties recently, and apparently Coast Guard will be providing airspace security at the Democratic and Republican conventions. We have several questions relating to this subject:

    a. How much experience with airspace security does your agency have? Do you feel that you have the right assets and training to continue to provide airspace security? Is your agency equipped / staffed to take the lead on airspace security?

    b. How has providing airspace security at these events impacted your counternarcotics efforts?

    c. Should this mission continue to be a shared responsibility of Coast Guard and AMO? Which agency has the most experience with airspace security, and is best suited to provide it? Who will make the decision about which agency should take the lead?

15. With the merger of legacy Customs and INS offices through the Homeland Security Act of 2002, ICE has increased the number of agents performing criminal investigations. This Subcommittee has particular interest in the past, present, and future drug investigative capabilities of your agency.

    a. How many agents do you currently have cross-designated with Title 21 authority? This represents what percentage of your total agent force?

    b. Are you currently seeking to increase the number of Title 21 designated agents because of the Immigration/Customs agent merger that increased the number of capable agents? If not, why not?

    c. Are you currently negotiating to have the number of Title 21 cross-designated agents reduced in the future? If so, why, and have you considered what the impact would be on ICE's ability to investigate illegal drug smuggling?

16. With the loss of Department of Defense, and Dutch airborne marine patrol capability, the U.S. must increasingly rely on DHS assets to fulfill the requirement of maritime interdiction in the Transit Zone. This Subcommittee understands that the SeaVue Radar system would provide ICE AMO with an appropriate and efficient airborne platform to conduct the required maritime interdiction role.

a. If ICE AMO received funding to upgrade P-3 platforms to carry the SeaVue radar, what short-range advantage will be gained over the present maritime interdiction capabilities?

b. If ICE AMO achieved this increased capability, how would they employ this asset? Does this plan coincide with national maritime interdiction requirements?

c. Will the increase in hours flown by aging ICE AMO P-3 platforms severely impact AMO's ability to fulfill their required missions 5 years down the road? If so, will passage of AMO's modernization plan be required to maintain their aviation viability?

d. How significant of a problem is the continuing reduction in the Defense Department's contribution to airborne maritime patrol? What solutions would you suggest?

17. One major issue facing DHS and the entire federal government is coordinating all of the disparate agencies' gathering, analysis, and dissemination of intelligence. To better help our Subcommittees understand this issue, we would like to obtain information on the scope, function, organization and number of intelligence centers, task forces, databases, and similar programs both within DHS and those supported by DHS. Please provide us with a complete list of the following:

a. Each intelligence center, intelligence office, intelligence-related task force or other coordinating organization, and information-sharing database (involved in obtaining, collecting, analyzing, communicating, and/or disseminating criminal or security information or intelligence) that your agency administers, including information on its purpose and scope of operations, and listing each agency that participates in it (and the extent and nature of that participation).

b. Each intelligence center, intelligence office, intelligence-related task force or other coordinating organization, and information-sharing database (involved in obtaining, collecting, analyzing, communicating, and/or disseminating criminal or security information or intelligence) that your agency participates in (but is administered by another agency), including information on its purpose and scope of operations, and listing the extent and nature of that participation.

c. Any deficiencies which your agency has identified in how DHS or partner agencies obtain, collect, analyze, communicate, and/or disseminate criminal or security information or intelligence, and proposed solutions.

d. The nature and extent of your agency's interactions with the newly established Terrorist Threat Intelligence Center.

Select Committee on Homeland Security
Subcommittee on Infrastructure and Border Security
"Counternarcotics at the Department of Homeland Security: How Well Are Anti-Drug Trafficking Operations Being Supported and Coordinated?"
Thursday, July 22, 2004, 2:00 p.m.

Question for Assistant Secretary Michael Garcia, U.S. Immigration and Customs Enforcement (ICE) from Rep. Jim Turner

1. Narcotic trafficking is still a primary means for financing terrorist activities. But it's often hard to prove the link between the funding mechanism – drugs or illicit goods- and terrorism. There have been some high-profile terrorism cases, as you are well aware, that were funded by means other than drug sales:

- alien smuggling funded the Madrid bombing and
- intellectual property rights (IPR) violations (the sale of knock-off t-shirts) funded the 1993 World Trade Center bombings, which cost al-Qaeda a total of only $25,000.

(a) Has ICE been able to effectively focus its investigative resources on these alternative means of financing terrorism?
(b) What is your overall strategy for targeting the various means of money laundering, including narcotics?

TOM DAVIS, VIRGINIA,
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JIM COOPER, TENNESSEE

BERNARD SANDERS, VERMONT,
INDEPENDENT

August 23, 2004

The Honorable Robert Bonner
Commissioner
U.S. Customs and Border Protection
Department of Homeland Security
1300 Pennsylvania Avenue, N.W.
Washington, D.C. 20229

Re: "Drugs And Security In A Post-9/11 World: Coordinating The Counternarcotics Mission At The Department Of Homeland Security"

Dear Commissioner Bonner:

Thank you very much for your testimony on July 22, 2004 before the Subcommittee on Criminal Justice, Drug Policy and Human Resources (Government Reform Committee), and the Subcommittee on Infrastructure and Border Security (Select Committee on Homeland Security). We found your testimony both insightful and helpful. Due to the limited amount of time available for the hearing, however, we were unable to address all of the issues involved. To better help the Subcommittee understand these significant issues, we are submitting to you the attached lists of questions for the record, including a list submitted by Rep. Jim Turner, Ranking Member of the Homeland Security Select Committee.

In order to help the Subcommittees move forward with their work on this subject, we request that you respond to these questions in writing no later than the close of business on Thursday, September 23, 2004. Your answers will be included in the written record.

Thank you very much for your time and assistance. If you have any questions, you may contact Nick Coleman, a member of the Criminal Justice Subcommittee staff, at 202-225-2577, or Mandy Bowers, a member of the Border Security Subcommittee staff, at 202-226-8417.

Sincerely,

Dave Camp
Chairman
Subcommittee on Infrastructure and Border Security
Select Committee on Homeland Security

Mark E. Souder
Chairman
Subcommittee on Criminal Justice, Drug Policy and Human Resources
Government Reform Committee

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

SELECT COMMITTEE ON HOMELAND SECURITY
SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER SECURITY

"DRUGS AND SECURITY IN A POST-9/11 WORLD: COORDINATING THE COUNTERNARCOTICS MISSION AT THE DEPARTMENT OF HOMELAND SECURITY"

JULY 22, 2004

FOLLOW-UP QUESTIONS FOR THE WRITTEN RECORD FOR COMMISSIONER ROBERT BONNER, U.S. CUSTOMS AND BORDER PROTECTION

1. In February of this year, the Department and the Office of Personnel Management (OPM) issued proposed new regulations for a personnel management system at DHS – which did not mention drug interdiction activities. Will you be providing any comments or other input to the drafters of those proposed regulations concerning counternarcotics activities? Are you taking any steps, or do you plan to take any steps, to ensure that the personnel management systems (especially the employee performance appraisals) used at your agency explicitly take drug interdiction activity into account?

2. Do the employee performance appraisals currently used by your agencies already explicitly take drug interdiction performance into account?

3. Has the Department of Homeland Security come to a consensus about who should represent DHS on the Interdiction Committee (TIC)? In general, who should represent the Department of Homeland Security on interdepartmental coordinating programs, committees, or task forces? Should it be the Counternarcotics Officer? Or should it be another DHS official?

4. ICE, Customs and Border Protection (CBP), and Citizenship and Immigration Services (USCIS) are currently engaged in what is called a "reconciliation of funds" between the 3 agencies. At stake is approximately $500 million purportedly owed to ICE by CBP.

    a. What is the current status of this reconciliation process? Who is going to make the final decision on this?

b. Are you concerned that this money shortfall could affect ICE's ability to combat the flow of illegal narcotics into this country? How are CBP and ICE working together to prevent that from happening?

5. During our Subcommittee hearing in Las Cruces, New Mexico, we learned that the Border Patrol, ICE AMO, and the Coast Guard have all begun to test and evaluate unmanned aerial vehicles (UAV), similar to the Predator drone used by the military, to patrol the borders and our coastal waters. It appears, however, that each of the three agencies is pursuing separate UAV programs.

   a. Do the divisions within DHS coordinate their testing and evaluation programs for the UAV's?

   b. Would it not make more sense to choose one UAV that would service all three agencies?

6. Are AMO and the Border Patrol fully cooperating on signal intelligence programs at the borders? Do they share the information obtained from these signal intelligence programs?

7. Currently, the Border Patrol has a memorandum of understanding (MOU) with the Drug Enforcement Administration (DEA), under which the Border Patrol notifies DEA of major drug seizures at the border and gives DEA the option to follow up and investigate the seizures. Will the Border Patrol enter into a similar MOU with ICE's Special Agents? If so, when will that MOU be ready to sign? If not, why not?

8. At the hearing, we briefly discussed the air and marine assets and missions of ICE AMO, the Border Patrol at CBP, and the Coast Guard. For the written record, we would like your detailed answers to the following:

   a. What is the unique mission of the Border Patrol's air and marine operations?

   b. What are the unique missions of Coast Guard's and AMO's air and marine programs, and how do they differ from the Border Patrol's?

   c. Would we provide the American people with a more efficient program if we were to combine the efforts of three separate air and marine programs into two, or maybe even just one program?

   d. We understand that the Department commissioned a study by an outside consultant of its air and marine programs. We have requested that Assistant Secretary Garcia provide us with a copy of that study (or of the most recent draft of the study). Do you agree with the recommendations it

made? If there are any recommendations you disagree with, please identify them and state why you disagree.

9. ICE AMO, Coast Guard, and CBP have all proposed fleet modernization plans – i.e., buying new vessels, aircraft, and other equipment to help you meet your agency responsibilities. These plans will all be quite expensive, so we have some questions about them:

   a. If you were not able to implement Border Patrol's modernization plans, how would that affect that agency's ability to operate?

   b. Given the limited set of resources available to Congress, how would you allocate money for equipment procurement for all three programs?

10. Right now, it appears that the Border Patrol, Coast Guard and AMO do not communicate with each other on a systematic basis about their flights and aerial missions. This creates a potential not just for mission duplication, but also officer safety – two federal aircraft patrolling the same area or chasing the same target may end up crashing into each other. What steps have you taken to improve that communication? Wouldn't it make sense to have each DHS agency provide advance flight information to one operations center, which could then help "deconflict" the missions?

11. The Subcommittee staff recently visited CBP's National Targeting Center (NTC), which collects and analyzes intelligence and then uses it to set the criteria for when Customs inspectors target a commercial shipment at a port of entry for inspection. My staff were told, however, that the NTC only does this work with respect to potential terrorist threats; it does not do this intelligence work with respect to narcotics smuggling. Instead, it appears that CBP leaves this kind of drug intelligence analysis at the local level, at the individual ports of entry. This means that local or regional trends in drug smuggling may not be communicated on a systematic basis within CBP. Do you have any plans to expand NTC's work into drug smuggling? If not, why not? Do you need additional resources to do that?

12. When the unit of legacy Customs Patrol Officers known as the "Shadow Wolves" (who operate exclusively on the territory of the Tohono O'odham Indian nation in southern Arizona) was transferred from the Customs Service to CBP, it was administratively assigned to the command of the local Tucson Sector of the Border Patrol. Since that time, there have reportedly been constant problems, due in large part to the differing missions and procedures of the Shadow Wolves and the Border Patrol. I discussed those problems with you last year. It appears, however, that the steps which CBP took to resolve the differences have not worked, and now the Shadow Wolves' numbers are shrinking as its members take early retirement, or quit to work for other agencies.

a. What affirmative, additional steps is CBP planning to take to preserve the Shadow Wolves?

b. Given the very different mission priority of the Shadow Wolves, namely drug interdiction, why should they remain within the Border Patrol command structure?

c. If the Shadow Wolves gradually disappear, what steps will CBP take to ensure that the massive amounts of drugs they intercept each year do not enter the country?

d. Are you planning to expand the Shadow Wolves, or units similar to them, to other Indian reservations, such as the Akwesasne reservation in upstate New York? If so, will they continue to remain within the Border Patrol?

13. One major issue facing DHS and the entire federal government is coordinating all of the disparate agencies' gathering, analysis, and dissemination of intelligence. To better help our Subcommittees understand this issue, we would like to obtain information on the scope, function, organization and number of intelligence centers, task forces, databases, and similar programs both within DHS and those supported by DHS. Please provide us with a complete list of the following:

a. Each intelligence center, intelligence office, intelligence-related task force or other coordinating organization, and information-sharing database (involved in obtaining, collecting, analyzing, communicating, and/or disseminating criminal or security information or intelligence) that your agency administers, including information on its purpose and scope of operations, and listing each agency that participates in it (and the extent and nature of that participation).

b. Each intelligence center, intelligence office, intelligence-related task force or other coordinating organization, and information-sharing database (involved in obtaining, collecting, analyzing, communicating, and/or disseminating criminal or security information or intelligence) that your agency participates in (but is administered by another agency), including information on its purpose and scope of operations, and listing the extent and nature of that participation.

c. Any deficiencies which your agency has identified in how DHS or partner agencies obtain, collect, analyze, communicate, and/or disseminate criminal or security information or intelligence, and proposed solutions.

d. The nature and extent of your agency's interactions with the newly established Terrorist Threat Intelligence Center.

Select Committee on Homeland Security
Subcommittee on Infrastructure and Border Security
"Counternarcotics at the Department of Homeland Security: How Well Are Anti-Drug Trafficking Operations Being Supported and Coordinated?"
Thursday, July 22, 2004, 2:00 p.m.

Questions for Commissioner Bonner, U.S. Customs and Border Protection (CBP), from Rep. Jim Turner

1. During the Homeland Security Committee staff oversight visits to several southwest border crossings earlier this year, the staff found that there were few, if any, ports of entry that had adequate resources to conduct outbound inspections for bulk currency or strategic technology smuggling.

(a) Do you have any plan to permanently increase the number of outbound inspectors?
(b) If so, please provide the specific steps that will be taken to permanently increase the number of outbound inspectors, including target staffing levels and location. ***The Committee understands this information may be law-enforcement sensitive and will treat appropriately answers so-designated.***

2. The Government Accountability Office (GAO) stated that terrorism experts, members of the trade community, and Customs and Border Protection (CBP) inspectors deem cargo manifests to be unreliable in determining whether a cargo container presents a security risk. Even with the industry sending CBP manifest information 24-hours in advance, CBP is placing a great deal of trust that the shipper is actually loading the contents listed on the manifest.

(a) How can the Department of Homeland Security state it is inspecting high-risk containers when the targeting data is *de facto* unreliable?

(b) What is the Department doing to verify that items listed on the manifest are actually in the container?

3. The GAO has stated that CBP inspectors deployed at foreign seaports in support of the Container Security Initiative (CSI) are overseas for 120 days. There is some concern that sending inspectors overseas for such a short period of time is not sufficient to ensure that they develop the relationships with foreign customs services necessary to obtain the information required to effectively target shipments.

(a) Why are inspectors deployed overseas for such a short period of time?
(b) Have you or any of your staff begun looking at longer-term deployments for CSI inspectors to ensure containers are appropriately targeted and inspected?
(c) If so, what are the obstacles you have identified in establishing longer-term deployments?

(d) If so, what additional resources will be needed?

4. Members of the Committee are concerned that the Border Patrol has yet to align or modify its Memoranda of Agreement (MOAs) on case referrals. For example, Border Patrol is still operating under an MOA to refer all drug investigations to the Drug Enforcement Agency (DEA). This was because Border Patrol and DEA were both in the Department of Justice prior to the creation of DHS. However, there must be some mechanism for the Border Patrol to, at a minimum, notify its sister agency, ICE, of all drug case referrals to DEA.

We also understand that the Border Patrol routinely refers money laundering cases to the Internal Revenue Service for investigation, despite the fact that this is one of ICE's primary investigative responsibilities.

(a) Is there any plan to modify or update the Border Patrol's MOAs to reflect their new position within DHS?

(b) If so, what changes are being recommended for Border Patrol drug or money laundering case referrals, and when can we expect those changes to be implemented?

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August 23, 2004

Mr. Roger Mackin
Counternarcotics Officer
Department of Homeland Security
1331 F Street, N.W.
Washington, DC 20530

Re: "Drugs And Security In A Post-9/11 World: Coordinating The Counternarcotics Mission At The Department Of Homeland Security"

Dear Mr. Mackin:

Thank you very much for your testimony on July 22, 2004 before the Subcommittee on Criminal Justice, Drug Policy and Human Resources (Government Reform Committee), and the Subcommittee on Infrastructure and Border Security (Select Committee on Homeland Security). We found your testimony both insightful and helpful. Due to the limited amount of time available for the hearing, however, we were unable to address all of the issues involved. To better help the Subcommittee understand these significant issues, we are submitting to you the attached lists of questions for the record, including lists submitted by Rep. Jim Turner, Ranking Member of the Homeland Security Select Committee, and Rep. Nathan Deal, Vice-Chairman of the Criminal Justice Subcommittee.

In order to help the Subcommittees move forward with their work on this subject, we request that you respond to these questions in writing no later than the close of business on Thursday, September 23, 2004. Your answers will be included in the written record.

Thank you very much for your time and assistance. If you have any questions, you may contact Nick Coleman, a member of the Criminal Justice Subcommittee staff, at 202-225-2577, or Mandy Bowers, a member of the Border Security Subcommittee staff, at 202-226-8417.

Sincerely,

Dave Camp
Chairman
Subcommittee on Infrastructure and Border Security
Select Committee on Homeland Security

Mark E. Souder
Chairman
Subcommittee on Criminal Justice, Drug Policy and Human Resources
Government Reform Committee

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SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN RESOURCES

SELECT COMMITTEE ON HOMELAND SECURITY
SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER SECURITY

"DRUGS AND SECURITY IN A POST-9/11 WORLD: COORDINATING THE COUNTERNARCOTICS MISSION AT THE DEPARTMENT OF HOMELAND SECURITY"

JULY 22, 2004

FOLLOW-UP QUESTIONS FOR THE WRITTEN RECORD FOR ROGER MACKIN, COUNTERNARCOTICS OFFICE, DEPARTMENT OF HOMELAND SECURITY

1. At the hearing, we discussed the staff made available to you by the Department of Homeland Security. For the record, please provide us with a list of all personnel assigned to you as Counternarcotics Officer (CNO) at DHS. Please also provide us with a list of all staff that have been assigned by any branch of the federal government to the office of the United States Interdiction Coordinator (USIC). Please also provide us with a description of your authority within DHS to hire, fire, or reassign any personnel assigned to you as CNO.

2. Do the personnel assigned to the USIC staff from other agencies bring with them field experience? For each such person, what was his or her most recent field assignment, and when was it? For what length of time are these personnel assigned to your staff? What impact, if any, does this rotation of assigned personnel have on the effectiveness of the USIC office?

3. In your current capacity you serve as both the DHS CNO and the USIC. What do you think is the primary difference between those two positions? Which title do you most frequently use when dealing with people inside DHS, and which do you most frequently use outside DHS? Have there been any problems with this "dual-hat" assignment? Furthermore, how do these two positions relate to your third "hat" as the intelligence expert at the Office of National Drug Control Policy (ONDCP)?

4. In your opinion, has there been a reduction in assets contributed by DHS in the drug "transit zone" since 9/11? Please provide us with data showing the amount of resource (e.g., personnel and assets, including air and surface assets) hours for an average month pre-9/11 and post 9/11. If there has been a reduction, please explain why this has occurred, and if it will be remedied in the near future.

5. We have often heard the catch phrase, "doing more with less". Has improved intelligence generated greater opportunities to intercept drug loads?

6. Have there been instances where DHS was unable to act on intelligence about drug trafficking because of a lack of available assets?

7. How should we measure "success" in drug interdiction? What are the best metrics – price? purity? total number of seizures?

8. In February of this year, the Department and the Office of Personnel Management (OPM) issued proposed new regulations for a personnel management system at DHS – which did not mention drug interdiction activities. Will you be providing any comments or other input to the drafters of those proposed regulations concerning counternarcotics activities? Are you taking any steps, or do you plan to take any steps, to ensure that the personnel management systems (especially the employee performance appraisals) used at your agency explicitly take drug interdiction activity into account?

9. What percentage of the personnel, equipment, and other assets assigned to the Joint Interagency Task Force South (JIATF-South), based in Key West, Florida, is provided by DHS entities? Have any of your agencies reduced your contributions to JIATF-South since September 11, 2001? If so, how big was the reduction?

10. Has the Department of Homeland Security come to a consensus about who should represent DHS on the Interdiction Committee (TIC)? In general, who should represent the Department of Homeland Security on interdepartmental coordinating programs, committees, or task forces? Should it be the Counternarcotics Officer? Or should it be another DHS official?

11. With the loss of Department of Defense, and Dutch airborne marine patrol capability, the U.S. must increasingly rely on DHS assets to fulfill the requirement of maritime interdiction in the Transit Zone. This Subcommittee understands that the SeaVue Radar system would provide ICE AMO with an appropriate and efficient airborne platform to conduct the required maritime interdiction role.

    a. If ICE AMO received funding to upgrade P-3 platforms to carry the SeaVue radar, what short-range advantage will be gained over the present maritime interdiction capabilities?

    b. If ICE AMO achieved this increased capability, how would they employ this asset? Does this plan coincide with national maritime interdiction requirements?

    c. Will the increase in hours flown by aging ICE AMO P-3 platforms severely impact AMO's ability to fulfill their required missions 5 years

down the road? If so, will passage of AMO's modernization plan be required to maintain their aviation viability?

d. How significant of a problem is the continuing reduction in the Defense Department's contribution to airborne maritime patrol? What solutions would you suggest?

12. One major issue facing DHS and the entire federal government is coordinating all of the disparate agencies' gathering, analysis, and dissemination of intelligence. Please describe to us any deficiencies which you have identified in how DHS or its partner agencies obtain, collect, analyze, communicate, and/or disseminate criminal or security information or intelligence, and proposed solutions.

13. During our Subcommittee hearing in Las Cruces, New Mexico, we learned that the Border Patrol, ICE AMO, and the Coast Guard have all begun to test and evaluate unmanned aerial vehicles (UAV), similar to the Predator drone used by the military, to patrol the borders and our coastal waters. It appears, however, that each of the three agencies is pursuing separate UAV programs.

a. Do the divisions within DHS coordinate their testing and evaluation programs for the UAV's?

b. Would it not make more sense to choose one UAV that would service all three agencies?

Select Committee on Homeland Security
Subcommittee on Infrastructure and Border Security
"Counternarcotics at the Department of Homeland Security: How Well Are Anti-Drug Trafficking Operations Being Supported and Coordinated?"
Thursday, July 22, 2004, 2:00 p.m.

Questions for Mr. Roger Mackin, Counternarcotics Officer & U.S. Interdiction Coordinator, from Rep. Jim Turner

1. As noted throughout the hearing, one of DHS' primary missions under the Homeland Security Act of 2002 is counter narcotics enforcement. This is because the legacy DHS agencies together seize more narcotics than all the other agencies combined, according to the El Paso Intelligence Center run by the Drug Enforcement Administration (DEA). This is significant because there are a total of 22 federal agencies involved in counter narcotics investigations / seizures.

Despite this compelling mandate and these statistics, ICE still has to ask permission from the DEA, under a pre-existing Memorandum of Understanding, to pursue and investigate all instances of drug smuggling, such as a controlled delivery (a delivery of a controlled substance to suspect violators under the control and surveillance of law enforcement officers). This seems like an outdated and restrictive provision that is hampering ICE narcotics enforcement operations.

(a) Do you think this MOU should be revisited, given that DHS is responsible for the majority of drug seizures?
(b) If not, why not?
(c) If so, what is your plan to revise the MOU so that responsibility and control over investigations is appropriately divided based on seizure statistics?
(d) If you do not agree that this is the way to divide responsibility and control, what method do you recommend?

2. Mr. Mackin, your testimony states you are detailing two of your employees to help stand up the Fusion Center at DEA.

(a) Isn't it true that these two employees are former DEA agents? Are they now paid by DHS-if not, who pays their salaries?

(b) Why are you tasking DHS employees to support the DEA Fusion Center instead of assigning them to work on DHS-related coordination matters, especially since you state in your testimony you do not have enough support to conduct coordination efforts?

3. Currently, ICE does not have direct authority to investigate crimes under U.S.C. Title 21 (drug enforcement); instead, they must ask permission from the Drug Enforcement Administration to pursue a smuggling case after the drugs have crossed into the United States, pursuant to a Memorandum of Understanding. Additionally, ICE agents can be cross-designated

to work drug cases, but this is on an individual basis. This hampers ICE's ability to conduct drug smuggling operations.

(a) The U.S. Customs Service has played a major role in interdicting the flow of narcotics into the U.S. for the last several decades – and ICE and CBP now continue that tradition. What is your opinion on whether ICE should have independent Title 21 authority?

(b) What are you doing to ensure that ICE will continue to maintain their authority under Title 21 from cross-designation, since ICE has a proven track record in narcotics interdiction and money laundering?

4. Since the FBI's ramping up of counterterrorism activities after 9/11, they have, by their own admission, reduced their narcotics enforcement efforts. Both DEA and FBI receive OCDETF funding. Despite the FBI's reduced enforcement activities, the Department of Justice is receiving the majority of OCDETF funding in Fiscal Year 2004.

(a) Do you agree that OCDETF funding should be distributed proportionately to all agencies' involvement in the Task Force?

(b) Mr. Mackin, based on your office's responsibility to liaise with other Departments on counter narcotics activities, how do you intend to secure proportionate OCDETF funding for DHS, based on its drug seizure statistics and prominent role in counter narcotics enforcement?

5. The al-Qaeda manual advises its operatives to "blend in," which in the past has meant funding operations through intellectual property rights (IPR) violations. This is because IPR violations routinely are considered "victimless" crimes and therefore receive minimal penalties. For example, in a recent IPR conviction on $15 million worth of goods, the subject received only one year in prison. If this had been $15 million worth of drugs, he would likely have received at least a 20 year sentence.

(a) Smuggling is smuggling – whether it is a weapon of mass destruction or drugs or goods that will fund illegal operations. Do you agree?

(b) Do you think it is a good idea to increase the penalties under 18 USC 545 (smuggling violations) in general – not just drugs?

6. Mr. Mackin, before the 9/11 attacks, the U.S. Intelligence community provided a great deal of support to law enforcement agencies conducting counter narcotics operations. This intelligence support was crucial in the increase in seizures and disruptions that took place from 1999-2001.

(a) With the intelligence community focused on terrorism, and supporting the wars in Iraq and Afghanistan, do you believe DHS has the necessary intelligence support to effectively carry out its counter narcotics mission?

(b) If not, how do you propose to increase the amount of intelligence flowing to counter narcotics investigations?

7. Some Members of the Committee are very troubled by your written testimony, in which you indicate your support for creating a duplicative National Drug Fusion Center at DEA - instead of supporting the existing Money Laundering Coordination Center (MLCC) run by ICE.

(a) Isn't it true that DEA's proposed Fusion Center would be limited to money laundering cases involving narcotics?

8. You may be aware that the Director of Homeland Security and Justice for the Government Accountability Office testified in May, before Chairman Souder's subcommittee, in fact, that "most in government agree that [ICE and IRS] are the premier financial crime analysts." He went on to describe other agencies' efforts to establish their own financial crimes capabilities as "knee-jerk," and specifically referenced DEA.

(a) Isn't it true that you are supporting a Center that is both out of the area of expertise of DEA – money laundering - when the recognized experts at ICE already have a Center to do precisely what DEA is proposing and you are supporting?

(b) It seems it would be much easier to expand ICE's capabilities rather than stand up a new Center that is limited to drug-related financial investigations. What can the Fusion Center do that the MLCC isn't already doing - <u>or couldn't do</u> - under its existing mission?

Congressman Nathan Deal
Questions for Roger Mackin, US Interdiction Coordinator
Before the House Government Reform Committee, Subcommittee on Criminal Justice
July 22, 2004

Q. In Fiscal Year 1999, Congress passed the Western Hemisphere Drug Elimination Act (WHDEA) that authorized funding for the acquisition of assets needed for our country's drug interdiction efforts. Some of the programs identified have been funded, while others received partial funding. The authorization has since expired. I have some questions pertaining to this law.

1) WHDEA identified a need for a total of 30 P-3 aircraft to be used by the then-Customs Service in its drug interdiction mission. This requirement was based on studies conducted by the then-US Interdiction Coordinator's office that found these aircraft to be the best aircraft for the detection, monitoring and long-range tracking missions. However, only16 aircraft have been funded to meet this requirement. Since the tragedy of September 11th, these aircraft have been tasked to perform additional, critical homeland security missions such as Presidential protection, protection of American cities, and critical infrastructure, to name a few. It is my understanding that these aircraft and crews have performed their various missions admirably. Are these aircraft still a valuable asset to have for these high endurance mission?

2) Are there plans to review and update the requirements studies for both drug interdiction and homeland defense?

3) Should Congress plan to renew the WHDEA authorization so that the needed assets, such as 14 additional P-3 aircraft, might be acquired?

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