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DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR 2009

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED TENTH CONGRESS

SECOND SESSION

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DEPARTMENT OF HOMELAND SECURITY

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DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR 2009

TUESDAY, APRIL 1, 2008.

ADDRESSING THE CHALLENGES OF PROTECTING THE NATION'S PHYSICAL AND CYBER INFRASTRUCTURE

WITNESSES

ROBERT JAMISON, UNDER SECRETARY FOR THE NATIONAL PROTECTION AND PROGRAMS DIRECTORATE
ROBERT STEPHAN, ASSISTANT SECRETARY FOR INFRASTRUCTURE PROTECTION
GREGORY GARCIA, ASSISTANT SECRETARY FOR CYBERSECURITY AND COMMUNICATIONS

Mr. PRICE. The subcommittee will come to order. We want to welcome to this afternoon's hearing three witnesses, Robert Jamison, the Under Secretary for the National Protection and Programs Directorate at the Department of Homeland Security, Robert Stephan, the Assistant Secretary for Infrastructure Protection, and Gregory Garcia, the Assistant Secretary for Cybersecurity and Communications. Gentlemen, we welcome all of you and we appreciate your being here.

OPENING STATEMENT OF CHAIRMAN PRICE

Today, we are going to be discussing the Department's approach to protecting our nation's critical infrastructure, physical assets, such as ports, chemical plants, and nuclear facilities, as well as the servers and computer networks that make up the cyber infrastructure upon which our society increasingly relies. Given the vast diversity of our nation's key assets, more than 80 percent of which are privately owned, the National Protection and Programs Directorate, or NPPD, uses a broad range of programs, relationships, and authorities to protect against attacks on our nation's infrastructure and to reduce the impact of any catastrophes that may occur. While the NPPD's budget also includes the US–VISIT program, we have already had a US–VISIT hearing a couple of weeks ago, so in this hearing today, we are going to focus on the infrastructure protection and cybersecurity and emergency communications responsibilities that round out NPPD's portfolio.

Excluding funding for the US–VISIT program, which is part of NPPD but has no direct impact on the security of the nation's infrastructure, the 2009 budget for the agency is $895.8 million. That is an increase of $193.7 million over the 2008 enacted level. Since this increase includes a $34.5 million transfer of the LORAN radio navigation system from the Coast Guard budget to NPPD, the net

budgetary growth at NPPD is roughly $160 million over 2008, still a sizable increase, something like 23 percent. Nearly all of this proposed increase goes to two programs in the Cybersecurity and Communications Division. The budget proposes that the National Security and Emergency Preparedness Telecommunications program grow by more than $100 million or 74 percent over the 2008 enacted level. The funding for the administration's Cybersecurity initiative increases by more than $83 million in the 2009 budget or 39 percent over the 2008 enacted level, to nearly $300 million for the year. This is on top of a 2008 appropriation that was already 128 percent more than had been provided in 2007, meaning that cybersecurity funds in 2009 will be more than triple the level just two years before.

These increases for cybersecurity and communications are all the more notable, because the budget proposes that overall spending at the department grow less than one percent in 2009. We need a thorough understanding of why these programs, in particular, merit the large increases that have been proposed and we look forward to discussing that with you today.

The budget for infrastructure protection does not fare nearly as well as cybersecurity and communications, increasing by only $204,000 or less than one-tenth of one percent, to a total funding level of $272.8 million. We want to ask today is such austerity merited for infrastructure protection. This division has important responsibilities for securing the nation's chemical facilities, managing relationships with participants in the national infrastructure protection plan, and modeling the consequences of disasters, both natural and manmade, so that emergency managers can better develop response plans and policies. As part of the 2008 Appropriations Act, infrastructure protection also received significant new authority to regulate the chemical ammonium nitrate. I would like to know whether this budget is adequate for managing the current infrastructure protection workload while also implementing these new regulatory responsibilities.

We are also interested in work being done at NPPD's consolidated risk management analysis office, which has responsibility for coordinating DHS-wide risk policy and developing a consistent risk analysis framework for the entire department. We have heard from many outside witnesses about the importance of risk analysis, both to inform resource allocation and to measure programmatic results. We are eager to hear about the progress this office is making and the plans for it in 2009.

Under Secretary Jamison, I would also like to discuss your goals for NPPD over the coming year. As we all know, NPPD is the latest product of several programmatic reorganizations carried out since the creation of DHS. Whoever takes charge in 2009 needs to be able to rely on NPPD to help protect the country's vast infrastructure and we need to make sure that on January 29, 2009, the next president will have a highly functional organization, helping protect our country.

We have your written statement, Mr. Under Secretary, so I will ask you to summarize your testimony in five minutes or so, so that we have adequate time for members' questions. Before that, let me turn to ranking member Harold Rogers for his remarks.

OPENING STATEMENT OF RANKING MEMBER ROGERS

Mr. ROGERS. Thank you, Mr. Chairman. Welcome, gentlemen. Today, we are here to discuss what many view as one of the most fundamental missions of DHS, to protect our nation's critical infrastructure, key resources, vital systems from attack or sabotage. From powerplants, to communications systems, to chemical facilities, to cyber networks, it is the National Protection and Programs Directorate, NPPD, that is charged with both the protection and risk mitigation of critical infrastructure that keeps commerce moving, powers our homes, fuels American innovation. And in spite of this critical mission, it is the components that make up NPPD that have undergone what are perhaps some of the most turbulent reorganizations and changes since DHS was stood up some five plus years ago.

So, as NPPD enters only its second year of stability within its own organization, we have a new leader at its helm, Under Secretary Jamison. While I have heard you hit the ground running in just your first few months on the job, I am especially interested to hear about your instilling the core processes and staffing that will enable the agency to meet its vast and challenging mission, as well as withstand the coming turnover in administrations.

A familiar face is here with us, Assistant Secretary Stephan. Between your time at the Executive Office of the President and DHS, you have been at this chore of infrastructure protection for over five years now. And while I am sure you have endured your share of frustrations, I am equally confident that you can share with the subcommittee the tremendous progress made in addressing the risks posed to our nation's critical infrastructure sectors.

DHS was not necessarily envisioned to be a regulatory body, but that responsibility has largely evolved under your watch, as you strive to implement the newly crafted chemical facility regulations.

And finally to Assistant Secretary Garcia, you bear the responsibility for securing what is perhaps the most dynamic and most challenging infrastructure, cyber and communications networks. There has been a lot of recent activity in terms of the constantly shifting and intensifying threats confronting our cyber systems, threats which are emanating from both state and non-state actors. I can only hope that we are moving swiftly enough to keep up with them.

Just over a week ago, the administration announced the establishment of a new interagency group to oversee cyber attack defense. Secretary Chertoff also has recently appointed the first director of the National Cybersecurity Center, a new DHS lead initiative tasked with a vital mission, but one with a yet to be defined plan for its implementation. I am hopeful we can ascertain some unclassified details about that initiative, as I see it directly related to NPPD's cybersecurity mission and obviously critical to our homeland security.

Under Secretary Jamison, as you may have heard me say before, I subscribe to the old adage, plan your work, work your plan. Today, we are hopeful we can hear your plan for taking NPPD from what was a conceptual merger of vital tasks to a robust functional organization that can step up and adapt to the constantly

changing threats facing our nation's critical infrastructure and key resources. Further, given that the vast amount of critical infrastructure in the country is owned by the private sector, we would like to hear how you are leveraging support within that community, to ensure our safety and our way of life.

We all know the stakes. You know our expectations. Major funding demands major planning and it is up to you to show us how the 2009 budget request will move you forward on a plan that achieves real results. Thank you, Mr. Chairman.

Mr. PRICE. Thank you. Mr. Jamison, please proceed.

STATEMENT OF MR. ROBERT JAMISON, UNDER SECRETARY FOR THE NATIONAL PROTECTION AND PROGRAMS DIRECTORATE, DEPARTMENT OF HOMELAND SECURITY

Mr. JAMISON. Good afternoon, Chairman Price, ranking member Rogers and members of the subcommittee. Thank you for the opportunity to appear before you today to discuss the work of NPPD, the progress we have made over the past year, and how the President's budget request for fiscal year 2009 will position us to fulfill a key role for the Department in its mission to protect the nation. Both the Chairman and the ranking member have expressed a desire to hear my goals for the organization. Since I arrived at NPPD, we have focused on three priorities: hiring and retaining talent for critical positions, strengthening the Directorate's business processes, and advancing our key programmatic areas. At the top of our programmatic list are the implementation of the chemical security regulations, bolstering the nation's cybersecurity, and developing a comprehensive biometric air exit solution. We are making substantial progress in these areas, and you will see that these focused areas are reflected in the fiscal year 2009 budget request at $1.286 billion.

Attaining our staffing levels and ensuring that staff are appropriately matched to the challenges and responsibilities facing them is a top priority. We have standardized our hiring process and expanded our options for getting talent on board. Through process engineering and focused management, we have reduced our time to move from the hire phase of the hiring process to extending a tentative offer by 45 percent, from 116 days to 63 days. We have also expanded the use of our other important programs, such as the Presidential Management Fellows, the DHS Policy Fellows, and Cyber Scholars, to bring quality individuals into all levels of the NPPD organization.

We continue to review and evaluate our federal-to-contractor staff ratio in key functions to ensure we have the stability and are prepared for a transition. We are several steps along the path to convert 107 contract positions to government employees and have identified approximately 120 additional positions for conversion.

As we grow our programs and ramp up our staffing levels to accomplish our mission, NPPD must bolster its infrastructure, putting in place reliable internal structures and robust business processes. To address this need, the directorate administration budget request is $43 million and 78 positions, for an increase over fiscal year 2008 of $5.2 million and 24 positions.

Advancing our programmatic mission in fiscal year 2009 includes two top priorities. The first, further implementation of CFATS, or the Chemical Facility Antiterrorism Standards, has included in the past year the release of the CFATS interim final rule, which imposes for the first time comprehensive federal security regulations for high-risk facilities. In fiscal year 2009, the President's budget will expand an inspection cadre to drive compliance efforts, secure operation and maintenance of the Chemical Security Assessment Tool system, and establish a permanent adjudications capability. The increase is $13 million over fiscal year 2008 appropriated funding of $50 million, for a total of $63 million.

Cyber threats are real and growing and cybersecurity is one of the Secretary's top priorities. NPPD improved cybersecurity situational awareness in the past year by deploying an additional 39 EINSTEIN sensors at federal agencies, but we must do more. The Directorate is also leading parts of an interagency effort to secure the .gov network by consolidating access points, expanding intrusion detection capabilities, and improving our response capabilities. The fiscal year 2009 request for NCSD, which handles these programs, is $293.5 million, an increase of $83.1 million.

The Office of Intergovernmental Programs spearheads the Department's outreach and coordination of the Secretary's goals with our security partners across the nation. The Office of Risk Management Analysis plays a leading role in establishing the department's integrated risk framework, which underpins a full spectrum of homeland security activities. These mission areas are reflected as a priority in the budget request with $2 million for IGP and $9.5 million for RMA.

In conclusion, as we continue the critical work in NPPD, we know that we will be successful only by focusing on building an outcome-based performance culture. I am proud of the steps that we have taken along this path and I am confident that the President's budget well positions NPPD for the future. I appreciate the opportunity today to discuss our accomplishments and our plans for fiscal year 2009. NPPD has a broad and diverse programmatic portfolio and I have only highlighted a piece of that portfolio for you in this statement. However, I am pleased to be joined by Assistant Secretary Stephan and Assistant Secretary Garcia and will be happy to answer more of your programmatic questions. Thank you.

[The information follows:]

Statement for the Record

Robert D. Jamison
Under Secretary

United States Department of Homeland Security

Before the

United States House of Representatives
Appropriations Committee
Subcommittee on Homeland Security

April 1, 2008

Good afternoon, Chairman Price, Ranking Member Rogers, and Members of the Subcommittee. Thank you for the opportunity to appear before you to discuss the work of the National Protection and Programs Directorate (NPPD), the progress we have made in the first year of the Directorate's existence, and how the President's budget request for fiscal year 2009 will position us to assist the Department in its mission to protect our Nation.

Strategic Priorities for the National Protection and Programs Directorate

NPPD has three overarching priorities for fiscal year 2009: hire and retain talented experts for critical positions that forward the Directorate's mission, strengthen the Directorate's business processes, and advance key programmatic areas. Implementing chemical security regulations, bolstering the Nation's cyber security, and developing a comprehensive biometric air exit solution are the major programmatic challenges NPPD faces. To address them the budget request for NPPD for fiscal year 2009 is $1.286 billion and 849 full-time equivalents (FTE), with the fiscal year 2009 US-VISIT program request of $390.9 million and 119 FTE. The request is an increase of $109 million and 185 FTE over the fiscal year 2008 appropriated amount of $1.177 billion (664 FTE) [1].

One of Secretary Chertoff's top five goals for fiscal years 2007 to 2009 is to "strengthen and unify DHS operations and management" through the hiring and retention of a talented and diverse workforce. Likewise, a priority for NPPD is placing the right people

[1] The FY 2008 appropriated amount includes $275M in emergency funding for the US-VISIT appropriation.

in the right jobs. To accomplish our mission, we must continue to hire qualified staff who are appropriately matched to the challenges and responsibilities facing them.

We are in the process of making several key hires to our leadership ranks and to critical mid-career positions in our growth areas. Further, at the entry level, we are taking advantage of hiring programs, such as the Presidential Management Fellows, and working with academic organizations, such as the National Science Foundation, to identify outstanding individuals who will grow their careers within NPPD. We believe investing in these promising individuals is a strategy that will yield rich dividends as the Directorate matures.

Associated with this effort, NPPD continues to review and evaluate its Federal-to-contractor staff ratio and key functions. In 2007, NPPD began an important initiative to realign its workforce by identifying activities being performed by contractors that, with additional responsibility or authority, could be performed by Federal government employees.

Having the right people in the right jobs is critical as the Directorate and the Department enter a transitional phase to the next presidential administration. To continue to execute our mission, we need a productive and knowledgeable staff onboard. These staff members will ensure an uninterrupted flow of service and provide a functional base upon which new leadership can build once transition is complete.

NPPD's second priority is to shore up the Directorate's business processes. As the Directorate responds to new challenges, it is imperative that we have in place reliable internal structures and robust processes. A strong infrastructure provides the stability necessary to support growth areas. We will conduct a thorough review and analysis of existing human capital, budget, and acquisition processes to identify and remediate any weaknesses. This activity will strengthen the overall management and administrative functioning of the Directorate. In addition, transparency of our budget and accountability to the Congress and to the public for the investments made in NPPD are paramount. Close tracking and accounting of those dollars will continue to be a focus.

The budget request is $43.1 million, 78 positions and 66 FTE for Directorate administration. These funds will be used to bolster our infrastructure by putting in place resources and personnel that will support the anticipated growth necessary to carry out our core business functions. Program increases include $5.2 million, 12 FTE and 24 positions, to support the Office of the Under Secretary, Administration, the Office of Information Management and Business Culture, and the Office of Information Technology, by providing additional staff, recruitment and retention bonuses, training for directorate administration personnel, and investment in business infrastructure. These additional FTE will grow NPPD's skilled Federal workforce and will ensure accurate and coordinated responses to key stakeholders, oversight agencies, and Congress, as well as provide continuity of services, skills, and accountability.

Finally, NPPD will address strategic priorities within our programmatic missions. Implementation of the Chemical Facility Anti-Terrorism Standards (CFATS) will continue to be a major focus in the coming months. Executing this congressionally mandated program includes the appropriate tiering of facilities, establishment of an adjudication function, and deployment of trained inspectors.

Improving the Nation's cyber security posture is a priority for the President, for the Department, and for NPPD. NPPD is leading parts of an interagency effort to secure the .gov network by consolidating access points, expanding our situational awareness, and improving our incident handling capabilities.

Development of a comprehensive biometric air exit solution will advance significantly in the coming months with the publication of a Notice of Proposed Rulemaking. The Department is committed to working toward the deployment of biometric exit procedures at all international airports and seaports by the end of 2008.

These and concomitant priorities are explained within the fiscal year 2009 budget request.

THE OFFICE OF INFRASTRUCTURE PROTECTION

The Office of Infrastructure Protection (IP) leads the coordinated national effort to reduce risk to our critical infrastrucutre and key resources (CIKR) posed by acts of terrorism and enables national preparedness, timely response, and rapid recovery in the event of an attack, natural disaster, or other emergency. IP achieved a number of key milestones in 2007:

- Conducted visits to all Tier 1 facilities (the highest-priority CIKR identified in the Nation) as part of the Tier 1 and Tier 2 Facilities and Systems Engagement. Visits to Tier 2 facilities are ongoing;

- Completed and released 17 sector-specific infrastructure protection plans, which identify requirements and processes that guide the 17 CIKR sectors' protection efforts across the Nation as they look at their own unique risk landscapes;

- Continued to support risk reduction activities, including the facilitation of Site Assistance Visits (SAVs), Buffer Zone Plans (BZPs), and verification and technical assistance visits to CIKR. To date, our Protective Security Advisors have conducted more than 17,443 liaison visits to local jurisdictions and facilities. A total of 516 SAVs have been completed, and 2,061 BZP engagements have taken place with the resulting plans approved by IP. In support of that effort, 210 workshops and 166 Technical Assistance Visits have taken place to enhance locally generated plans. Additionally, last year, six Chemical Sector Comprehensive Reviews (CR) and 65 Nuclear CRs were completed; and

- Worked with the Department of Justice and the interagency community to produce a national strategy for countering Improvised Explosive Devices (IEDs) and an implementation plan for Homeland Security Presidential Directive 19, regarding IEDs.

IP's fiscal year 2009 request of $272.8 million and 386 FTE (440 positions) maintains critical capabilities and expands enforcement of the new chemical security regulations and local collaboration through the Protective Security Advisor program.

Infrastructure Security Compliance: Chemical Security

Another major accomplishment, referenced above, was the release on April 9, 2007, of the CFATS interim final rule, which imposes for the first time comprehensive Federal security regulations for high risk chemical facilities. On November 20, 2007, the Department published the final CFATS Appendix A rule, defining approximately 300 "Chemicals of Interest" and associated threshold quantities, which will help identify potentially high-risk chemical facilities nationwide. With the rules in place, the Department has the authority to require security enhancements and enforce compliance with the program to protect the Nation's high risk chemical facilities from terrorist attack.

Funding of $63.0 million and 78 FTE (123 positions), an additional $13.0 million and 57 FTE (90 positions) over the fiscal year 2008 enacted levels, is required to staff regulatory requirements associated with the chemical sector, as well as to provide tools and systems to collect and analyze vulnerability information, review plans, support and manage inspections activity, issue decisions, address appeals, and support compliance enforcement. Specifically, additional positions will include inspectors, adjudicators, mission support staff, and specialized legal support.

This enhancement permits continued implementation and execution of this congressionally mandated program. The requested funding will provide DHS with a trained inspection cadre and ensure operation and maintenance of the Chemical Security Assessment Tool (CSAT) system. This enhancement will provide additional inspection personnel to drive compliance efforts at high-risk facilities.

The funds will also help establish a permanent adjudications capability responsible for the evaluation and handling of all requests for relief, reconsideration, and appeals under the regulation. The increase also will assist in the development and execution of an economic model to identify and validate the economic risks, chokepoints, and bottlenecks in the chemical sector. During the initial phase, Economically Critical Chemical data will be collected through the screening process, but the capability to analyze and model that data for the purpose of tiering decisions will not yet exist. The requirement to identify chemicals of economic significance to the Nation (e.g., a material essential to the continued operation of an economically important activity, such as power generation, water treatment, durable goods manufacture, and so forth) informs tiering and evaluations of facilities against the risk based performance standards that underlie the program. The increase to this mission area will also assist in the design and implementation of a comprehensive case management system that links data collection tool, Site Security

Plans, and Inspection/Audit reports for trends and analysis, periodic/annual reporting, and records management purposes.

Protective Security Advisor Program

In 2004, the Department established the Protective Security Advisor (PSA) Program, deploying a cadre of critical infrastructure security specialists to 60 metropolitan areas across the United States to represent the Department at the Federal, State, territorial, local, and tribal levels. PSAs were deployed to provide a local perspective to the national CIKR risk picture and serve as DHS' on-site critical-infrastructure and vulnerability assessment specialists as well as a vital channel for officials and private sector owners and operators of CIKR assets to communicate with DHS. In fiscal year 2007, eight additional critical infrastructure security specialists were deployed, for a total of 78 PSAs across the United States and territories.

An increase of $1.7 million is requested in fiscal year 2009 to fund 10 new PSA positions, as well as the requirements associated with field support and equipment. This enhancement will place Protective Security Advisors in the 10 states that currently do not have PSAs. Additional PSAs will coordinate service and resource requests from State, local, and private owners and operators in the States to include training, scheduling of Site Assistance Visits, Buffer Zone Protection Plans, Comprehensive Reviews, and verification and technical assistance visits.

THE OFFICE OF CYBERSECURITY AND COMMUNICATIONS

The Office of Cybersecurity and Communications (CS&C) comprises the National Cyber Security Division, the National Communications System, and the newly created Office of Emergency Communications. All three Offices have made key advances in the last year:

- Increased cyber security situational awareness by deploying an additional 39 EINSTEIN sensors at federal agencies, increasing overall deployment by 243 percent. EINSTEIN is a collection of hardware and software that supports an automated process to collect, correlate, analyze, and share cyber security information in defense of Federal Government networks;

- Identified a significant control system vulnerability referred to as "Aurora." The Department and its Federal agency partners worked with industry technical experts to assess the vulnerability and to develop sector-specific mitigation plans, for example in the nuclear and electric sectors. The jointly-developed mitigation guidance allowed owners and operators within the affected sectors to take deliberate and decisive actions to reduce significantly the risk associated with this vulnerability;

- Developed and exercised, in coordination with the Federal Emergency Management Agency (FEMA), Emergency Communications Teams that deploy

under Emergency Support Function 2 to an incident and coordinate with the communications industry, Federal, state, and local partners to restore national security and emergency preparedness communications, emergency responder communications, and the communications infrastructure;

- Achieved greater than 94% call completion rate for the priority telecommunications service during periods of network congestion; and

- Delivered technical assistance to 35 States and territories in support of their development of Statewide Communication Interoperability Plans. Now, for the first time, all 56 States and territories have strategic plans for advancing interoperable communications.

National Cyber Security Division

Cyber security is a shared responsibility requiring a coordinated effort among a variety of stakeholders. The Department works with its public- and private-sector partners through exercises, the Sector Coordinating Councils, Government Coordinating Councils, and the Process Control Systems Forum to improve cyber preparedness/response. Additionally, the EINSTEIN program provides situational awareness across Federal Government agencies to protect federal computer networks. The EINSTEIN and Trusted Internet Connection programs enhance the Department's ability to address potential cyber threats. The National Cyber Security Division (NCSD) budget request of $293.5 million is intended to expand these capabilities.

United States Computer Emergency Readiness Team

The United States Computer Emergency Readiness Team (US-CERT), a part of the National Cyber Security Division, has the mission of protecting our Nation's internet infrastructure by coordinating defense against and response to cyber attacks. The requested funds of $242.4 million, an increase of $83 million over fiscal year 2008 enacted level, will enhance US-CERT's ability to analyze and reduce cyber threats and vulnerabilities, disseminate cyber threat warning information, and coordinate incident response activities. Additionally, these funds will allow US-CERT to maintain optimal performance and expand its cyber security activities to keep pace with an increasingly threatening environment. The enhancement includes $6.6 million for an additional 45 positions and $76.5 million for program costs. Program costs will include increases for Situational Awareness, Incident Handling, Strategic Operations, and Production.

A Situational Awareness increase of $48.0 million will be for expansion of the EINSTEIN program and for support, services, hardware and software for the Trusted Internet Connections program.

Both the Incident Handling increase of $6.5 million and the Analysis increase of $11.5 million will provide mission support and hardware and software necessary to

complement and support increased workload expected from the expansion of EINSTEIN and Trusted Internet Connection situational awareness activities.

The Strategic Operations increase of $10 million will provide $5 million each for cyber education and supply chain risk management. The Production increase of $500,000 expands on existing capabilities and supports enhanced situational awareness activities.

Control Systems Security Program

The Control Systems Security Program requests $18 million, an increase of $6.0 million, to address the Department's goal of protecting critical infrastructure and key resources by securing control systems. The program implements the national strategy for securing control systems by collaborating with international stakeholders, raising awareness of control systems issues, providing training, and distributing the cross-sector, self-assessment tool. Additionally, the program will use the funds for discovering and identifying control systems specific vulnerabilities and developing corresponding mitigation plans, analyzing malicious software, developing incident response capabilities, and providing security recommendations for next generation systems.

National Communications System

The budget request includes $236.6 million and 103 FTE (110 positions) for National Communications System (NCS), an increase of $100.6 million and eight FTE (14 positions) over the fiscal year 2008 enacted level. The enhancement includes $34.9 million for the Next Generation Networks (NGN) Priority Services program, a necessary part of sustaining Priority Telecommunications services for the National Security and Emergency Preparedness (NS/EP) community.

Development of NGN Priority Services is the natural evolution of NCS' mission because industry's migration to IP-based NGNs presents a new challenge for priority-based communications. Communications problems during the Cuban Missile Crisis spurred the creation of NCS and eventually resulted in the development of Government Emergency Telecommunications Service (GETS). The overwhelmed wireless networks during the events of September 11 led to the development of Wireless Priority Service (WPS). We cannot wait for a similar catastrophe to occur to address the challenges of industry migration to IP-based NGNs. In fact, the series of undersea communications cable outages in the Mediterranean Sea and Persian Gulf earlier this year, which caused massive Internet disruptions to India and parts of the Middle East, demonstrated that it is unwise for National Security Leadership to rely on IP-based communications without priority-based services.

The enhancement will continue the development and deployment of NGN to support GETS,WPS, and Special Routing and Arrangement Service. This funding will support the vendor design, development, and testing of NGN NS/EP priority capabilities across multiple vendors and acquire service within the core Internet Protocol (IP) networks.

Funding will also support vendor development and testing of NGN NS/EP wireless priority broadband services across multiple wireless vendors and wireless service providers accessing the core IP networks.

National Command and Coordination Capability

The 9/11 Report and lessons learned from recent natural disasters and acts of terrorism highlight the need for coordinated decision making and improved situational awareness across multiple operational domains and authority levels. The Budget requests $61.0 million and nine FTE for the development, implementation, and operation of the National Command and Coordination Capability (NCCC).

The NCCC will deploy multi-security level connectivity for voice, video, and data to priority state and departmental sites for improved collaboration and coordination capability. NCCC will deliver classified and unclassified fixed voice, video, and data capabilities provided by the Crisis Management System and HSDN/OneNet (network). Federal participants will be able to communicate at up to the TS/SCI level; state participants will be able to communicate at up to the Secret Level. In addition, the NCCC will deploy a suite of classified and unclassified mobile communication services equipment to key leadership.

Emergency Communications

Title XVIII of the Homeland Security Act of 2002, as amended, established the Office of Emergency Communications (OEC) within the Department of Homeland Security to support and promote the ability of government officials and emergency responders to continue to communicate in the event of a natural disaster, act of terrorism, or other disaster, and to ensure and advance interoperable communications capabilities nationwide. In its first year, OEC had several significant accomplishments, which included:

- Providing guidance and technical assistance to State, local, and tribal governments to advance interoperable emergency communications, with particular emphasis on the development of the required Statewide Communication Interoperability Plans (SCIPs). All 56 States and territories developed and submitted preliminary SCIPs; and

- Initial development of the National Emergency Communications Plan (NECP) with input from practitioners at all levels of government to ensure the NECP targets the most critical emergency communications initiatives nationwide.

In fiscal year 2009, the Department requests $38.3 million and 42 FTE for the Office of Emergency Communications. This request will allow OEC to advance communications capabilities at the Federal, State, local, and tribal levels. These activities will focus on the following three areas:

- Providing targeted technical assistance to Federal, State, local and tribal governments. In fiscal year 2009, this service offered by OEC will be essential for providing the necessary support to Federal, State, local, and tribal agencies as they work to implement the goals and priorities of the National Emergency Communications Plan (NECP), Interoperable Emergency Communications Grant Program (IECGP), and Statewide Communication Interoperability Plans;

- Implementing the major initiatives of the NECP. OEC is currently working with its Federal, State, local, and industry partners to establish the goals, priorities, and initiatives of the NECP. Delivery of this Plan is anticipated for July of 2008; and

- Expanding Federal, State, local, and tribal outreach and coordination. Through these partnerships at all levels of government, OEC is able to gather input from practitioners, identify and leverage present and future opportunities for the sharing of resources, and promote stronger relationships among emergency responders across the Nation. OEC will continue to support cross-governmental resource sharing and infrastructure integration in Arizona, Oregon, Texas, Virginia, and Wyoming, and expand partnerships in high-risk border regions.

An additional 10 positions and five FTEs are requested to enhance the Office of Emergency Communication's State and local outreach efforts. These positions will be located in the regional headquarters of the Federal Emergency Management Agency and will support coordination with Federal, State, local and tribal emergency communications activities. No additional funding is requested, as required resources are currently contained within the base and will convert non-pay base funds to cover additional personnel costs.

UNITED STATES VISITOR AND IMMIGRANT STATUS INDICATOR TECHNOLOGY PROGRAM

Every day the United States Visitor and Immigrant Status Indicator Technology (US-VISIT) Program assists the Department in protecting our Nation from dangerous people attempting to enter the country. US-VISIT had several significant accomplishments in fiscal year 2007, including the following:

- Identified suspected individuals through biometric matching capabilities and supported crime solving through latent print identification. During fiscal year 2007, more than 160,000 individuals were biometrically matched against the US-VISIT watch list. Latent print identification capability identified 129 previously unidentified individuals;

- Increased overstay identification. US-VISIT more than tripled its production of validated in-country overstay records. The figures increased from approximately 4,000 in FY 2006 to more than 12,600 in fiscal year 2007. At the same time, US-VISIT increased the number of validated out-of-country lookouts from

approximately 450 in fiscal year 2006 to almost 7,350 in fiscal year 2007. More than 720 enforcement actions were taken in fiscal year 2007 based on overstay validation work;

- Reviewed approximately 450 biometric watch list encounters each week to ensure the US-VISIT biometric watch list is accurate and actionable. Additionally, US-VISIT made more than 5,300 watch list demotions in FY 2007 that enabled DHS, Department of State, intelligence, and law enforcement officers to focus on more actionable records. US-VISIT also promoted 7,967 records, which resulted in 872 encounters; and

- Enhanced mobile biometric identification. Working with the U.S. Coast Guard, US-VISIT enhanced security by effectively extending mobile biometric identification to remote locations where no traditional fixed-information-technology infrastructure existed or was cost-effective to establish. Since its inception in November of 2006, the program has enabled the prosecution of more than 118 people, including migrants and felons, the identification of more than 1,500 illegal migrants attempting to enter U.S. territory, and a 40 percent decrease in the flow of illegal migration in Mona Pass. Prior to the inception of the Mona Pass project, U.S. Coast Guard averaged two prosecutions per year in there.

In previous years funds were spent to test technological exit solutions with pilot scenarios in air, sea, and land environments. The testing provided lessons that will guide the development of future solutions. For example, the air/sea exit pilot revealed that biometric collection needs to be integrated into the passenger's departure process. We are outlining procedures for biometric collection at airports and seaports in a forthcoming Notice of Proposed Rule Making, with plans to implement the procedures later in 2008.

In fiscal year 2009, the budget requests $390.3 million and 119 FTE (150 positions) for US-VISIT. Of the US-VISIT request, $55.5 million is intended to develop and implement a comprehensive biometric exit solution. This investment in fiscal year 2009 builds on the Department's effort to deploy biometric exit procedures at all international airports and seaports by the end of 2008. US-VISIT will also conduct analyses to evaluate potential alternatives and evaluate impacts (time in motion studies) to develop a land strategy for biometric exit.

US-VISIT also requests $20 million, an increase of $4.2 million, for identity management and screening services. On a daily basis, US-VISIT provides information to more than 30,000 authorized government users in order to identify, mitigate, and eliminate security risks. These services ensure decision makers have timely, accurate, and actionable information to protect our Nation from dangerous people. This request supports our ability to continue to meet service-level commitments to stakeholders as workload expands due to increasing Arrival Departure Information System transactions and 10-print-driven expansion of fingerprint gallery sizes in IDENT, US-VISIT's biometric identification system. In addition to round-the-clock biometric verification services,

Identity Management and Screening Services will augment the existing biometric verification services by increasing its research and analytical services. This request supports the expansion of analysis of possible watch-list hits from the FBI's Criminal Master File generated by interoperability.

OFFICE OF RISK MANAGEMENT AND ANALYSIS

The National Strategy for Homeland Security and the Department's strategic plan call for a risk-based calculus to prioritize the Department's resource investments. The Department stood up the Office of Risk Management and Analysis (RMA) on April 1, 2007. The purpose of the Office is to look at risk from a Departmental perspective while working with each DHS component risk office to assess and evaluate risk. RMA has had several significant accomplishments:

- Established a Department Risk Steering Committee (RSC) to assist in the framing of processes and procedures for the Department risk management architecture. The RSC process will be the framework for enabling collaboration and Department-wide integration and agreement on risk management efforts;
- Established the process for development of a Department-wide risk comparison tool to help inform the Departmental resource allocation process, known as Risk Assessment Process for Informed Decision-making (RAPID);
- Refined and improved the risk methodology for analyzing non-National Special Security Events. The risk methodology informs the process for building the Special Events Awareness Report, a comprehensive awareness tool utilized by the Department, the FBI, and other inter-agency partners; and
- Collaborated with the Office of National Capital Region and the State and local members of that region to assist in the development of a regional risk assessment tool.

To address these challenges, the budget request for RMA for fiscal year 2009 is $9.5 million. The budget request will allow RMA to continue to lead the development of RAPID, the strategic-level, department-wide pilot that can assess risk and inform the strategic planning, programming, budgeting, and execution processes. RMA will also continue the prototype development of a regional risk assessment capability. In coordination with the Office of National Capital Region and the Washington Council of Governments, RMA is framing a process for the development of a regional risk assessment program that would identify and prioritize hazards to the regional community. Finally, RMA will continue to support the development of sound risk-informed business processes for grant programs, as well as the development of risk methodologies.

OFFICE OF INTERGOVERNMENTAL PROGRAMS

The Office of Intergovernmental Programs (IGP) is the intergovernmental affairs office for the Department of Homeland Security and acts as an advocate for State, local, tribal, and territorial officials within the Department, operating as the primary liaison between those officials and departmental leadership. The Office supports the Secretary's goals by facilitating an integrated, national approach to homeland security by coordinating and advancing Federal interaction with State, local, tribal, and territorial governments. In fiscal year 2008, IGP will continue to build upon successes accomplished in the past year, which include:

- Preparing updates relating to the Southwest Border Fence project to State and local officials while listening to their concerns and advocating for their needs within the Department. IGP facilitated the Department's efforts to absorb the State of Texas' "Levee Wall" proposal into the fence plans for the Southwest border. As the Southwest Border Fence project continues towards completion, IGP will continue to play a role as the point of interaction with State and local officials;

- Working in concert with the Office of Infrastructure Protection's PSAs to keep State, local and tribal partners informed and engaged with respect to the protection of critical infrastructure in the field;

- Promoting the necessity for states to comply with the REAL ID Act. Efforts have been and will continue to progress towards securing compliance with the Act or a request for extension from the states prior to May 2008. In addition, IGP will work directly with State Homeland Security Advisors to promote the benefits associated with Enhanced Drivers' Licenses; and

- Engaging closely with the Policy Office to address state and local questions surrounding amendments to existing H-2B Visa Regulations. IGP will ensure that States are aware of the progression of the proposed regulations.

NPPD's budget request for IGP is $2.0 million for 17 FTEs.

Closing

I would like to acknowledge the concerns that the Committee has raised in the past regarding the official budgetary justification materials. To rectify the problem, we have attempted to provide a greatly expanded level of detail in the Office of the Under Secretary Management and Administration, Infrastructure Protection and Information Security, and the US-VISIT congressional budget justifications to include detailed budget breakouts for all of the activities requested within each Program, Project, and Activity. It is the Directorate's objective to provide transparency in all budgetary matters.

Thank you for raising these concerns. Finally, I appreciate the opportunity to discuss NPPD accomplishments and plans for fiscal year 2009 and look forward to answering any questions you may have.

ADMINISTRATION'S CYBERSECURITY INITIATIVE

Mr. PRICE. Thank you for that statement and we are glad to have all of you here. Let us proceed with questions. I will turn first to the area of cybersecurity. Last April and May, the country of Estonia was overwhelmed by a massive attack, a so-called distributed denial of service attack that essentially shut down that country's electronic networks. This past summer, the Pentagon announced that it had to disable 1,500 e-mail accounts because its networks had been compromised by hackers who some media reports connected to the Chinese government. In November, we received a last minute budget amendment requesting $115 million for DHS to help protect the government's computer networks from cyber attacks and infiltration by foreign agents. The 2009 budget increases this funding by an additional $83 million. I am glad to see that the department and the administration are taking this cyber threat seriously, because action had languished on this issue after Richard Clarke left the White House. But now we must be on the case. Not only must we make government networks, both classified and unclassified, more secure, but we have got to ensure the security of networks used by government contractors, who hold critical information.

DHS is the coordinator of this cybersecurity effort, but there are some confusions, perhaps some questions that I hope you can address. Let me just briefly indicate three.

Mr. Garcia, I understand your title is Assistant Secretary for Cybersecurity and Communications. But I also understand that DHS has recently announced the creation of a new position, the Director of the National Cybersecurity Center, who will be responsible for "coordinating cybersecurity efforts and improving situational awareness and information sharing across the federal government." I am not sure how your job description differs from that, but it does raise the issue, who is in charge of this initiative?

Second question—and these are broad questions, so perhaps you can parcel out the answers. Given the nearly unprecedented growth of the cybersecurity budget, which has tripled in two years, what priorities and accomplishments have you planned for yourself this year and in 2009 to allocate these funds wisely?

And third, the question of privacy. The resources we are putting into cybersecurity will be used to expand the federal government's ability to monitor traffic that travels in and out of its computer networks. Government networks will be reconfigured to funnel traffic through a fewer number of connections to the Internet. So, as you are well aware, privacy advocates have raised concerns that this kind of monitoring system could be abused. It could be misused to capture the contents of this network traffic, enabling DHS analysts to review the contents of e-mail messages or personal files. So, let me just ask you outright, will DHS personnel be reviewing the content of messages or other information collected by the network monitoring system or under what possible circumstances would they do so and what kind of protections and limitations can we count on?

Mr. Under Secretary, maybe you can begin, but those are my three questions about this initiative.

Mr. JAMISON. Thank you, Mr. Chairman. I will take a shot at all three of those and I will ask Greg to fill in where appropriate, to give more detail. But first of all, I will try to walk the balance. As you know, many parts of this initiative are classified. We would be very happy to give you a full classified briefing or have a classified session. But, I will try to walk you through the parts that are unclassified and talk to the issue.

THE NATIONAL CYBERSECURITY CENTER

First of all, you mention the confusion or perceived confusion over the Director of the National Cybersecurity Center and Greg Garcia's position. Let me take a little step back and tell you one of the underpinnings of what we are trying to accomplish. One of the underpinnings is the .gov network, and Greg has the responsibility for defense of the .gov network, as well as the lead role in the protection of critical infrastructure and how we deal with the private sector, in his role at DHS.

One of the things that we are trying to do with the cybersecurity initiative is position the network to be in a more defensible position. So, right now, we have thousands of Internet access points. We are trying to consolidate those Internet access points down and we are trying to move from a system where we analyze for flow analysis a very small percentage of the .gov traffic to where we actually look for intrusions in real time, intrusions with malicious signatures. And the biggest piece of that effort is to give us comprehensive situational awareness of what is going on in the .gov domain. I would be happy to talk you through more of the details on that, but therein lies the issue of why this is an interagency effort.

There are many agencies across the federal government that have cybersecurity responsibilities. It is a cross-cutting issue. So, DOD has responsibility for defense of the DOD network. NSA has responsibilities. FBI and other law enforcement agencies have responsibilities. The role of the Center is to coordinate all of that information to give us more comprehensive situational awareness and to make sure that we are leveraging resources across the government more effectively. Greg's role, as I mentioned earlier, is for the defense of that network, the .gov network and for protection of critical infrastructure in the cyber domain. So, that delineates a little bit of it.

INCREASED FUNDING FOR CYBERSECURITY EFFORTS

You mentioned what are we going to do with the money and we have tripled our budget moving from 2007, to 2008, to 2009. That is very well the case. Right now, we, as I mentioned, have EINSTEIN capability that is doing flow analysis on a very, very small percentage of .gov traffic. We are going to move to real-time intrusion over the next two years with the goal of 100 percent of that .gov traffic which, in essence, is providing commercial intrusion detection capability, the capability that most of the agencies currently have. What we are doing is making sure that it is comprehensive at every Internet access point, making sure it is consistent, and making sure it is informed with the latest threat information that

we have from the federal government, and that is the important part.

Much of the money that we have got is to deploy those sensors, to procure the facilities, to house the staff that is going to be required to do the analysis on the information, to build our response capabilities, to build our analytical teams that will have to analyze and respond to the intrusion activity, and to build the support networks to help the other federal government agencies respond to the threat.

PRIVACY CONSIDERATIONS

And, finally, and most importantly, privacy. Privacy is the top priority as we embark on this mission. And I will say that currently, we have a privacy impact assessment for our current EINSTEIN capability. As we move to the next generation of intrusion detection, we are going to do a full privacy assessment that involves our privacy personnel, as well as our civil rights personnel, from the outset of this program.

But, what we are talking about looking forward and to your question about what will our additional capabilities be, we plan over the next year to deploy commercialized intrusion detection capabilities that can detect malicious code and that is what we are looking for, those signatures of malicious activity, and that is the only thing—the ones and zeros—that that equipment will be looking for. If we do have a detection of that type, the equipment will send an alert to both the agency that is affected and US–CERT. But privacy is the top concern. The privacy impact assessment and planning the process is going to be something that we make sure we do before implementing any of these programs.

Mr. PRICE. Mr. Garcia, do you have anything you would like to add on any of these points?

Mr. GARCIA. Yes, just a couple of amplifications on the issue of the Center. Under Secretary Jamison said it right, that the Office of Cybersecurity and Communications has a broader national role, to include cybersecurity but also communications, our communications infrastructure and our emergency communications and interoperable communications. And among those three major mission areas is a common thread, and that thread is really a technological convergence that is taking place.

When we talk about security, we are also talking about availability. And when we talk about availability, we are also talking about security. So the mission is much larger than the National Cybersecurity Center, which, as the Under Secretary said, is a coordinating role, not an operational role. The operational role exists within my organization, that is the U.S. Computer Emergency Readiness Team, the US–CERT, nor does the Center have directive authority. It is one that coordinates and brings all of the stakeholders together in the federal government to ensure, as the Under Secretary said, that we have that situational awareness.

And the final point that I would make is where we are today in this cyber initiative is partly a result of the success we have in the situational awareness development over the past several years using the EINSTEIN technology that the Under Secretary referred to, which is a way to monitor flow of data, network flow. What we

have seen over the past two or three years in our ability to share that information across the federal government and the private sector is indeed an evolution of the threats facing our cyber and communications infrastructure, more sophistication and more targeted. So, it was because of our ability to see and to expand our deployment of that EINSTEIN capability that we began to see how impressive this threat has been and formidable and, hence, our desire now to accelerate our situational awareness and protection efforts and to automate it. And that is where we are today.

PRIVACY IMPACT ANALYSIS

Mr. PRICE. Thank you. Mr. Under Secretary, I understand you say that the privacy impact analysis is a work ongoing and that presumably these privacy protections and concerns are being built into the system as you go. The actual release of this will come about when?

Mr. JAMISON. I do not know the exact release date. It is in the final stages of development. It has a process, as you know, that we have to go through to get it out. It will release well before we deploy the first of the next generation EINSTEIN sensors. We anticipate in the coming weeks, though.

Mr. PRICE. Coming weeks, sometime this spring?

Mr. JAMISON. Yes, sir.

Mr. PRICE. All right. Thank you. Mr. Rogers.

DHS ROLE RELATIVE TO THE NATIONAL CYBERSECURITY CENTER

Mr. ROGERS. Assistant Secretary Garcia, why do we need this new office the President has announced? Are you not capable of doing what that office would do?

Mr. JAMISON. Let me take the first stab and then I will let the Assistant Secretary jump in. One of the biggest issues is making sure that we leverage all the capabilities that we have in the federal government and make sure we leverage situational awareness. So, it is very important that one of the first products that we wanted to deliver to our customers at the federal agencies is better situational awareness and it is going to be greater enhanced with us having situational awareness across the whole .gov network. But, we also need to know the attack vectors that are in the military networks, the attack vectors that other partners might see overseas. So, that is really the big intention, is to consolidate that information and to give it to the people that have responsibilities for the defense of those individual networks, like in our case, the .gov networks and critical infrastructure, so we can help better defend with our systems.

Mr. ROGERS. So, this new office the President is proposing is a government-wide office?

Mr. JAMISON. Correct. It will have coordination responsibilities across the domain of cybersecurity for all the federal agencies that have a role.

Mr. ROGERS. And Secretary Garcia is just within DHS?

Mr. JAMISON. Correct.

Mr. ROGERS. So, the new office the President is talking about, then, would be the one that would coordinate what you are doing with what DOD is doing and everybody else, is that right?

Mr. JAMISON. Correct, correct. And we are starting to tread into some of the classified portions. We are getting close to the line. So, I would be happy to give a full briefing in a classified session that breaks out which of the areas that we think are going to be included in that Center.

Mr. ROGERS. You know, this hearing probably ought to be a closed hearing, so we could get into some of the weeds that we are talking about here. But, that will be another day, I guess.

Your role, particularly that in cybersecurity, and this role of DHS frankly tests the ability of legislators to properly oversee perhaps the most complicated, most obscure piece of homeland security, that is the cyberspace especially, but also the other pieces of physical infrastructure that the department has to oversee. So, we need as much elucidation on these things as you can give us in the language that we speak, which is somewhat of a different language than yours. But, I wanted to talk to you briefly about, Mr. Secretary, the staffing at your agency.

STAFFING OF NPPD

When you took over in November 2007, you realized you had a little over a year to turn what was a fledgling organization into a cohesive and functional departmental component. And one of your top priorities has been to improve the staffing. But, at this date in time, you are only 71 percent staffed in NPPD and only 55 percent staffed in management and administration. Where are we and how come?

Mr. JAMISON. We do have a lot of work to do, I will be the first to admit that. I do think we have made a lot of progress, though. As I mentioned earlier, we have broken down a process analysis on the whole process. I think you look at the numbers, we have currently 330 vacancies. But out of those 330 vacancies, well over 200, almost approaching 250, of those vacancies were new additions in the fiscal year 2008 budget. So, as we were trying to build our infrastructure and set us up for existing operations, as you well point out, we are growing rapidly, as well.

In addition to focusing on every aspect in the metrics evaluation of exactly how long it takes to process every piece of the pipeline, we have also tried to ramp up our efforts to recruit from other types of programs. Out of those 330 vacancies, 200 of those vacancies—or 207, I believe, I will get you the exact number for the record, are in the late stages of selection. So, we have made substantial progress. We have a long way to go. It is something that we focus on daily. My deputy or I spend 15 minutes to 30 minutes on this issue every day to make sure we are following the process. And I firmly believe, as you point out, that if we do not get the people on board to execute the missions, not only will we not accomplish what we are trying to do from a mission standpoint, but we are in jeopardy for a transition. So, we make it a top priority. That is also why we have taken on the conversion issue and have 107 positions that are close to be converting from contractor positions to federal government, to give us the stability to position ourselves for the future.

[The information follows:]

Question. What is the exact number of vacancies that are in the late stages of selection?

Answer. On April 1, when the Under Secretary testified, NPPD had 330 vacancies. Of these vacancies, announcements have closed on 214.

CYBER THREATS

Mr. ROGERS. What can you tell us about the cyber threats that is unclassified?

Mr. GARCIA. Mr. Congressman, as I mentioned earlier, the cyber threats are evolving in many different ways. We are seeing an increasing level of sophistication whether from hackers or hacktivists, those hackers with the political motivations, organized crime, or nation states. We are seeing it in a variety of forms that are targeting websites and individuals. I think one of the most prevalent forms of attack we see are phishing attempts, which are e-mails that go to your in-box, coaxing you to open it or open an attachment or to go to a website, which may be infected, that would then download malicious code onto your computer, which in an enterprise could be spread throughout the enterprise network. We are seeing these evolve constantly, which is why we are looking to a dramatically increased amount of resources to be able to see into the networks and see what kinds of malicious code are repeating themselves and patterns and how they are attacking, where they are coming from and where they are going to.

Mr. ROGERS. Now, what about incoming attacks seeking information from us?

Mr. GARCIA. That is part of the mix. There are a number of different intentions that cyber attacks can have. One is to steal information, whether it is information from the government, whether it is intellectual property from a major company. There is intention to flood—we have mentioned the denial of service attack on Estonia. There are intentions to flood websites with requests, which cause a website to go down. That is a denial of service attack. There are other types of attacks that would create bogus websites of well-known name websites. There are ways to disrupt communications, disrupt information flow, many different forms of attack.

Mr. ROGERS. Where are these attacks coming from?

Mr. GARCIA. They are coming from all over the world. The Internet knows no borders nor do cyber attacks.

Mr. ROGERS. Does it come from individuals or states?

Mr. GARCIA. It is coming from all different types of actors and some of them are very hard to track down. There is a common threat called a bot-net, which is essentially a network of hijacked computers, worldwide computers that can be hijacked from anywhere around the world. So, tracing back to where the original attacker is sitting is a very difficult thing to do.

Mr. ROGERS. But, you are determined that some of them are coming from state facilities?

Mr. GARCIA. In this room, I can only go so far as to say where we are—where we think some of these are coming from. But to say that an attack is coming from a computer in a particular state or a particular country is not necessarily saying that that attack—that the attacker is actually in that state or country.

Mr. JAMISON. Mr. Congressman, we welcome the opportunity to come up and give you a detailed briefing in a classified setting. It

can get to a lot of the issues that you are raising. We have got a lot of information to share with you there.

Mr. ROGERS. Good. Okay, thank you.

Mr. PRICE. Let me just say that the next briefing from the DHS intelligence chief and executive session is—we have asked him to focus on this matter and that will occur very shortly. Mr. Rodriguez?

CYBER SECURITY EXERCISES

Mr. RODRIGUEZ. Thank you very much. Let me ask you, since the formation of the department, how many exercises on cybersecurity have we conducted?

Mr. GARCIA. We have conducted two. We just completed——

Mr. RODRIGUEZ. Two?

Mr. GARCIA. Two.

Mr. RODRIGUEZ. Since the formation of the department?

Mr. GARCIA. Yes, for specifically cyber. Now, we have had other table top exercises and Top Officials Exercises.

Mr. RODRIGUEZ. Those two that you conducted, how many—basically with the agency, itself? Or nationwide? Or what——

Mr. GARCIA. Yes. Cyber Storm II just occurred last month. We are very proud of that. That was an international exercise. It involved, I believe, five countries, nine states, 40 companies, I think 12 federal agencies. So, it was a multifaceted, multi-player cyber exercise that lasted for a week, testing our ability to share information and to coordinate response against a number of scenarios, fictional scenarios attacking different aspects of our infrastructure, whether it is federal government sites or whether it is certain critical infrastructures like the chemical sector, transportation, financial services, et cetera.

Mr. RODRIGUEZ. Any of them dealt with states or local, in terms of trying to get our—we always talk about the first responders being the local people responding to a problem. And this could also be very similar where the ones who are going to get hit is locally. The attempt on the—the attack on 9/11 was also to hit the private sector. How much are we reaching out, in terms of both those state types of approaches and local?

Mr. GARCIA. We are absolutely reaching out. In fact, the State of Texas was one of the players out of the nine states, who participated. We have among our priorities building up the relationships with the states and their capabilities at cyber protection. We work with an organization called the Multi-State ISAC, which is an information sharing and analysis center. So, they played in this exercise, as well.

Mr. RODRIGUEZ. As you move to form this cyber security center, who is going to be in control of that?

Mr. GARCIA. We will continue to be in control of the cyber security center.

Mr. RODRIGUEZ. So, you are going to allow the Department of Defense to come in, NSA, and all the others to participate?

Mr. GARCIA. That is correct.

Mr. RODRIGUEZ. And the Department of Homeland Security is going to be in control of that?

Mr. GARCIA. That is correct. And, in fact, we are beginning the process of planning Cyber Storm III, which we would expect to be sometime in 2010.

Mr. RODRIGUEZ. Okay.

Mr. GARCIA. So, we have—go ahead.

Mr. JAMISON. Those agencies did participate in Cyber Storm II, as well, and DHS was the lead coordination agency in Cyber Storm II. So, that does not change with the evolution of the——

STATE AND LOCAL INCLUSION IN CYBERSECURITY EXERCISES

Mr. RODRIGUEZ. And I would just ask you to go and look back on also strengthening our local states and communities. I had been on the task force on the threat before 9/11, when I served eight years on the Armed Services Committee. We did dark screen, one of the first exercises from a local perspective and got the local communities engaged and how critical that is and also in terms of getting the private sector engaged, especially since the private sector a lot of times do not want to talk about how many times they have been hit, because of their concerns about resources and that kind of thing. And somehow, we have got to make the leap.

The only thing I would follow up with what our minority leader talked about, in terms of creating another center, where you create another bureaucratic system where you are less likely to get access to information for operating and responding. And so how you structure that, I would ask you to take some time looking at that, as you form a center for coordinating those efforts. Because, I know DOD has some and other centers have them and that has only gotten worse through time, in terms of—worse, I mean in terms of the number of hits. Back when I was there in 1997, it was less than a thousand hits a day and now, I mean, that supposedly has jumped into the millions of hits, just on the Pentagon. And so—and the Department of Defense. And so, that is one of the areas, I think, that we—we have always felt that that was one of the highest areas that we would get hit first before anything else. So, how we are in touch with local communities and states is essential. And so, I wanted to stress the importance of kind of doing those exercises, kind of look at that and help educate.

QUALIFIED STAFF FOR NPPD

Now, from the perspective in terms of the staffing that is needed, and I do not know where we are right now. I know we found that we did not have—realized we did not have the qualified staff. Are we doing anything in there to make sure we have pretty good staffing, as it deals with cybersecurity?

Mr. GARCIA. Absolutely, sir. We have, in fact, highly qualified staff across the National Cybersecurity Division and the U.S. Computer Emergency Readiness Team, US–CERT. These are highly dedicated people, who are working long hours and sacrificing family life for this mission. So, I am quite proud of their accomplishments, particularly with the Cyber Storm II process, which literally was round the clock. It was 24/7, because it was international and involved our partners overseas. So, they dedicated an extraordinary amount of time, 18 months to prepare and plan for Cyber Storm II, 18 months for just one week of activity. So, I think as the Under

Secretary said, our highest priority now is to bring in top people to fill the vacancies that we have, so that we have a very strong team in place for transition into the next administration.

Mr. RODRIGUEZ. Thank you.

Mr. PRICE. Thank you. Mr. Fattah.

INTERNET CABLE CUTS AND SURVIVABILITY

Mr. FATTAH. Thank you, Mr. Chairman. I want to focus on the physical infrastructure. There have been reports that some of the Internet infrastructure on locations have been attacked and had been made non-usable for some reason in a number of countries. Is that accurate?

Mr. JAMISON. There have been some well-documented cases and the source of some legitimate cable cuts from maritime traffic that have caused severe interruptions in India and some other parts of the world.

Mr. FATTAH. Se we are convinced that this is just normal maritime traffic?

Mr. JAMISON. Yes, at this point we are. But I would refer you to the Department of Defense and others that are analyzing, continuing to analyze those situations.

Mr. FATTAH. And to what degree is this a concern at least in terms of the work that is being done in your shop?

Mr. JAMISON. Well, I think it prioritizes one of the elements that is in our budget request. And I will have Mr. Garcia go into more detail. But a substantial part of his budget is next generation networks, which is basically coming up with a prioritization system so that we can route priority traffic or be able to get traffic through. So very much in the same way that we initially started I think in 1991 with the public switch telephone system and developed a GETS card so you could get priority telephone service.

And we moved after 9/11 establishing a wireless priority service since we had disruptions for wireless communications. Now with that convergence of data packets traveling through internet protocol this allows us to route traffic. So when you have an interruption, disruption or other issues, that allows you to route that priority traffic around those interruptions.

I will let Greg go into more details on that.

Mr. GARCIA. Yes. Sir, what we are getting to here is trying to keep up with technological evolution. As our communications infrastructure evolves from the so-called plain old telephone system to one that is becoming, within the next ten years, totally broadband—totally over the internet—using, as the Under Secretary said, packet switch technology, we are going to need to evolve the way we prioritize that service. Our prioritization is there to ensure that the President, that the nation, that the government can communicate in times of national crisis which could include a major disruption of our communications infrastructure.

Mr. FATTAH. That is my concern. I mean a lot of your earlier testimony seemed to be focused on people attacking the system or hacking into the system or some limited decree of denial of usability. And my concern is that if a cut of a cable knocks the entire system out, even if it is accidental, then, you know, what are we doing to position ourselves better?

Now, so you are working on this next generation. Where are we, without going into classified information, but are we comfortably along or are we a lot further away from where we need to be?

Mr. GARCIA. It is important to recognize that most of the communications infrastructure is owned and operated by the private sector, hence I mean we have a very close relationship with the carriers to ensure redundancy and resiliency, and in the event that we suffer a major disruption that could bring down a certain amount of communications capability, that we have a means of prioritizing that traffic for first responders, for senior federal decision makers, and for state executives as well. So that is in part what this next generation network budget request is for—to enable us to ensure that as our communications capability, whether it is the internet or whether it is voice, whether it is data, that all of that, we will have a way to prioritize and make sure that the people who need to talk can talk.

CYBER SECURITY AND COMMUNICATIONS STAFF

Mr. FATTAH. You had said to my colleague's question that you had a very—he asked you about qualified staff and you in part said that you had a very dedicated staff. How many people in your staff have a terminal degree in computer and information science or similar terminal?

Mr. GARCIA. The National Communications System, which is under my organization, includes a technology division which deals with this next generation network and other communications issues. And they are, all the people working on this, on these issues, are engineers, so they are absolutely qualified for this. And they have been, some of them have been doing it for many years.

Mr. FATTAH. But some are computer engineers, electrical engineers, I mean chemical engineers?

Mr. GARCIA. I can certainly give you that breakdown.

Mr. FATTAH. Yes, I would be very interested in the answer on that terminal degree computer and information science.

[The information follows:]

ADDITIONAL INFORMATION ON THE CYBER SCHOLARS PROGRAM

The Department of Homeland Security (DHS) National Cyber Security Division (NCSD) co-sponsors the Federal Cyber Service: Scholarship for Service (SFS) program with the National Science Foundation (NSF). The SFS program, established by NSF in 2001 and co-sponsored by DHS/NCSD since 2004, provides scholarships for a maximum of two years to outstanding cyber security undergraduate, graduate, and doctoral students in exchange for an equal amount of time spent in Federal Government service after graduation. Full-time employment in a cyber security job with an agency occurs at the appropriate pay grade upon graduation; generally GS–7 for undergraduates, GS–9 for Master's Degrees, and GS–11 for Doctorates. Students also complete a 10-week Federal internship while still in school, usually after their first year in the program.

SFS program goals are: 1) to increase the national capacity for educating information technology (IT) specialists in information assurance (IA) disciplines; and 2) to produce new entrants to the Federal IA workforce. Approximately 350 students from 30 universities participated in the program this year, bringing the total to 880 students. Currently, the placement rate is over 90 percent.

NSF administers the SFS program and distributes scholarship money through grants to chosen National Centers of Academic Excellence in Information Assurance Education (CAEIAEs) or equivalent schools. The universities then select the scholarship students. As strategic partners, NSF and DHS/NCSD co-chair the Interagency Coordinating Council, a committee that helps shape the policies and direction of the

SFS program. The Office of Personnel Management (OPM) helps to facilitate and track the placement of SFS students and maintains the program website *(www.sfs.opm.gov)*.

NSF and DHS/NCSD co-sponsor an annual job fair and symposium to provide SFS students networking opportunities with agency hiring officials and IT security program managers, as well as exposure to IT security topics of specific interest to the Federal Government. Over 49 agency components participated in the 2008 job fair. NCSD has worked to raise awareness of the SFS program across the Federal Government and specifically within DHS. As a result, SFS students have been placed in internships and full-time jobs at Customs and Border Protection, the United States Secret Service, Office of the Inspector General, Federal Emergency Management Agency, and Federal Law Enforcement Training Center.

EDUCATIONAL BACKGROUND OF NCS PERSONNEL

Educational background of National Communications System personnel		
NCS Personnel	71 FTEs.	
Bachelor Degree or Higher	54 Total.	
Technical Degrees	40 (of the 54 Total)	NSC technical degrees include: Electrical Engineer, Computer Scientist, System Engineer, and Management of Information Systems.
Open Positions Requiring Technical Degrees.	10 of the 25 Vacancies.	

Thank you, Mr. Chairman.

Mr. PRICE. Thank you. Mr. Aderholt.

Mr. ADERHOLT. Thank you, Mr. Chairman.

INTERGOVERNMENTAL RELATIONS AND COMMUNICATIONS

Thank you for being here today before the subcommittee. Mr. Jamison, let me address this question to you regarding, I know that your office is responsible for intergovernmental coordination, and I guess the question would be in just, you know, general terms when you talk about uniformity among all the 50 states when you are talking about equipment, training, procedures for preventing and responding to terrorist attacks, what do you, would you give the level of uniformity from all the 50 states as where are we and where do we need to be and where are we looking to go with this?

Mr. JAMISON. I think there are a couple of different elements if you look at that capability. One of the areas that we need to improve is our ability to communicate from the top down, from the government to the states and locals. And that is why you see the request to build up the National Command and Control Capability that is in the budget. I believe it is a $63 million request as I recall.

Much of that is trying to get secure and non-secure voice, video and data capability so they can communicate. Another level of preparedness is a lot of the work that Bob Stephan does with the states and locals from a preparedness standpoint. I would ask him to comment a little bit on his evaluation of his work in that area as well as Greg Garcia's in the Office of Emergency Communications on interoperability—the ability for the first responders to communicate together.

Mr. ADERHOLT. Sure. Thank you, Mr. Secretary.

Mr. STEPHAN. I have a program called Protective Security Advisors. We now have 78 folks across the country whose job it is to maintain liaison with state, local, and federal officials in their geographic areas of operations as well as private sector folks, the owners and operators of our nation's critical infrastructures inside their geographic footprint.

We have been spending a lot of time and money and informing even greater sums of grant dollars to make sure that we have security plans that not only link individual facilities to those state and local law enforcement jurisdictions and emergency management jurisdictions, but also now working from a system perspective to integrate not just individual aspects but systems of individual nodes, key choke points. One example that I have to offer is we are working an A to Z comprehensive look at the California water system from north to south, the main flow of the water that feeds the major population centers of central and southern California. Doing that as a team with literally dozens and dozens of state first responders, emergency managers, water folks, EPA officials, again at the federal, state, and local level, tying all of these people together in an interlocking series of plans, identifying their vulnerabilities, and helping push various, disparate packages of authorities' capabilities and resources together to get the job done.

So that is the kind of thing that we have been doing. And I have been seeing a greater desire on the part of our state and local counterparts to kind of figure this out, not from a unidimensional perspective, but from a multidimensional perspective and not have seven fire trucks in each jurisdiction when maybe you need the fire trucks and maybe you need the S.W.A.T. team, maybe you need recovery from an EPA perspective; how do all those disparate sets of capabilities, equipment, and training need to be put together to service one plan? So that is kind of where we have been going with all of this in my world over the past five years or so.

Mr. ADERHOLT. Okay. Mr. Garcia.

Mr. GARCIA. Yes, sir. Regarding the Office of Emergency Communications, this was set up one year ago today, as a matter of fact. And I am proud to recognize its one year anniversary. The mission of the OEC is to ensure that first responders have operable and interoperable emergency communications. It came out of the Katrina lessons learned report that recognized that across jurisdictions, even within a region, within a state sometimes there is an inability for first responders to communicate across those jurisdictions at a particular incident or event.

OEC is responsible for developing a national strategy, national guideline, using the grant process to incentivize states and regions to develop statewide interoperability plans that will then align upward to a National Emergency Communications Plan which we will be sending to the Congress in the next few months which lays out the national strategy for how we can bring more interoperability across the nation. So in the near future we will be informing all of the states who have developed their statewide plans as to how they can begin to draw down the grant money to enable them to do that.

It is quite an accomplishment when you think that one year ago there were only about eight states who actually had developed

statewide interoperability plans. And through the development of OEC, through the standup of OEC and this development of this whole process we will have 56 states and territories this summer being qualified to receive grant money because of the work they have done to develop statewide plans.

Mr. ADERHOLT. Okay, thank you.

Mr. PRICE. Thank you. Ms. Lowey.

INTEROPERABLE COMMUNICATIONS

Ms. LOWEY. Thank you very much, Mr. Chairman. And thank you, Mr. Garcia, for your segue into my question.

This is an issue that some of us have been working on for a very, very long time. And as you know, H.R. 1 was signed into law last year authorizing the $2 billion Interoperable Communication Grant Program. And the Office of Interoperability and Compatibility was created. And this subcommittee's spending plan, and I thank the Chairman, included my language to implement the national plan. So what I would be interested in, and you said it is coming, could you be more precise about when the Department of Homeland Security will complete the National Emergency Communication Plan?

Mr. GARCIA. Yes, ma'am. The NECP we expect to have up to the Congress, we are working to have it by July.

Ms. LOWEY. Well, I found that intriguing because in the prepared testimony Mr. Jamison mentions that the fiscal year 2009 funds will be used for the Interoperable Emergency Communications Grant Program. This is particularly interesting to me because the department did not request funding for the grant program.

Mr. GARCIA. We have 2008 appropriations of $50 million for the Interoperable Communications Grant Program. We expect to have that funding distributed to the states by the end of fiscal year 2008.

Ms. LOWEY. However, in H.R. 1, which was signed into law, we were talking about a $2 billion grant program. So you are working with the states but you think $50 million is sufficient?

Mr. GARCIA. That is for 2008. And we would be looking to additional funding in the out-years for that. And we also have the Public Safety Interoperable Communications Program which is part of what I mentioned earlier where we will have, due to the sale of the spectrum, close to a billion dollars of funding to distribute to the states once they have all been approved, once all of their statewide plans and their investment justifications have been approved. So that is a one-time shot of money that will be available to the states before the end of this fiscal year.

Mr. JAMISON. Congresswoman, can I add as well part of Greg's role and the staff of the OEC is to make sure that they help drive the standards and the capabilities that need to be driven at the state level or the local level to get interoperability. So there are other grant funds out of those two programs that are getting spent on interoperable communications and he has got to make sure that those funds as well are aligned to make sure that we are raising the baseline. So some of that work is hitting other grant programs as well.

Mr. GARCIA. And, in fact, as you mentioned FEMA is responsible for distributing that grant funding. OEC does not distribute the

funding itself, we provide, as the Under Secretary said, the standards and guidance.

Ms. LOWEY. Well, it is true, it is true, we agree that FEMA not NPPD administers the state and local grant programs. And so I imagine there is coordination between the two in emergency communication needs to first responder grants, so it made me wonder why the Administration did not continue to fund the Interoperable Grant Program that Chairman Price was so wise to include in the fiscal year 2008 bill.

So I am just wondering, both Mr. Jamison or Mr. Garcia, why the evidence is there that first responders can now seamlessly communicate to justify eliminating the Interoperability Grant Program in the Administration's request? You said there was $50 million in there. But certainly it is not sufficient. And you think the money with the sale of the spectrum is going to be adequate? It took us a long time for those of us who have been working on this issue, and remember Louisiana, and remember the Paul Revere strategies and people communicating with bottles, many of us care passionately about this program and we want to be sure that not only are we going to have the program but there is going to be adequate money to fund the grants to all the states.

Mr. GARCIA. Yes, ma'am. Well, I cannot speak to the funding request from FEMA for the grant monies but I can tell you that this is an ongoing, long-term process, as you well know. And I think we have made tremendous progress just, as I mentioned, going from eight states with statewide plans to 56 states by the end of this summer and the ability of those statewide plans to align with the national strategy. So we are going to continue driving toward that goal of interoperability and we will be measuring how the states, year after year, are implementing their statewide plans as they align to the national strategy. But as for the funding, I would defer to FEMA on that one.

Ms. LOWEY. Well, let me just say, Mr. Chairman, I personally thank you as someone who has been working on this issue for a long time for your leadership. And I just hope that after all the work that is being done and all the work that the states are doing to put together the plans that we are going to have adequate money, and just hope that there is not an emergency when this is needed before we have the money and the training and the program up and running.

Thank you, Mr. Chairman.

INTEROPERABILITY GRANT PROGRAM

Mr. PRICE. Thank you. And I am interested to hear the talk of this $50 million which, as you know, was an initiative of this committee to put that $50 million in the 2008 bill. No one pretended that this was anywhere near adequate to approach the need but we did put it there as an indication of future intent and as a hint, which unfortunately was not taken by the Administration, that we would be looking for more funding in the 2009 request. So this is very much an item that we are going to need to address.

Ms. LOWEY. In fact, for clarification I was not quite sure what your response was but as long as the Chairman continued the dis-

cussion you are saying it is not your responsibility, you do not take responsibility for the Administration not putting it in the request?

Mr. GARCIA. FEMA distributes the funding. I would assume that they would do the funding request.

Mr. JAMISON. We would be happy to come back up with FEMA to do a grant funding proposal. But I also think it is very important as he completes the baseline assessment and also coordinates the work on the statewide assessments, one of the big focuses for him is to identify those gaps across the nation and come up with a much more comprehensive plan. At that point, we will be able to work closely with FEMA to determine where the funding issues might lie as well as how we might leverage some existing grant programs. So we are due to come back to you as we get more information into that planning process.

Mr. PRICE. All right, thank you. Ms. Roybal-Allard.

WATER SYSTEM SECURITY

Ms. ROYBAL-ALLARD. Mr. Stephan, as you know, last week the city of Alamosa, Colorado, experienced a salmonella poisoning outbreak due to a contaminated water supply. It is my understanding that there are about 12 people that have been hospitalized to date. And city authorities are not sure how that contamination happened, whether it was an intentional poisoning.

I am wondering, even though it is still early in the process, if we have learned anything from this incident about the preparedness of our cities and towns with regard to being able to prevent attacks or address possible attacks on our water systems? Are there any weaknesses, anything that has been highlighted as a result of this?

Mr. STEPHAN. You are correct that the results of that investigation are still ongoing. There is a law enforcement slice that I understand has ruled out a terrorism nexus at this point. But there is also an important public health and safety slice and coordinating effort between the Environmental Protection Agency and Health and Human Services. There are federal components to it, there are state and local components to it and, of course, there is a public piece to it.

I think that the incident itself has highlighted the need to approach our infrastructures, their protection, their resiliency, from a true partnership perspective and that there is not a single silver bullet that in fact is the answer to all of our solutions or answer to all of our problems. Many solutions have to come together integrating a very diverse set of capabilities with authorities and resources together at various levels to get to the problem.

I think this is a situation which initiates at a local level and it goes all the way up through a process that gets you national level analysis, first and foremost to determine the terrorism nexus, integrates into the national public health and safety community from a people perspective and an environmental perspective and then back down that same system of systems to get to the answer at the end of the day. So I think it highlights the need for the information sharing components of infrastructure protection that we have set up, the partnership that we have built around these critical infrastructures.

And when lessons learned do get established from this particular incident, as they have for many similar incidents in the past, we do have a pretty robust information sharing and lessons learned piece that goes out to owners and operators of not just that system but systems like it all over the United States.

Ms. ROYBAL-ALLARD. So at the end of this process there will be a report and recommendations that will be shared with the local folks as to what they need to do in order to be able to be prepared for this kind of an attack on our water systems?

Mr. STEPHAN. Yes, ma'am. We have compiled many similar documents from past incidents of contamination of water supplies within the water sector. We will take a look at this from the national perspective and see if there are any pieces that we need to add to the documentation we have on file. So we will do that. The Department of Homeland Security will coordinate with other affected departments and agencies, principally HHS and EPA to do that kind of thing—a coordinated product.

There will also be local bulletins, information, warning products, so on and so forth, that will also stem from this type of incident. And again our job is to look at them, fuse them all together, see if there are important new facts here that have not yet come to light in a previous incident, package them and disseminate them.

Ms. ROYBAL-ALLARD. But do the current plans address how communities will respond to help vulnerable populations? For example, it is my understanding in the case of Colorado that they were going to have to flush it with chlorine and it would take 14 days for the water to be usable again. So people were going to have to rely on purchasing bottled water. Is there a plan in place to address vulnerable people such as the elderly, those that cannot afford to go run out and buy bottled water, disabled folks? Does that already exist?

Mr. STEPHAN. Ma'am, I will have to get back to you with a deeper explanation. My job is principally on physical security and protection of that kind of asset or systems comprised of key nodes such as this one. But in terms of the public preparedness piece now we go to the Environmental Protection Agency and Health and Human Services at the national level as well as at the state and local level. So I would have to get back to you with a more comprehensive answer on this one.

Ms. ROYBAL-ALLARD. So everything is sort of compartmentalized in other words? You folks only look at so much and then do not go beyond that in terms of making recommendations?

Mr. STEPHAN. No, my—I want to say that everything I do has to bring together lots of different actors from the public health and preparedness world, from the physical protection world, from the cyber world. What I do not want to do here is speak in depth about a medical public health issue where probably EPA and Health and Human Services would do the question more justice than I could. But I want to not leave here with the impression that there is some kind of gap between the ways we look at it. There is an intersection or a coordination process, collaborative process between the various federal agencies that need to look at this from different perspectives as well as their state and local counterparts. And then between the federal, state and local agencies involved the coordi-

nated message gets sent back out to the public at the community level.

Ms. ROYBAL-ALLARD. How long does that take?

Mr. STEPHAN. Ma'am, it depends what jurisdiction we are talking about, what the issue was, how quickly the scientists can come to some kind of agreement, resolution. So again depending on the exact scenario we are talking about—it could take hours, up to weeks, to months depending on the exact threat vector or hazard.

Ms. ROYBAL-ALLARD. Okay.

Mr. PRICE. Thank you. Mr. Farr.

EMERGENCY COMMUNICATIONS

Mr. FARR. Thank you, Mr. Chairman.

After 9/11, members of Congress just kind of ran out of this building evacuating. We went all over the Hill. We had no way of communicating because our cell phones did not work here in Washington. And right after that we finally got together, word of mouth and through the Capitol Police, that we should all meet on the Capitol steps. And from then on the question was, how do we stay in contact?

So they gave us our Blackberries. And the Blackberries have a cell phone in them so we can text message. Are these going to work when there is next time another incident? Is all the cybersecurity we have implemented? Are we sure as members of Congress when we pick up our cell phones that they will work and we can talk and follow the instructions that they send out every time there is an incident around the Capitol?

Mr. GARCIA. Yes, sir. One of the bedrock programs of the National Communications Service is to ensure that our federal leaders and first responders and state leaders do have the ability to communicate.

Mr. FARR. Well, that is not the question.

Mr. GARCIA. And so we prioritize——

Mr. FARR. Not the leadership having special phones and all that stuff, it is the tools that each member of Congress has, will we be able to communicate?

Mr. GARCIA. Sorry, I did not hear the question.

Mr. FARR. Will we, will members of this committee have the ability to communicate? We are not the Speaker and we are not the President of the Senate, we are not officers of the house.

Mr. GARCIA. You should all have your GETS card, the Government Emergency Telecommunications Service card, and you should also have wireless priority service that enables your calls to be prioritized over the congestion of all other calls.

Mr. FARR. So using these Blackberries, because that is what we carry, and we have that little card giving us all these emergency numbers, this, the question is will this work? Does not matter if you have the right number if the instrument you are calling on does not work.

Mr. GARCIA. Assuming that you have, that we have gotten you to subscribe to the Wireless Priority Service, yes, it will.

Mr. FARR. So?

Mr. GARCIA. It is a very special code that you type into your Blackberry that will provide you priority wireless service.

Mr. FARR. Every member of Congress has a different provider, service provider. I happen to have AT&T. What and——

Mr. GARCIA. It will work.

Mr. FARR [continuing]. There are others, Verizon and others.

Mr. GARCIA. It is interoperable.

Mr. FARR. Are those all going to operate?

Mr. GARCIA. That is correct. That is the bedrock of the National Communications System's Telecommunications Priority Service, is to enable priority services across networks, across platforms for those who need to have that ability to communicate.

Mr. JAMISON. It is also the issue, the challenge that we face with next generation networks, because we have a variety of carriers as well in that network, and that is why we need a next generation network.

Mr. FARR. Is YouTube and my Facebook going to work?

Mr. GARCIA. That is an issue that, in terms of how you prioritize internet traffic, is one of those both technological and policy challenges that we need to engage over the next several years as it pertains to national security.

Mr. FARR. The reason I ask is I had a workshop with the Naval Post Graduate School Center for Post Conflict—no, for Homeland Security who are all these incredibly smart first responders like yourselves, I mean from different backgrounds and meeting with our local law enforcement. And they told us that the most helpful information law enforcement could get was off Facebook, particularly in the Virginia incident when the shooting went on campus because the authorities had no idea what the facts were but the students on the ground in the classrooms and on the campus had about a thousand different inputs, pointing out that even false information will get readily collected with enough comments, enough sort of overlap. And it was fascinating because the whole discussion then became how do you communicate in an emergency situation when the first responders' communication may not have all the facts? And do you not need the support of civilians on the ground and just people who are using YouTube and Facebook to put information out there.

US–VISIT AIR EXIT PROGRAM

So that is why I asked that. And what I really wanted to get at though was US–VISIT exit program we go from generic to specifics, I mean we give a visa, we know when people come into this country and the whole thing but we never know when they leave. And I just want to know if we are up in service, I mean if a foreign student staying in my house studying in a local high school or local community college which has a student visa to get in when they go back home do you know where they are? Do you know when they leave now?

Mr. JAMISON. Let me take that one. And I will caveat it by saying we did not bring Bob Mockny, the Director of US–VISIT, to this hearing because of the earlier hearing. But we are currently working to get the air EXIT program established very quickly. We are in the late stages and hope to have the rule published——

Mr. FARR. Is it all visas or just tourist visas?

Mr. JAMISON. It is all visas. All visa waiver programs and all visas will be a part of that program.

Mr. FARR. Well, visa waivers you do not have a visa.

Mr. JAMISON. Correct. You are correct. Sorry for the miscommunication there. Yes, it will be all people that enter this country that have their fingerprints collected on entry, all those required will have to have their fingerprints collected on exit.

Mr. FARR. When will that be operational? And how do you do it? I mean is it an airline, you get on an airline, what if you come in by airline and take a car to Mexico to Tijuana and take a plane out of the Tijuana airport? So you have come in with an airline and you leave it by just essentially driving or walking across the border, is that all coordinated?

Mr. JAMISON. No. That is in the budget request. We have what we call a comprehensive land border exit proposal to start running pilots in fiscal year 2009 to deal with the land border issue, which is a much more complex situation of how we get that process moving. We hope to have the air exit rule—final rule—by the end of the year and implemented and up and running next year.

Mr. FARR. Is anything working or is it all pilot stage?

Mr. JAMISON. I think we have a lot of success stories in US–VISIT. The 10-print capture that we just rolled out, so now every visa that is issued internationally in every embassy we are getting a 10-print fingerprint collection on as well as 10-print fingerprint collection in several airports in addition to all airports being covered by the 2-print fingerprints coming into the country, which gives us a much greater capability to match against databases of terrorists in Iraq and Afghanistan, and being able to pull prints off of those areas. So we have made dramatic progress. We have to get moving on air EXIT, but we are about to get that rule released, and we will continue down the path.

CHEMICAL SECURITY REGULATIONS

Mr. PRICE. Thank you. We are told that votes are approaching here in not too many minutes.

I am going to ask you a question that I would like you to do the best you can with in a 3- or 4-minute time frame. But understand that you can supplement the answer for the record because our time is limited and some of these things you might need to do some checking on anyway. It has to do with the chemical facility regulations.

CHEMICAL FACILITY REGULATIONS

As you know, the 2007 Appropriations Act established new chemical facility security regulatory authority at DHS, provided $10 million to start the program. In 2008 the committee provided $50 million for chemical security. And the 2009 budget continues this growth, requesting $63 million for the program. So along with this funding growth you now have specific authority to, you have of course additional regulatory authority and now to that has been added the regulation of ammonium nitrate, the common fertilizer component that can be used to manufacture explosives.

So, with final publication of the types and quantities of chemicals subject to regulation DHS now has the task of establishing and

maintaining an active field staff to review chemical facilities and to evaluate the strength of their security plan. Can you give us an indication of where you are in this program, what the status is, what is your schedule for actual site visits at the nation's chemical facilities? How much of the chemical industry in the nation will you be able to review with the $63 million budget requested for 2009? And then finally, with regard to this new ammonium nitrate authority will you be able to integrate that into your regulatory regime this year? And what would you aim to do in this area next year?

Mr. JAMISON. I am going to yield my four minutes quickly to Bob Stephan since he can go into quick detail.

Mr. STEPHAN. So developing and implementing the Chemical Facility Antiterrorism Standards is kind of like building an airplane while it is in flight. You are bringing the crew on board while it is in flight, and while it is in flight someone is shooting at you. Sometimes it is al-Qaeda, sometimes it is everybody else. So that is kind of a very dynamic risk environment that is not stagnant.

The first year, 2007, and a little bit into 2008, here we spent developing, integrating, coordinating the interim final regulation, pushing it out the door, and pushing an outreach education awareness across the sectors of concern—not just the chemical sectors, not understood by everybody, but also parts of the energy sector, parts of the agricultural and food sectors, Health and Human Services, as well as educational facilities that have chemical labs. So this is much broader than chemical security from a conventional standpoint.

Where we are now in terms of the implementing piece? This is the year of program build, bringing on the IT systems that will ultimately serve us in terms of case management and across a population of somewhere between 6,000 to 8,000 facilities that will end up as a high-risk facility inside the CFATS framework, and bringing on board the inspectors, loose, on-the-ground officials that have a big role to play in terms of the plan development, the plan validation, the plan approval, and then the plan inspections in subsequent months and years.

In terms of the implementing piece, we concluded the first phase of implementation of the regulation itself—the consequence assessment or the Top Screen Phase—in January. The 22nd of January of this year we received about 30,000 Top Screens, which are very comprehensive consequence assessments based upon an analysis of about 322 chemicals of interest. So about 30,000 facilities have gone through that process in phase one.

We have an unknown number of outliers that we will begin to get to over the next couple months, working through the EPA, USDA, Health and Human Services, and the state Homeland Security Advisors to help us figure out where those outliers might be, those who have not yet completed the Top Screen assessment based upon their requirement to do so because they hold a certain type of chemical at a certain quantity.

As of last week, actually last Friday, I received a briefing from my staff that represents the initial cut at tiering those 30,000 or so facilities into four risk tiers, one being the highest risk, four being the lowest risk. I am going to present them to Mr. Jamison

this week, the results of what I call informally racking and stacking. Our initial assumptions are pretty good. We are going to have somewhere between 6,000 or 8,000 facilities inside those initial four tiers. Again, that number may grow depending on the outliers that we find.

The next phase in the process, once the Secretary has given his approval on the individual cut lines or demarcation points between the tiers, is to undergo a 90-day security vulnerability assessment process, which is totally automated with the 6,000 to 8,000 facilities that ended up as regulated facilities. We will then follow that with a 120-day security plan development process, which pretty much takes us into the late fall, the early winter.

While all of this is going on, on a faster track with available data several months ago, I have been following a herd of about 50 individual chemical facilities that, based upon known EPA offsite hazardous release data, we have pretty much determined that there will be X number of these 50 facilities that are going to actually end up as tier one under CFATS. And I just released a letter last week directing those 22 facilities now to begin the site vulnerability assessment process in advance of the rest of what I call the herd. So we have kind of a two-pronged approach—those facilities that are known based upon existing data also helping us pilot that whole site vulnerability assessment plan in the security plan development process, pushing this forward.

I hope to then make 2009, which is the third year of the CFATS authority, a year of heavy boots-on-the-ground inspection across all tiers, but again focusing on those facilities that represent the greatest risk first in that process. So I think this program is very well stood up now. It is under way. I have to bring the people on board. I have to bring all the complex IT suite of technologies together. Coming together nicely. And we appreciate the Committee's continued support of this effort because this requires sustained resources over a long period of time, sir, in order for it to work.

Mr. PRICE. Let me just ask you to furnish for the record, give us whatever precision you can about the $63 million that you talked about in the budget and what that will enable you to accomplish, how that matches up with the timetable and the tasks you just outlined. And then an explicit account, if you will, of how the ammonium nitrate regulation fits into this.

[The information follows:]

Question. What will IP do with the requested $63M and how the ammonium nitrate regulation fits in to this?

Answer. The $63 million was requested for implementation of the Chemical Facility Anti-Terrorism Standards (CFATS), to resource activities, equipment, or personnel essential to the accomplishment of full implementation of CFATS. Please see the attached slide entitled FY09 Expenditure Plan for ISCD–CFATS Implementation for a detailed breakout of how IP plans to allocate the funds.

Regarding the new requirement in Section 563 of the 2008 Consolidated Appropriations Act, DHS is eager to work with the Congress to identify sufficient resources to develop the ammonium nitrate security regulations. As an initial step, and as directed in the Appropriations Act, DHS is finalizing a report that discusses the Ammonium Nitrate (AN) supply chain and security issues surrounding AN in commerce, how CFATS cover certain types of AN facilities, the requirements of Section 563, options for fulfilling those requirements, and the associated cost estimates related to each option.

Mr. PRICE.We will return to this if we can. But now I want to turn to Mr. Rogers and ask you to furnish that for the record.

Mr. STEPHAN. We would be happy to do that.

Mr. PRICE. All right.

PROTECTIVE SECURITY ADVISORS

Mr. ROGERS. One of the difficulties we have had at the department over these years has been coordinating what we do with what states do. And delegating, if you will, a lot of the chores to the state local level. And with that in mind, some time ago we created what is called the Protective Security Advisors, PSA, people who are from each state that assist state and local governments in securing critical infrastructure and key resource locations. We do not have those people in all states now. But in your budget request you are asking $26.6 million, which is a $1.7 million increase over 2008, for ten additional PSAs. Will that give a person in every state?

Mr. JAMISON. Well, and that is an important consideration for us to get full state coverage. It is also an important consideration for us to make sure that we have the penetration rates where we have a high amount of critical infrastructure. I will let Bob go into more detail on how he could pull in those individuals.

Mr. STEPHAN. We have 78 now. This would bring us up to 88, which allows us to have a representative in every state. I think it is absolutely critical. In fact, I think this is probably one of my most successful programs, because these guys are my eyes and ears. I am not a preexisting DHS component, for example like Customs and Border Protection, Secret Service, FEMA. I do not have a field footprint without this cadre. By having these folks, as a minimum one in every state, I have somebody that is focused on the infrastructure pieces of the puzzle inside that jurisdiction on a steady-state basis helping to bring plans, training, exercise together with DHS components and others.

When an incident happens, these people know the owners and operators of the infrastructures, the FEMA regional director, local police chief, fire chief, the mayor, so on and so forth. They bring that incredible Rolodex and set of relationships to the fight. They are my people that populate the now new National Response Plan—keynote the National Response Framework rather—out in the field at the local level where the incident happens.

So those are critical guys in terms of steady-state planning facilitation, of relationship building, gathering a common operating picture that all feeds into incident management when we need to do that. They have been integral to the post-Katrina last two hurricane seasons, the California wildfires, and lots of things that happened across the country on a day-to-day basis that may not make it to the national level.

Mr. ROGERS. I would think, too, one of the chief benefits here would be some degree of uniformity across the country. I know some time some years ago we asked for a list from each state of what they consider or somebody considered critical infrastructure. And it ranged in one state from I think a popcorn stand to a nuclear power plant in another state. And those local officials considered both items of infrastructure. I would hope now with people in all states that we would have a uniformity so that we could have

some definition of what is critical infrastructure that is the same in Maine and Texas, it has not been in the past, so that the criteria can be the same. Do you see that coming?

Mr. STEPHAN. Sir, I do not think I will get to the point ever where the states are all uniform. But in terms of understanding the federal lexicon, what is the criteria sector by sector to be considered critical for energy facilities, chemical plants, dams, communications systems, so on and so forth, having my folks there going through the criteria sector by sector with the Homeland Security Advisor and the state administrative official for the grant program—that is invaluable in helping them translate what the Federal Government actually meant to say into the realities the environments and risk environments, the operating environments at the state level. Having somebody focused on this, the Homeland Security Advisors can turn to what are known quantities, not mysterious voices on the end of the phone in Washington, D.C., but known personal relationships, a lot of trust and confidence built there.

Mr. ROGERS. Well, I thank you and congratulate you for that. And that is something I think we could not spend money more wisely than to do that. Thank you.

Mr. PRICE. Mr. Rodriguez.

CYBER SECURITY CONTRACTING

Mr. RODRIGUEZ. Let me once again indicate in terms of what the Ranking Member has talked about in terms of the communication with the state and local. And I want to congratulate you on the exercise, or the international exercise that has been conducted, but to also keep in mind not only the macro but also the micro and not to lose track of that in terms of this because if we get an attack it might be of a local community where it occurs where we also need to be able to pick up on that.

Let me, the concern that I have, and I do not know to what degree we might be doing this but I know that it is happening when we have those contracts, and you know I am really concerned with contracts, you know, on the war in Iraq in terms of almost running the war, contracts that are going out in terms of responding to a national disaster, and as we move as an agency in terms of contracts that go out and where we might lose the intent of what the Congress or what the Administration wanted to do because of the contracts, you know, and how we come to grips with that. And so when we did that international exercise, you know, was that done through contracts?

Mr. GARCIA. The Cyber Storm exercise was managed from within DHS and by government employees. But we did certainly use contract support for a lot of the logistics and some of the planning. But the most important thing to recognize is that the exercise itself was exercised by the stakeholders, by real representatives from the chemical sector, transportation, from the states, from federal agencies, from private companies.

Mr. RODRIGUEZ. Yes, that is important, especially at this stage in terms of learning from those experiences and learning from those exercises that we have that capability of being able to pick up on that.

The other concern that I would have would be in terms of as the intent of something that, you know, an earmark, the intent of what it is supposed to be as a contractor picks it up to make sure the integrity is still there. Okay?

Mr. GARCIA. Absolutely, sir.

QUALIFIED AND SKILLED WORKFORCE

Mr. RODRIGUEZ. Okay. That to me is also important and essential. And I am still not convinced that we are, you know, we have because I know the number of people that we were bringing in in computer literacy and in the Ph.D. level from abroad prior to 9/11 and the fact that we are not doing that as much that we really need to beef up on producing those Ph.D.'s and those highly qualified people in computer, you know, for cyber security purposes. And I do not know if we are doing enough in that area or not.

Mr. GARCIA. Sir, I am actually proud of what we have been able to do so far in that area. DHS, in partnership with the National Security Agency, sponsors a program called Centers for Academic Excellence in Information Assurance, which essentially means there are currently 86 colleges and universities across the country that have been certified as centers of academic excellence for both the curriculum in cyber security, computer security, computer sciences, software assurance. They have developed strong curricula, A, and B, they—as colleges and universities, as enterprises—are actually practicing what they are teaching. They are taking the steps to secure their own networks. Because as we know, the academic environment is one that is rife with all kinds of very smart students trying all varieties of things.

The other issue that we are working on is something called the Scholarship for Service Program, one that again we are very proud of. This program provides one to two years of DHS funding for students in the computer security field in colleges and universities in return for the same amount of service in the Federal Government. So if they get one year of funding for their college education they serve one year in a federal agency working in cyber security. Through our US–CERT just this year we have hired 14 at our latest Scholarship for Service Fair. Earlier this year we had a very large job fair, and the US–CERT hired 14 students who will be graduating in May and June coming on-board the US–CERT.

RESPONDING TO CYBER ATTACKS

Mr. RODRIGUEZ. As we find the attacks that are occurring right now how do we communicate at the present time with the Department of Defense or SEI or anyone else?

Mr. GARCIA. We have a number of mechanisms for that. At the operational level there is an interagency group called the National Cyber Response Coordination Group, which is co-chaired by DHS, the Department of Justice and Department of Defense. This is an interagency group that shares information about ongoing threats and vulnerabilities. The NCRCG played and participated in the Cyber Storm exercise as an interagency group.

We have numerous other partnerships across the Federal Government, formal and informal, for information sharing. We are particularly close with the Defense Department's Joint Task Force for

Global Network Operations. We have developed a concept of operations for how we exchange information, what we do with that information between the DOD side and between the national critical infrastructure side. So we have a number of those in place.

If we look at the National Cybersecurity Center—and there has been some discussion of that—if you think that every organization is focused on their mission, DHS is focused on their mission, DOD is focused on its mission, FBI, etc., and they do reach out, we all do reach out and we coordinate, but what the National Cybersecurity Center will do, we will systematize that coordination, as the Under Secretary said. It will make it more comprehensive, more systematized because, prior to that, there has not been a single entity that has as its sole job the coordination of all of those federal entities involved in cyber security.

Mr. RODRIGUEZ. Thank you.

Mr. PRICE. Thank you. Mr. Aderholt.

INFRASTRUCTURE VULNERABILITIES

Mr. ADERHOLT. Speaking in general terms and just I will open this up to any on the panel here, as far as vulnerability and risk we experience here in this nation, what are some of the areas that we, I think that you believe we need to pay close security to? And I know you want to speak in general terms on this. But, you know, concerning terrorist attacks and such which areas do you see as the most vulnerable and the areas that we are at most risk at?

Mr. JAMISON. I am going to defer to Bob Stephan, who has the responsibility to coordinate across that infrastructure and to do some assessments. I appreciate the caveat for the statement. It is going to be very hard for us to go into any level of detail here.

Mr. STEPHAN. Sir, to answer that question in a lot of detail actually you have now in the committee safe a national-level critical infrastructure key risk, key resource assessment report. It is an annual report now that is a requirement under HSPD–7 as well as recent statutory requirements.

Inside that document we have a homeland risk assessment that catalogs the 18 critical infrastructure sectors that we now have according to risk and highlights those that represent the highest of the high-risk categories. We spent a lot of time talking about the various types, also attack vectors that are more prevalent or more deadly across those particular sectors. So there is a report that you now have access to and will have an update on an annual basis where we will bring in the intelligence community, the law enforcement community, and the sectors at the federal level, the state and local level, and the private sector level to figure this out, conduct this analysis. Then from the analysis identify what is more important than the thing next to it and what are the strategies that we should be using to kind of cut down the vulnerabilities, boost protection, boost cyber security, boost resiliency within that protective sector or to try to eliminate the particular attack vectors to the sectors of concern.

So I would be glad to also come over and offer a personalized briefing of that to any member of the committee to walk you through that national level risk report.

Mr. ADERHOLT. When was the last time that report was updated?

Mr. STEPHAN. Sir, it was turned in to you, the first week in November of 2007. It will be updated again this year. The Sector Annual Reports that feed the national report are due to me on 1 July. I have about three months to turn them around. I push them through the Secretary of Homeland Security to the President's Homeland Security Advisor and Special Assistant for Counterterrorism 1 September of each year. And then they go to the Hill here the first week of November. It is an annual cycle now where those things are refreshed.

And, of course, anything that emerges in the interim, a new piece that we had not yet considered, a new tactic that we can——

Mr. ADERHOLT. Will be supplemental to that?

Mr. STEPHAN. Yes, sir. We will have an addendum and push it in there as well.

Mr. ADERHOLT. Okay. Thank you very much.

Mr. PRICE. Mr. Farr.

US–VISIT EXIT PROGRAM

Mr. FARR. Just two questions. I know time is limited.

Mr. Jamison, how much money have we spent to ratchet up for the VISIT Exit program?

Mr. JAMISON. I will have to get you the exact numbers for the record.

[The information follows:]

Question. What are the exact amounts spent on the VISIT Exit program?

Answer. To date, US–VISIT has spent a total of approximately $156.7 million on the planning, design, execution, deployment, evaluation and disposal of the air and sea biometric exit pilots as well as the land border RFID entry-exit proof of concept.

US–VISIT spent $64.2 million on the land border RFID entry-exit proof of concept and $92.5 million on the air/sea biometric exit pilots.

Mr. FARR. Ballfield what do you think it is?

Mr. JAMISON. We, I know in 2009——

Mr. FARR. No, just what is the total all these years?

Mr. JAMISON. I do not have that number. I will have to get that number for you.

Mr. FARR. Do we have any work, do you have any exit program working now at any airport or any exit place?

Mr. JAMISON. No. We had an EXIT pilot a few years ago that wrapped up. There is no current exit program.

Mr. FARR. Thank you.

I want to ask Mr. Stevens—which, which? I cannot see your name tag.

Mr. STEPHAN. Stephan, sir.

Mr. FARR. Oh, Stephan. Excuse me, I am sorry. Because you have done a lot of work for the Naval Post Graduate School out in Monterrey, have you not?

Mr. STEPHAN. Yes, sir. I have been invited out there as a guest lecturer and a panel participant and a friend of the family out there.

Mr. FARR. Well, I just wondered whether you would come, because this whole thing on cybersecurity also has the ability of how do you when an area is devastated how do you set up a command post? And I know there are some companies that out of the work that the Naval Post Graduate School did with the tsunami in de-

veloping mobile command systems that could be backpack operated, seven days. Commanders can be essentially in the woods and be in command. And I know they have done some work in Harold Rogers' district with the University of Arkansas I believe. I just wondered if you have seen any of that?

Because one of the questions I have is that they have not yet put it into an operational situation with the kind of operators of local first responders. And I think that was what they were looking for is to try to put this ability of technology and people in an operational sense. And I wondered whether you have seen any of that or done any of it or you are working on that?

Mr. STEPHAN. Sir, I have not seen anything to do with that particular initiative. They have pushed us other things, for example, integrating regional resiliency into the National Infrastructure Protection Plan framework and some ideas on how we make sure that we are better engaging state and local government partners in the infrastructure protection mission area. We have numerous efforts under way on those fronts. But I am not familiar with this specific initiative.

Mr. FARR. There is a company named Comms First that brought it to my attention of what they have been able to develop. Has anybody done any, worked in that field? Do you know what I am talking about? Essentially they have created the ability to do mobile with all the kinds of battery operations and satellite communication where you can take equipment depending on how much, up to a whole truckload, and create a command center in anywhere, just a remote area. You have no connection to any hub, any electrical grid or anything. They generate their own power, they use battery power.

Mr. GARCIA. Right. And there are a number of vendors, commercial offerings that have that capability that we deploy along with FEMA at the site of any incident where communications, the communications infrastructure, is brought down because of flooding or some form of destruction. Then we need to bring in mobile communications capabilities.

Mr. FARR. Well, I think they are beyond that. And that is what they are looking for is some ability to do some field testing in an operational sense. And I would like to work with you on that.

Mr. GARCIA. Yes, sir. I will come back and talk about that.

Mr. FARR. I know that Mr. Rogers has some interest in it too.

CHEMICAL FACILITY SECURITY

Mr. PRICE. Thank you, Mr. Farr.

Well, the promised votes have arrived. And so we will prepare to adjourn.

I want to ask you, Mr. Under Secretary, just to put a little finer point on the questions I asked you to bring back answers to on the chemical security matter. We did understand you to say that something like 6,000 to 8,000 plants would be likely to fall under regulations given the process that you have undertaken. Mr. Stephan, you gave that number I believe. Our understanding is that the budget request of $63 million for 2009 was premised on a somewhat smaller number, around 500 to 5,500. That is the sort of detail we are looking for if you can follow up on that.

Mr. STEPHAN. The original premise was 5,000.

Mr. PRICE. Yes. So what is the effect then of a somewhat larger number of that likely coming through this screening process.

AMMONIUM NITRATE

And then we are well aware that this ammonium nitrate regulation represents an additional challenge to you. I would like to know how many of these facilities you would figure would be targeted in any case without the special responsibilities. But we do want to know how you are adjusting to that, how that figures within the budget you have requested.

And also where they were talking here about compatible regulatory regimes, there are some specific requirements that are part of that provision.

So that is the sort of thing we would appreciate in a more detailed reply.

Mr. PRICE. So with that I am going to thank all of you for being here today and for some very useful testimony. And we will look forward to working with you as our bill is written. And the hearing is adjourned.

QUESTIONS FOR THE RECORD SUBMITTED BY

CHAIRMAN DAVID PRICE

National Protection and Programs Directorate
Fiscal Year 2009 Budget Request

Management

Question: Please list all NPPD (or precursor agency) political employees who received bonuses in 2007. Include the position, office, and bonus amount.

ANSWER: Department of Homeland Security Political employees are not eligible for bonuses; therefore, no National Protection and Programs Directorate political employees received a bonus in Fiscal Year 2007.

Question: Please list all NPPD (or precursor agency) SES bonuses provided in 2007 by position, office, and bonus amount.

ANSWER: Please see the following table.

Office	Position	Bonus %	Bonus Amount
NPPD/OIP	Director, Partnership and Outreach Division (Formerly: Director, Infrastructure Partnerships Division)	9.7%	$ 15,000
NPPD/OIP	Director, Protective Security Coordination Division (Formerly, Director, Risk Management Division)	10.1%	$ 15,000
NPPD/CS&C	Deputy Manager, National Communications System	8.0%	$ 12,840
NPPD/CS&C	Chief of Staff, Cyber Security & Communications	8.0%	$ 12,360
NPPD/CS&C	Special Assistant, Cyber and Telecommunications	5.0%	$ 7,750
NPPD/VISIT	Director, U.S. VISIT	6.5%	$ 10,000
NPPD/RMA	Director, Office of Risk Management and Analysis	9.0%	$ 13,950

Question: Please list by office and pay grade level the number of NPPD (or precursor agency) non-SES employees who received a bonus or quality step increase (qsi) in 2007, the total bonus/qsi expenditures for the particular office and pay grade, and the total number of employees in the office and pay grade.

ANSWER: Please see the tables on the following pages.

GRADE	# OF RECIPIENTS	AWARD TYPE	OFFICE		AWARD AMOUNT
06	1	INDIV CASH	OUS	$	881.00
09	2	INDIV CASH	OUS	$	2,649.00
12	9	INDIV CASH	OUS	$	26,076.00
12	1	QSI AWARD	OUS	$	-
13	11	INDIV CASH	OUS	$	20,445.00
14	14	INDIV CASH	OUS	$	29,186.00
15	19	INDIV CASH	OUS	$	54,314.00
			TOTAL OUS	**$**	**133,551.00**
14	1	INDIV CASH	RMA	$	5,000.00
15	3	INDIV CASH	RMA	$	15,000.00
			TOTAL RMA	**$**	**20,000.00**
07	1	INDIV CASH	IP	$	676.00
07	1	TIME OFF AWD.	IP	$	16.00
08	1	INDIV CASH	IP	$	750.00
08	1	TIME OFF AWD.	IP	$	40.00
09	3	INDIV CASH	IP	$	4,367.00
11	3	INDIV CASH	IP	$	5,304.00
12	2	QSI AWARD	IP	$	-
12	4	TIME OFF AWD.	IP	$	136.00
12	27	INDIV CASH	IP	$	54,612.00
13	1	QSI AWARD	IP	$	-
13	3	TIME OFF AWD.	IP	$	120.00
13	21	INDIV CASH	IP	$	53,744.00
14	4	TIME OFF AWD.	IP	$	74.00
14	5	QSI AWARD	IP	$	-
14	122	INDIV CASH	IP	$	397,261.00
15	4	QSI AWARD	IP	$	-
15	8	TIME OFF AWD.	IP	$	200.00
15	63	INDIV CASH	IP	$	239,779.00
			TOTAL IP	**$**	**757,081.00**

GRADE	# OF RECIPIENTS	AWARD TYPE	OFFICE		AWARD AMOUNT
04	1	INDIV CASH	CS&C	$	541.42
07	1	PERF AWARD	CS&C	$	250.00
07	1	QSI AWARD	CS&C	$	-
07	1	TIME OFF AWD.	CS&C	$	40.00
07	2	INDIV CASH	CS&C	$	1,249.41
08	1	INDIV CASH	CS&C	$	1,800.00
08	1	TIME OFF AWD.	CS&C	$	12.00
09	4	INDIV CASH	CS&C	$	4,690.00
11	3	INDIV CASH	CS&C	$	5,380.00
12	1	PERF AWARD	CS&C	$	500.00
12	1	QSI AWARD	CS&C	$	-
12	3	TIME OFF AWD.	CS&C	$	73.00
12	11	INDIV CASH	CS&C	$	21,555.00
13	1	TIME OFF AWD.	CS&C	$	12.00
13	23	INDIV CASH	CS&C	$	62,652.64
14	1	PERF AWARD	CS&C	$	500.00
14	1	TIME OFF AWD.	CS&C	$	11.00
14	2	QSI AWARD	CS&C	$	-
14	28	INDIV CASH	CS&C	$	96,645.11
15	1	TIME OFF AWD.	CS&C	$	16.00
15	3	QSI AWARD	CS&C	$	-
15	5	PERF AWARD	CS&C	$	23,862.71
15	22	INDIV CASH	CS&C	$	83,653.92
			TOTAL CS&C	**$**	**303,444.21**
12	4	INDIV CASH	US Visit	$	7,200.00
13	2	INDIV CASH	US Visit	$	6,300.00
14	20	INDIV CASH	US Visit	$	59,000.00
15	1	PERF AWARD	US Visit	$	3,500.00
15	4	QSI AWARD	US Visit	$	-
15	45	INDIV CASH	US Visit	$	160,700.00
			TOTAL US-VISIT	**$**	**236,700.00**
			TOTAL NPPD	**$**	**1,450,776.21**

Question: Please provide a table showing how much of the 2009 budget will be used for bonuses for NPPD political employees, NPPD SES employees, and NPPD non-SES employees.

ANSWER: Department of Homeland Security political employees are not eligible for bonuses. The table that follows details the estimated budget for bonuses and awards to be paid to Career Senior Executive Service (SES) and non-SES employees in the Fiscal Year 2009 Request. FY 2009 bonuses and awards are captured in Exhibit H of the Congressional Justification, under Object Class 11.5 "Other Personnel Compensation."

Career/General Schedule (GS) bonus levels for each Program Project Activity (PPA) in FY 2009 are estimated based on an average of 2 percent of salaries for non-SES and non-political employees within each PPA. The bonus rate of 2 percent used in the budget estimates assumes a performance rating of "Achieved Expectations" for all non-political and non-SES National Protection and Programs Directorate (NPPD) employees. Career SES bonus levels are estimated based on an average of 10 percent of base salaries for all non-political SES personnel within NPPD.

FY 2009 Awards and Bonuses by PPA *$ thousands*			
Component	Career/GS	Career SES	Total Bonuses
NPPD TOTAL	**$ 2,006**	**$ 327**	**$ 2,333**
Management and Administration	**$ 140**	**$ 73**	**$ 213**
Directorate Administration	$ 116	$ 59	$ 175
Intergovernmental Programs (IGP)	$ 16	$ -	$ 16
Risk Management and Analysis (RMA)	$ 7	$ 15	$ 22
Infrastructure Protection Information Security (IPIS)	**$ 1,586**	**$ 221**	**$ 1,807**
Infrastructure Protection (IP)	$ 869	$ 136	$ 1,005
National Cyber Security Division (NCSD)	$ 224	$ 34	$ 258
National Communications System (NCS)	$ 148	$ 51	$ 199
Office of Emergency Communications (OEC)	$ 345	$ -	$ 345
US-VISIT	**$ 280**	**$ 33**	**$ 313**

Question: Please provide for the record a table that shows all funds expended by NPPD (or precursor agency) political employees for travel in 2007. Include name of individual traveling, purpose of travel, location(s) visited, and total cost.

ANSWER: Please see the following table.

Name	Purpose of travel	Location Visited	Cost ($)
Brown, Julie	Accompanying A/s Anne Petera	Puerto Penasco Mexico; Oklahoma City, OK	$ 1,011.05
		Total	$ 1,011.05
Burns, Patrick	SERRI at Oak Ridge	Oak Ridge, TN	$ 29.25
	IP Offsite	Shepherdstown, WV	$ 291.20
	I&A Fusion Center Program/Private Sector Information Sharing Meetings	Springfield & Chicago, IL	$ 560.90
	EEI Strategic Issues Roundtable with DASIP Dinanno	Miami, FL	$ 706.30
	Chemical Security Field Hearing	Newark, NJ	$ 222.00
	CHEMICAL SECURITY FIELD HEARING	Shepherdstown, WV	$ 330.45
	Homeland Security forum at Stanford University	Palo Alto, CA	$ 1,169.05
	SI Bombing Prevention TR Wire Event	Philadelphia, PA	$ 400.46
	IED Awareness Event - bomb prevention	Los Angeles, California	$ 691.00
		Total	$ 4,400.61
Carroll, Jason	ATTENDING THE FY07 HSGP AFTER ACTION CONFERENCE.	Minneapolis, MN	$ 1,267.60
		Total	$ 1,267.60
Garcia, Gregory	Assistant Secretary Garcia will travel to London, England with Deputy Secretary Jackson as part of the U.S. delegation at the US UK Joint Contract Group	London, UK	$ 2,573.88
	Assistant Secretary Garcia will accompany the Deputy Secretary for Preparedness in his meetings with NORTHCOM and STRATCOM for discussions regarding National Command and Coordination Capability (NCCC).	Colorado Springs, CO; Omaha, NE	$ 1,324.63

	Assistant Secretary Garcia will participate as a Keynote Speaker both at the Executive Security Action Form and t the Town Hal, RSA conference 2007. This trip will also provide an opportunity for Mr. Garcia for a tour and briefing at Revising corporate Headquarters (Mountain View, CA) a site visit to Cisco Systems (San Jose, CA) participation at the IT-ISAC Annual Member Meeting; participation in a roundtable discussion at the ITAA Information Security Meeting; speaking at the Cyber Security Industry Alliance (CSIA) meeting; and participation in additional "outreach" meetings with industry.	San Francisco, CA	$ 2,909.07
	On behalf of the National Security Agency's Information Assurance Directorate and the Defense Information Systems Agency, Assistant Secretary has been invited to be a speaker and a participant at the 11th Annual Information Assurance Workshop (IAWS) in Orlando, Florida.	Orlando, FL	$ 514.13
	Attend and present a keynote address about Long Term Strategies for Protecting the Nation Critical Cyber Security Infrastructure at the Tech Policy Summit Silicon Valley	San Jose, CA	$ 871.98
	Assistant Secretary will attend the Cyber Crime in America: A Law Enforcement Perspective briefing to include Secretary Chertoff, Director USSS Mark Sullivan and Alabama State Governor Bob Riley.	Hoover, AL	$ 343.39
	To attend and to present as a Keynote Speaker at the FS-ISAC (Financial Services Information Sharing and Analysis Center) Security Conference and Member Meeting.	St. Petersburg, FL	$ 515.37
	Will be part of the Pinnacle 07 Exercise at Mt. Weather.	Mt. Weather, VA	$ 247.28
	To participate as a guest speaker and lead an interactive discussion at the Financial Fortress Leadership Group (FFLG) Fifth Anniversary Meeting.	New York, NY	$ 753.47
	June 5,2007 travel to Boston, MA to attend The Colloquium for Information Systems Security Education as a keynote Speaker and will present awards at the dinner/ceremony for National Centers of Excellence in Information Assurance Education and CNSS IA Curriculum Certification. June 6, 2007 traveling to Albany NY to attend the 10th Anniversary NYS Cyber Security Conference as a Keynote Speaker. June 7, 2007 Attend the North Carolina Technology Association, Five Pillars of Executive Leadership in Non-Secure World conference and will serve on a panel to discuss perspectives on cyber security.	Boston, MA; Albany, NY; Raleigh, NC	$ 1,391.36
	Assistant Secretary Garcia has convened an offsite meeting for the CS&C Leadership/Senior Staff.	Solomons, MD	$ 203.02

	Speaker and participator to the VIP at the Emergency Support Function, Communications Training Conference, Keynote address at the 2007 GFIRST Conference, Keynote address to the trustworthy computing and engineering excellence forum, Microsoft Campus.	NEW ORLEANS, LA ORLANDO, FL SEATTLE, WA	$ 2,577.38
	To participate as a keynote speaker at the Chicago First Regional Exercise.	Chicago, IL	$ 612.15
	Information meeting	local travel	$ 21.79
	Information meeting	local travel	$ 72.24
	Information meeting	local travel	$ 142.88
	Information meeting	local travel	$ 164.17
	Information meeting	local travel	$ 121.10
	Information meeting	local travel	$ 206.86
	Information meeting	local travel	$ 63.50
	Information meeting	local travel	$ 71.26
	Information meeting	local travel	$ 240.46
	Information meeting	local travel	$ 115.56
	DHS LEADERS RETREAT	EMMITSBURG, MD	$ 173.50
	VISIT THE AT&T GLOBAL NETWORK OPERATIONS CENTER AND NATIONAL SECURITY AND EMERGENCY PREPAREDNESS.	BEDMINISTER, NJ	$ 348.35
	TO PRESENT A KEYNOTE SPEECH AT THE GOLDMAN SACHS TECHNOLOGY RISK	NEW JERSEY	$ 308.55
		Total	$ 16,887.33
McDonald, Melissa	TO ATTEND THE ORGANIZATION OF AMERICAN STATES (OAS) INTER-AMERICAN COMMITTEE AGAINST TERRORISM'S (CICTE) EXPERTS MEETING TO DISCUSS CRITICAL INFRASTRUCTURE PROTECTION ISSUES & SET THE AGENDA FOR ANNUAL MEETING TAKING PLACE IN PANAMA IN FEB.	Panama City, Panama	$ 2,002.00
	PARTICIPATE IN THE JOINT CONTACT GROUP (JCG) SENIOR OFFICIALS MEETING IN LONDON AND PARTICIPATION IN THE G-8 LYON-ROMA ANTI-CRIME AND TERRORISM GROUP WORKING GROUP	London England; Moscow, Russia	$ 5,641.32
	IP OFFSITE	Shepherdstown, WV	$ 291.20
	Meeting and Parking	Local Travel	$ 61.50
	WORK IN THE G8 LYON-ROMA ANTI-CRIME AND TERRORISM GROUP EXPERT LEVEL WORKING GROUP	Berlin, Germany	$ 2,411.28
	TO ATTEND THE ORGANIZATION OF AMERICAN STATES (OAS) INTER-AMERICAN COMMITTEE AGAINST TERRORISM'S (CICTE) EXPERTS MEETING TO DISCUSS CRITICAL INFRASTRUCTURE PROTECTION ISSUES	Panama City, Panama	$ 1,628.20
	Meeting and Parking	Local Travel	$ 54.00
	Meeting and Parking	Local Travel	$ 44.00

	TO PARTICIPATE IN THE G-8 LYON-ROMA ANTI-CRIME AND TERRORISM GROUP (LR/ACT) EXPERT LEVEL WORKING GROUP.	Berlin, Germany	$ 2,624.83
	Meeting and Parking	Washington, DC	$ 669.79
	Meeting and Parking	Local Travel	$ 104.00
	OIP OFFSITE	Shepherdstown, WV	$ 323.92
	OIP OFFSITE	Shepherdstown, WV	$ 330.45
	Meeting and Parking	Local Travel	$ 88.82
	Meeting and Parking	Local Travel	$ 73.00
	PARTICIPATION IN THE TRI-LATERAL EMERGENCY MANAGEMENT COORDINATING COUNCIL.	Ottawa, Canada	$ 1,174.21
	Meeting and Parking	Local Travel	$ 136.50
		Total	$ 17,659.02
O'Brien, Devin	MEETING WITH THE FEMA JFO AND BZPP BRIEFING.	New Orleans, LA	$ 1,170.79
	IP OFFSITE	Shepherdstown, WV	$ 291.20
	SUPPORTING DINANNO AT A PUBLIC IED AWARENESS EVENT	Nashville, TN	$ 624.30
	ASSISTING THE A/S AS HE IS SPEAKING AT THE COUNCIL OF FOREIGN RELATIONS	New York, NY	$ 584.00
	ASSISTING A/S STEPHAN AS HE SPEAKS AT NPRA SECURITY CONFERENCE	Houston, TX	$ 1,211.51
	ASSISTING A/S STEPHAN AS HE DELIVERS A GRADUATION SPEECH FOR THE CHEMICAL INSPECTORS	Louisville, KY	$ 989.30
	OIP OFFSITE	Shepherdstown, WV	$ 248.00
	OIP LEADERSHIP OFFSITE	Shepherdstown, WV	$ 380.10
		Total	$ 5,499.20
Stephan, Robert	MEET WITH THE DIRECTOR AND STAFF OF THE CALIFORNIA OFFICE OF HOMELAND SECURITY TO DISCUSS THE FY2006 BUFFER ZONE PROTECTION PROGRAM.	Sacramento, CA	$ 797.78
	SPEAKING TO THE ISAC CONGRESS ON NIPP.	St. Petersburg, FL	$ 649.61
	MEETING WITH THE DIRECTOR OF SECURITY FOR SEARS TOWER AND SPEAKING AT THE STRATEGIC PARTNERS MEETING.	St. Petersburg, FL	$ 294.85
	Meeting	Emmitsburg, MD	$ 195.64
	JFO KICKOFF ON THURSDAY EVENING, MEETING WITH GIL JAMISON ON FRIDAY MORNING BZPP BRIEFING TO HOMELAND SECURITY ADVISOR FOLLOWED BY A VISIT TO AIR PRODUCTS BZPP SITE. (ORIGINAL TRIP TO TX WAS CANCELLED DUE TO TX-HSA NOT ABLE TO ATTEND).	New Orleans, LA	$ 954.54
	INDIAN POINT EXERCISE, MEET W/ NY-HSA TO BRIEF BZPP AND MEET WITH CONGRESSWOMAN SUE KELLY.	Westchester, NY	$ 1,023.60

	SPEAKING AT COMMERCIAL FACILITIES SECTOR COORDINATING COUNCIL CIPAC MEETING	New York, NY	$ 222.61
	IP OFFSITE	Shepherdstown, WV	$ 291.20
	SPEAKING AT THE COUNCIL OF FOREIGN RELATIONS	New York, NY	$ 593.25
	TO ATTEND THE ORGANIZATION OF AMERICAN STATES (OAS) INTER-AMERICAN COMMITTEE AGAINST TERRORISM'S (CICTE) EXPERTS MEETING TO DISCUSS CRITICAL INFRASTRUCTURE PROTECTION ISSUES	Panama City, Panama	$ 1,985.20
	ASSISTING THE A/S AS HE IS SPEAKING AT THE COUNCIL OF FOREIGN RELATIONS	New York, NY	$ 647.00
	SPEAKER AT NPRA SECURITY CONFERENCE	Houston, TX	$ 1,499.80
	SPEAKER AT NEBRASKA CI CONFERENCE	Grand Island, NE	$ 779.79
	SPEECH FOR THE CHEMICAL INSPECTORS GRADUATION	Louisville, KY	$ 824.80
	KEYNOTE SPEAKER AT ANNUAL RISK SYMPOSIUM AND VISITING LOS ALAMOS	Santa Fe, NM	$ 657.10
	SPEAKING AT DEFENSE INDUSTRIAL BASE CRITICAL INFRASTRUCTURE PROTECTION CONFERENCE	Miami, FL	$ 656.30
	TOUR & MEET W/ OWNER/OPERATORS AT KUEHNE CHEMICAL COMPANY AND INFINEUM USA LP IN NEWARK, NEW JERSEY	Newark, NJ	$ 361.00
	VISIT THE LA POLICE DEPARTMENT ARCHANGEL PROGRAM	California	$ 1,136.50
	Meeting and Parking	Local Travel	$ 72.75
	TO SPEAK AT THE NATIONAL NUCLEAR CONFERENCE AND TO PARTICIPATE IN A COMMUNICATIONS SECTOR SCC MEETING AND HURRICANE SEASON PRIVATE SECTOR EXERCISE.	San Antonio, TX and New Orleans, LA	$ 1,484.50
	KEYNOTE LUNCHEON SPEAKER FOR THE HOMELAND SECURITY ADVISORY	Harrisburg, PA	$ 162.98
	COLONIAL PIPELINE VISIT.	Atlanta, GA	$ 1,312.81
	IED PREPAREDNESS MEDIA EVENT	Raleigh, NC	$ 337.81
	Trip	Vancouver, Canada	$ 820.22
	Meeting and Parking	Local Travel	$ 54.31
	Meeting and Parking	Local Travel	$ 9.38
	ADDRESSING THE FORUM ON HOMELAND SECURITY AT STANFORD UNIVERSITY ON AUGUST 23-24, 2007.	Palo Alto, CA	$ 1,169.05
	KEYNOTE SPEAKER AT THE UTAH STATE CIP CONFERENCE	Salt Lake City, Utah	$ 889.80
	Trip	Chicago, IL	$ 714.80
	KEYNOTE SPEAKER AT THE CHLORINE INSTITUTE 07 FALL MEETING.	Nashville, TN	$ 637.30
		Total	$ 21,236.28
Hardie, Sharon	Conference Attendance	MD	$ 114.00
	Office of Grants & Training Chicago Stakeholders Meeting	CHICAGO, IL	$ 709.60

	International Emergency Managers Conference	ORLANDO, FL	$ 1,115.60
	Crash and Bang Training Course	RICHMOND, VA	$ 754.64
	Buffalo UASI meeting	BUFFALO, NY	$ 882.69
	To speak at the Kiski School for Career Day.	PITTSBURGH, PA	$ 320.69
		Total	$ 3,897.22
Jamison, Robert D	Meeting and parking	local	$ 16.52
	Meeting and parking	local	$ 49.15
	Meeting and parking	local	$ 20.37
	Meeting and parking	local	$ 12.14
	Meeting and parking	local	$ 39.64
		Total	$ 137.82
Nichols, Frederic	WORLD ECONOMIC FORUM	LONDON, ENGLAND	$ 2,377.62
	IP OFFSITE	SHEPHERDSTOWN, WV	$ 317.55
	Meeting and parking	local	$ 68.55
	Meeting and parking	local	$ 32.10
	Level III pre-command antiterrorism/force protection (AT/FP) training	FORT WALTON BEACH, FL	$ 1,528.44
	To attend the SPP Trilateral Meeting in Ottawa, Canada.	Ottawa, Canada.	$ 2,356.09
	Risk Symposium 2007	SANTA FE, NM	$ 784.45
	An exchange on Critical Infrastructure, SAT priorities and reforms taking place in Canadian Preparedness activities.	OTTAWA, CAN	$ 1,423.45
	International Risk Reduction Meeting	MANHATTAN, NY	$ 554.69
	World Economic Forum	DAVOS, SUI	$ 1,892.99
		Total	$ 11,335.93
Foresman, George	SPEAKER AT THE NATIONAL HOMELAND DEFENSE FOUNDATION - 4TH ANNUAL HOMELAND DEFENSE SYMPOSIUM	COLORADO SPRINGS, CO	$ 713.22
	FOR PORT MEETING AND PRESS CONFERENCE	LOS ANGELES, CA	$ 713.34
	Special case	Audit of Travel - OTHER travel	$ 880.33
		Total	$ 2,306.89
Killian, Adam	NATIONAL HOMELAND DEFENSE FOUNDATION - 4TH ANNUAL HOMELAND DEFENSE SYMPOSIUM	COLORADO SPRINGS, CO	$ 764.50
		Audit of Travel - OTHER travel	$ 512.20
	National Conference of State Legislatures	SAN ANTONIO, TX	$ 55.50
	2007 Leaders In Technology Conference	LAS VEGAS, NV	$ 831.26
	Traveling with U/S Foresman for the World Economic Forum	DAVOS, SUI	$ 2,124.29
	Southern Municipal Conference attending with US	JACKSON, MS	$ 943.13
		Total	$ 5,230.88
Petera , Anne	TO SPEAK TO THE BORDER PATROL AGENTS WHO WILL BE TRAINED ON SBI.NET	EL PASO TEXAS TUCSON, ARIZONA	$ 985.87
	TO SPEAK AT THE HOMELAND SECURITY ADVISOR'S COUNCIL MEETING	NEW YORK, NEW YORK	$ 611.09
	Meeting and Parking	Local	$ 7.32

	TO MEET WITH THE GOVERNOR AND THE NORTH CAROLINA EMERGENCY MANAGERS	RALEIGH, NORTH CAROLINA	$ 342.56
	TO ATTEND THE US CONFERENCE OF MAYORS ANNUAL MEETING IN LA AND THE NATIONAL SHERIFFS ASSOCIATION CONFERENCE IS SALT LAKE CITY	LOS ANGELES, CA SALT LAKE CITY, UT	$ 1,991.27
	TO SPEAK AT THE NATIONAL HOMELAND SECURITY CONSORTIUM MEETING.	SEATTLE, WA	$ 1,150.38
	TO SEEK AT THE AIEL HOMELAND SECURITY SUBCOMMITTEE	YUMA, AZ	$ 403.77
	TRAVELING THERE WITH SL FLYING BACK US AIRWAYS	NEW ORLEANS, LA	$ 350.90
	NCSL	BOSTON, MA	$ 255.65
	ATTENDING THE FY07 HSGP AFTER ACTION CONFERENCE.	MINNEAPOLIS, MN AND BOSTON, MA	$ 1,756.43
	Meet with the 25 major sheriffs	MACKINAC ISLAND, MI	$ 751.35
	information meeting	local	$ 89.65
	attending Border Gov. Conference in Mexico then flying to Oklahoma City to speak at NEMA Conference	OKLAHOMA CITY, OK and PUERTO PENASCO, MEXICO	$ 1,769.38
	meeting with NV HSA and the Governor	RENO, NV and CHICAGO, IL	$ 1,148.83
	speaking at SGA	BILOXI, MS	$ 2,206.64
		Total	$ 13,821.09
Tysarczyk, Eric	MEETING WITH PA AND PHILADELPHIA HOMELAND SECURITY OFFICIALS	PHILADELPHIA, PA	$ 300.00
	NATIONAL HOMELAND SECURITY CONSORTIUM MEETING.	SEATTLE, WA	$ 1,153.87
	American Legislative Exchange Council meeting in Philadelphia	PHILADELPHIA, PA	$ 149.00
		Total	$ 1,602.87
	TO ATTEND AND GIVE REMARKS AT THE HSAC STATE AND LOCAL COMMITTEE MEETING	BOSTON, MA	$ 591.99
	ATTEND THE INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE CONFERENCE	BOSTON, MA	$ 780.91
	ATTEND THE INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE CONFERENCE	BOSTON, MA	$ 2,051.77
	TO ATTEND THE HSAC MEETING	NEW YORK, NEW YORK	$ 602.67
	TO ATTEND THE US CONFERENCE OF MAYORS ANNUAL MEETING	LOS ANGELES, CA	$ 2,287.06
	TO ATTEND THE NCSL CONFERENCE AND TO PROVIDE ADVANCE SUPPORT FOR S-1'S TRAVEL TO VARIOUS EVENTS ON 8/8	BOSTON, MA	$ 1,101.21
Cash, Edward		**Total**	$ 7,415.61
McAlpin, Luke	TO ATTEND THE MISSISSIPPI/ALABAMA HURRICANE CONFERENCE	BILOXI, MISSISSIPPI	$ 954.12
	Southern Governor's Association	BILOXI, MS	$ 1,573.73
		Total	$ 2,527.85
		Total	$ 99.63

Question: Please list the number, by office and pay grade level, of all NPPD (or precursor agency) employees hired non-competitively in fiscal years 2002, 2003, 2004, 2005, 2006, and 2007.

ANSWER: Information for the 2002-2003 timeframe is not available. Data for the 2004-2007 period is presented in the following table.

NPPD FY04 Non-Competitive Actions			
NPPD Organization	**GS Pay Plan**	**Grade**	**Count**
Office of Under Secretary for IAIP	GS	14	1
Office of Under Secretary for IAIP	GS	15	1
Office of the Chief of Staff	GS	13	1
Office of the Chief of Staff	GS	14	1
Headquarters Business Office	GS	13	1
Headquarters Business Office	GS	15	1
Office of the Assist Sec for Information Analysis	GS	14	1
Office of the Assist Sec for Information Analysis	GS	15	1
Office of the Assist Sec for Information Analysis	GS	11	1
Office of the Assist Sec for Information Analysis	GS	11	1
Office of the Assist Sec for Information Analysis	GS	13	1
Office of the Assist Sec for Information Analysis	GS	14	1
Office of the Assist Sec for Information Analysis	GS	14	1
Office of the Assist Sec for Information Analysis	GS	15	1
Office of the Assist Sec for Information Analysis/ IA-Liaison	GS	9	1
Homeland Security Operations Center	GS	9	1
Homeland Security Operations Center	GS	9	1
Homeland Security Operations Center	GS	14	1
Homeland Security Operations Center	GS	15	1
Office of Assist Sec of Infrastructure Protection	GS	15	1
Office of Assist Sec of Infrastructure Protection/ Protective Security Division	GS	14	1
Office of Assist Sec of Infrastructure Protection/Infrastructure Coordination Division	GS	13	1
Office of Assist Sec of Infrastructure Protection/Infrastructure Coordination Division	GS	14	1
Office of Assist Sec of Infrastructure Protection/Infrastructure Coordination Division	GS	14	1
Office of Assist Sec of Infrastructure Protection/Infrastructure Coordination Division	GS	15	1
National Communications Systems	GS	9	1

NPPD FY05 Non-Competitive Actions			
NPPD Organization	**GS Pay Plan**	**Grade**	**Count**
Office of Chief of Staff	GS	15	1
Headquarters Business Office	GS	13	1
Headquarters Business Office	GS	13	2
Headquarters Business Office	GS	15	2
Office of the Assist Sec for Information Analysis	GS	14	1
Office of the Assist Sec for Information Analysis/IA-Liaison	GS	14	1
Homeland Security Operations Center	GS	12	1
Office of the Assist Sec for Infrastructure Protection	GS	12	1
Office of the Assist Sec for Infrastructure Protection	GS	15	2

Office of the Assist Sec for Infrastructure Protection/Protective Security Division	GS	14	1
Office of the Assist Sec for Infrastructure Protection/Protective Security Field Operations	GS	14	1
Office of the Assist Sec for Infrastructure Protection/ Infrastructure Coordination Division	GS	12	1
Office of the Assist Sec for Infrastructure Protection/ Infrastructure Coordination Division	GS	12	1
Office of the Assist Sec for Infrastructure Protection/ Infrastructure Coordination Division	GS	14	1
Office of the Assist Sec for Infrastructure Protection/ Infrastructure Coordination Division	GS	14	1
Office of the Assist Sec for Infrastructure Protection/ Infrastructure Coordination Division	GS	15	1
Office of the Assist Sec for Infrastructure Protection/ Infrastructure Coordination Division	GS	15	1
National Communications Systems	GS	13	1
National Cyber Security Division	GS	15	1

NPPD FY06 Non-Competitive Actions			
NPPD Organization	GS Pay Plan	Grade	Count
State & Local Gov't Coord	GS	9	1
State & Local Gov't Coord	GS	13	1
Chief Medical Officer	GS	9	1
Grants & Training/ Center for Domestic Prep	GS	11	1
Radiology Emergency Prep/ Reg 10 Technical Svc Team	GS	7	1
Radiology Emergency Prep/ Reg 10 Technical Svc Team	GS	12	1
Radiology Emergency Prep/ Reg 10 Technical Svc Team	GS	13	1
Radiology Emergency Prep/ Reg 10 Technical Svc Team	GS	15	1
Radiology Emergency Prep/ Reg 10 Technical Svc Team	GS	9	1
IP/Protective Security Div/Vulnerability Identification	GS	15	1
IP/Protective Security Div/Protective Measures	GS	14	1
IP/Protective Security Div/Protective Measures	GS	14	1
IP/Protective Security Div/ Field Ops	GS	14	1
IP/Protective Security Div/ Field Ops	GS	14	2
Radiology Emergency Preparedness	GS	6	1
Radiology Emergency Preparedness	GS	7	5
Radiology Emergency Preparedness	GS	7	1
Radiology Emergency Preparedness	GS	12	1
Radiology Emergency Preparedness	ES	0	1
Radiology Emergency Preparedness	GS	9	1
Radiology Emergency Preparedness	GS	9	1
Radiology Emergency Preparedness	GS	11	1
Radiology Emergency Preparedness	GS	12	1
Radiology Emergency Preparedness	GS	12	1
Radiology Emergency Preparedness	GS	14	1
IP/ Protective Security Division	GS	7	1
IP/ Protective Security Division	GS	7	4
IP/ Protective Security Division	GS	8	1
IP/ Protective Security Division	GS	13	1
IP/ Protective Security Division	GS	13	1
IP/ Protective Security Division	GS	13	5
IP/ Protective Security Division	GS	13	2
IP/ Protective Security Division	GS	13	8

IP/ Protective Security Division	GS	15	1
IP/ Protective Security Division/Ofc of Policy & National Planning	GS	11	3
IP/ Protective Security Division/Ofc of Policy & National Planning	GS	13	1
IP/ Protective Security Division/Ofc of Policy & National Planning	GS	14	1
IP/ Infrastructure Coordination Div	GS	11	1
IP/ Infrastructure Coordination Div	GS	13	1
IP/ Infrastructure Coordination Div	GS	14	1
Fire Administration/ National Fire Academy	ES	0	1
Fire Administration/ National Fire Academy	GS	8	1
Fire Administration/ National Fire Academy	GS	9	2
Fire Administration/ National Fire Academy	GS	12	1
Fire Administration/ National Fire Academy	GS	12	1
Fire Administration/ National Fire Academy	GS	12	1
Fire Administration/ National Fire Academy	GS	12	1
Fire Administration/ National Fire Academy	GS	13	1
Fire Administration/ National Fire Academy	GS	14	1
Fire Administration/ National Fire Academy	GS	15	1
Fire Administration/ National Fire Data Center	GS	8	1
Fire Administration/ National Fire Data Center	GS	12	1
Fire Administration/ National Fire Data Center	GS	13	1
Fire Administration/ National Fire Data Center	GS	13	5
Fire Administration/ National Fire Data Center	GS	13	1
Fire Administration/ National Fire Data Center	GS	13	1
Fire Administration/ National Fire Data Center	GS	15	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	5	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	7	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	8	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	8	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	9	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	11	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	11	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	11	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	11	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	12	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	12	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	13	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	14	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	14	1
Fire Administration/ NETC Mgmt Ops & Supply Svc Br	GS	15	1
National Communications System/ NCC/Operations Team	GS	15	1
National Communications System/ Customer Svc Div	GS	11	1

NPPD FY07 Non-Competitive Actions			
NPPD Organization	**GS Pay Plan**	**Grade**	**Count**
Exec Sec Branch	GS	15	1
Human Capital Branch	GS	12	1

Grants & Training Chief of Staff	GS	15	1
Grants & Training/Ofc for Policy, Initiatives & Analysis	GS	14	1
Grants & Training/Ofc for Policy, Initiatives & Analysis	GS	14	1
Grants& Training/ Ofc of Community Prep	GS	11	1
Grants & Training/Center for Domestic Prep	GS	7	1
Grants & Training/Center for Domestic Prep	GS	7	1
Grants & Training/Ofc for Policy, Initiatives & Analysis	GS	13	1
Grants & Training/Ofc for Policy, Initiatives & Analysis	GS	14	1
Radiology Emergency Preparedness/ Nuclear & Chemical Hazards Branch	GS	7	1
IP/Protective Security Division	GS	14	1
IP/Protective Security Division/ Physical Targets Br	GS	14	1
IP/Protective Security Division/Risk Analysis Br	GS	7	1
IP/Protective Security Division/Field Operations-Non HQ	GS	13	1
IP/Protective Security Division/Field Operations-Non HQ	GS	14	1
IP/Protective Security Division/Field Operations-Non HQ	GS	14	1
IP/Protective Security Division/Field Operations-Non HQ	GS	14	1
IP/Protective Security Division/Field Operations-Non HQ	GS	14	1
Fire Administration/National Fire Program Branch	GS	13	1
Fire Administration/ National Fire Program Br/Response Section	GS	13	1
Fire Administration/ National Fire Data Center	GS	8	1
Fire Administration/ NETC/Mgmt Ops & Supply Svc Br	GS	6	1
National Communication System/ Industry Ops Team	GS	12	1
Office of Emergency Communications	GS	14	1
Office of Emergency Communications	GS	15	1

Contracts

Please provide for the record a list of sole source contracts executed by NPPD (or precursor agency) in 2007. Organize by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and reason for sole-source.

ANSWER: Please see the following table.

Contractor/Vendor	Purpose	Dollar Award	Full Performance Value	Start Date	End Date	Reason for Sole Sonrce
BERING STRAITS INFORMATION TECHNOLOGY, LLC	Public Safety Interoperable Communications Consulting Services	$1,099,995	$1,099,995	10/1/2007	9/30/2008	Authorized by Statute-8(a)
COGENT SOLUTIONS	Support to NPPD CIO Security Operations Center	$398,120	$1,339,958	9/28/2007	7/27/2008	Authorized by Statute-8(a)
ACCENTURE LLP	Increment 2a PKD validation services and maintenance support	$1,498,470	$1,498,470	3/29/2007	12/14/2007	Follow-on contract
KNOLL, INC	Systems Furniture	$57,153	$57,153	5/3/2007	8/2/2007	Simplified Acquisition Procedures Non-Competitive

MYTHICS, INC.	ORACLE Resource Practical Director Software	$177,420	$177,420	12/1/2006	3/30/2007	Simplified Acquisition Procedures Non-Competitive
MYTHICS, INC.	ORACLE MAINTENANCE LICENSES AND SUPPORT	$1,035,509	$1,035,509	6/1/2007	5/31/2008	Standardization
NEXTIRAONE FEDERAL, LLC	TM/OTM Billing Enhanced 250 RU's expansion Software	$7,298	$7,298	11/30/2006	1/2/2007	Simplified Acquisition Procedures Non-Competitive
SYSTEMS RESEARCH AND APPLICATIONS CORPORATION	Automated Critical Asset Management System Development and Support	$1,499,053	$1,499,053	5/9/2007	11/6/2007	Only One Source – Other
URS GROUP INC	FEMA 155 course to be presented at BiannualProtective Security Advisor Meeting during 6-9 Nov 2007.	$19,982	$19,982	11/6/2007	11/9/2007	Simplified Acquisition Procedures Non-Competitive
CORPORATE SYSTEMS RESOURCES INC	Capture Suite One-Time License	$30,622	$30,622		10/22/2007	Authorized by Statute
GEORGE MASON UNIVERSITY	NIPP Metrics Program Support	$136,769	$136,769	1/1/2007	12/31/2007	Simplified Acquisition Procedures Non-Competitive
ARETE ASSOCIATES	Finalization of Protest.	$62,039	$62,039	N/A	N/A	Only One Source – Other
ASIS INTERNATIONAL	ASIS Membership	$17,850	$80,850	4/23/2007	4/22/2012	Only One Source – Other
AWARE, INC.	Subject Matter Expert for Office of Civil Rights and Civil Liberties	$8,000	$8,000	11/2/2006	4/30/2007	Only One Source – Other
Booz Allen Hamilton	Communications, Budget Development, and Financial Execution Support	$405,510	$405,510	2/20/2007	8/19/2007	Only One Source – Other
Booz Allen Hamilton	Program Management Support Services for the OCMO	$455,871	$455,871	2/20/2007	8/19/2007	Only One Source – Other
CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA	Room Rental for National Security Telecommunications Advisory Committee	$8,000	$8,000	4/30/2008	5/1/2008	Only One Source – Other
COMCAST OF VIRGINIA, INC.	Cable Service	$6,309	$6,309	6/16/2007	6/15/2008	Only One Source – Other

CONTRACTING AND FACILITIES MANAGEMENT, DIVISION OF	OIP Leadership Offsite Meeting	$2,365	$2,365	11/29/2006	12/1/2006	Simplified Acquisition Procedures Non-Competitive
LOCKHEED MARTIN SERVICES, INC	Security Escort Services-Bridge Effort	$232,154	$232,154	6/1/2007	7/31/2007	Urgency
LOCKHEED MARTIN SERVICES, INC	Security Escort Services-Bridge Effort	$190,483	$190,483	8/1/2007	9/30/2007	Urgency
MYTHICS, INC.	DHS Core Technology Bundle Licenses and Updates	$223,935	$223,935	8/1/2007	7/31/2008	Only One Source – Other
PROSPECT INVESTORS LLC	Meeting room for Industry Day	$2,000	$2,000	11/30/2006	11/30/2006	Less than or equal to Micro Purchase Threshold
SHORELAND, INC	Travel and Location Based Online Medical Threat and Capability Information Support	$10,000	$20,000	6/22/2007	6/21/2008	Only One Source – Other
SIGNET TECHNOLOGIES, INC.	Purchase and Installation of Electronic Equipment	$3,157	$3,157	9/29/2007	12/28/2007	Only One Source – Other
SRI CONSULTING INC	Subscription of Chemical Economics Handbook:	$26,950	$26,950	4/9/2007	4/8/2008	Only One Source – Other
TTI TECHNOLOGIES, LLC	Membership to Information Technology Forums and Subscription	$54,000	$54,000	7/14/2007	7/13/2008	Only One Source – Other
UNISYS CORPORATION	Support for National Command and Coordinating Capability LAN-A Infrastructure for Secure Mobile Environment Portable Electronic Devices (SME PEDs) connectivity and data services	$161,845	$161,845	9/26/2007	3/31/2008	Only One Source – Other
ASIS INTERNATIONAL	105 Certified Protection Reference Manuals	$92,876	$92,876	8/27/2007	9/27/2007	Simplified Acquisition Procedures Non-Competitive
ASSOCIATED PRESS, THE	IICD AP Services for ACAMS	$41,580	$83,160	8/29/2007	2/28/2008	Simplified Acquisition Procedures Non-Competitive
BOWHEAD INFORMATION TECH SVC	Critical Infrastructure and Key Resource Conference and Event Support.	$47,434	$47,434	1/12/2007	3/15/2007	By Statute - 8(a)

KEYSCAN INC	Keyboard Scanner	$242	$242	12/28/2006	2/28/2006	Less than or equal to Micro Purchase Threshold
JPS COMMUNICATIONS, INC.	Project 25 Compliant ACM1000 Interoperability Gateway Equipment	$28,474	$28,474	9/20/2007	10/20/2007	Simplified Acquisition Procedures Non-Competitive
MYTHICS, INC.	Annual maintenance costs associated with 52 Oracle licenses	$167,602	$335,204	8/14/2007	5/31/2009	Only One Source – Other
PRICEWATERHOUSECOOPERS LLP	Assessment of Internal Controls over Financial Accountability	$267,997	$267,997	2/13/2007	8/31/2007	Only One Source – Other
TWD & ASSOCIATES, INC.	Video/TV Cabling - Glebe Rd., 9th Floor	$10,481	$10,481	12/4/2006	6/4/2007	Simplified Acquisition Procedures Non-Competitive
TWD & ASSOCIATES, INC.	Video Switching Fiber Isolators and Installation	$41,981	$41,981	3/26/2007	9/15/2007	Simplified Acquisition Procedures Non-Competitive

Question: Please provide for the record a list of all contracts over $1 million in total value executed by NPPD (or precursor agency) in 2007. Organize by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and contract type (e.g., firmed fixed price, etc.).

ANSWER: Because of logistical issues, we are in the process of gathering the information to answer this question. We will provide this information as soon as the data has been compiled, which we expect will be by June 30, 2008.

Question: Please provide for the record a list of all NPPD (or precursor agency) contracts, grants and other transactions where work is performed outside of the United States. Organize by contractor, purpose, dollar award, full performance value, contract start date, and contract end date.

ANSWER: No grant activity was performed outside of the United States.

The National Protection and Programs Directorate is collecting the information on contracts and other transactions to determine if work was performed outside the United States and will provide this information in a subsequent transmittal by June 30, 2008.

Question: Provide for the record a chart that shows, by recipient, any payments made to educational institutions as of April 1, 2008, from funds appropriated to NPPD or its precursor or subsidiary agencies in 2006, 2007 and 2008. Identify funds by year of appropriation. Include date on which payments were made and brief description of purpose for payment.

ANSWER: Only one grant (a cooperative agreement) has been issued to an educational institution on behalf of the National Protection and Programs Directorate (NPPD). The recipient is the Trustees of Dartmouth College. The Department of Homeland Security/NPPD is formulating the scope of activities to be performed by the University of Texas and the University of Maryland. The University of Texas at San Antonio Center for

Infrastructure Assurance and Security will assist DHS in meeting its cyber security responsibilities by creating a structured approach to preparing State and local officials to respond to cyber attacks. In regards to CAPWIN, no funds were provided to the University of Maryland as of April 1, 2008. We are working with the University of Maryland and the DHS Grants Office to ensure that this grant is processed as expeditiously as possible.

NPPD Facilities and Leases

Question: Please update the chart on page 241 of volume 4 of the 2008 Subcommittee hearing record, which shows NPPD leases and facility occupancy. Please include space occupied by all NPPD agencies, such as the Infrastructure Protection Division, Cyber Security Division, Office of Emergency Communications, etc. Include any space newly leased since the 2008 report on separate lines. Include any occupied space that is not subject to lease contracts or lease payments on separate lines.

ANSWER: The information in the table on the following page is from current rent data from the Department of Homeland Security Chief Administrative Services Officer, as of 4/17/08.

Building	Floor	Usable Sq. Ft.	Estimated FY08 Rent	Notes
Nebraska Avenue Complex (NAC) 17	2nd Floor	13,930	555,528	
NAC 17	3rd Floor	12,480	497,702	
NAC 18	2nd Floor	3,433	136,908	
NAC 20	partial 1, 2 and 3	19,404	773,832	
NAC 1	Ground Floor	1,358	54,157	
NAC 81	Floors 1, 2, and 3	10,979	72,974	Partial Year; vacated 11/30/07.
Glebe Road Addition	4th and 5th Floors	14,000	558,320	Partial Year: anticipated lease start date 6/1/08.
1110 N Glebe Road		87,876	3,235,087	Rent data taken from Occupancy Agreement (OA).
4601 N Fairfax Drive		67,453	2,897,079	
Fort Myer Drive		107,164	4,083,643	3 OAs Combined; Rent data taken from OA.
Total		338,077	12,865,230	

Rents for these spaces are managed through the Working Capital Fund in FY08.

Question: In the 2008 chart provided for leased spaces, there is no record of the space used by the National Infrastructure Simulation and Analysis Center (NISAC), which is located in New Mexico. Why?

ANSWER: The National Infrastructure Simulation and Analysis Center (NISAC) building at Sandia National Laboratories is a Department of Homeland Security-owned property and would therefore not appear on a list of leased spaces. As Building ID # 246517, the facility was included in NPPD's FY 2008 submission to the Federal Real Property Council.

Risk Management and Analysis

Question: In the 2008 Appropriations Act, this Committee consolidated NPPD's risk analysis funding into a single appropriation, establishing a central Risk Management and Analysis (RMA) function within the office of the Undersecretary. We also initiated a study by the National Academy of Sciences to review the Department's approach to measuring risk, including a particular focus on analyses that incorporate both man-made and natural disasters into all-hazards risk models. Has NPPD/RMA been successful in establishing Department-wide

guidance to ensure that risk is quantified consistently across the components? How many other risk analysis offices has this group worked with at DHS?

ANSWER: RMA has made considerable strides over the past year in moving the Department forward toward a common risk framework. One of the major accomplishments of RMA was the establishment of a risk governance structure, the Risk Steering Committee (RSC). The RSC provides strategic direction for integrating the Components' various risk management and analysis approaches into a Department-wide, coordinated approach. Through the RSC mechanism, RMA is able to coordinate the sharing and integration of component risk related efforts.

RMA supported, in partnership with DHS Policy and Program Assessment and Evaluation (PA&E) organizations, a pilot effort for a DHS-wide process (the Risk Assessment Process for Informed Decision-Making, or RAPID) to incorporate risk considerations in the DHS Planning, Programming, Budgeting, and Execution process. From this work, PA&E was able to incorporate risk guidance into the FY 10-14 Resource Allocation Process.

The RSC has included representatives from:

- Customs and Border Protection (CBP)
- Federal Emergency Management Agency (FEMA)
- Federal Law Enforcement Training Center (FLETC)
- Office of General Counsel (OGC)
- Office of Health Affairs (OHA)
- Immigration and Customs Enforcement (ICE)
- Office of Intelligence and Analysis (OI&A)
- Management Directorate
- Office of the Chief Financial Officer, Program Assessment and Evaluation (PA&E)
- National Protection and Programs Directorate
- Office of Infrastructure Protection (IP)
- Office of Operations Coordination
- Office of Policy
- Office of Public Affairs
- Directorate of Science and Technology (S&T)
- Domestic Nuclear Detection Office (DNDO)
- Transportation Security Administration (TSA)
- U.S. Citizenship and Immigration Services (USCIS)
- U.S. Coast Guard (USCG)
- U.S. Secret Service (USSS)

Question: In the December/07 issue of "Risk Analysis," a DHS-sponsored study ranked the vulnerability of the nation's major cities. Did RMA review this study before its publication? What will RMA use the study results for? Will any of the study methodologies be integrated into other DHS analyses?

ANSWER: RMA did not review the study before its publication. RMA did not direct or sponsor this study. The Directorate of Science and Technology, which funded the program that produced the study, is reviewing the study methodology and results. RMA will consider the study, and the previous studies to which it refers and on which it builds, as *one* approach to characterizing vulnerability (one aspect of risk).

Question: Please explain the methodology or processes used by RMA to utilize the information collected and analyzed through IP's various assessment tools (ACAMS, IDW, PCII, RAMCAP, NISAC etc.). Is there a formal catalog or other organized library of these data? Does RMA have any overarching role in organizing this information?

ANSWER: RMA is currently developing a structure to catalog and maintain a comprehensive inventory of the capabilities that are organic to the Department for assessing, managing and communicating risk. The information collected and analyzed by these risk capabilities is cataloged and managed by the components such as TSA, the U.S. Coast Guard, and the Office of Infrastructure Protection. RMA will work with each component as it builds its risk portfolio to move DHS toward an integrated risk management architecture.

Most of the methodologies and related risk planning tools identified to date have been brought to the attention of RMA by the Department's components through the Risk Steering Committee (RSC). Through the RSC, RMA is able to coordinate the sharing and integration of component risk-related efforts. RMA will catalog and inventory these efforts, and many others, to facilitate the awareness throughout the Department of the various risk methodologies.

Infrastructure Information

Question: Provide for the record a single comparison chart that reflects the 2007 actual, 2008 budgeted, and 2009 budgeted resources for the data systems and programs reported in the justification as "Infrastructure Sector Analysis," "Infrastructure Information Collection and Visualization," "and "CIKR Information Sharing."

ANSWER: Please see the following table.

Programs	2007 Actual Budget**	2008 Enacted Budget	2009 Budget Request
Infrastructure Sector Analysis	39,256,000	33,111,000	30,749,000
Infrastructure Information Collection and Visualization	17,688,000	19,914,000	29,168,000*
CIKR Information Sharing	27,807,000	24,769,000	15,594,000*

* Note: In FY08 the PCII program resided in CIKR Information Sharing. In FY09, PCII moves to Infrastructure Information Collection and Visualization. (PCII ~$7M)

**As of 2008, M&A funding is included in the three PPAs. Prior to that, it was not.

National Infrastructure Protection Plan Management

Question: The National Infrastructure Protection Plan, or NIPP, sets out the framework for helping secure the privately-owned assets that make up the majority of our country's critical infrastructure. NPPD plays a central role in coordinating relationships between government agencies and the private sector owners of the 17 infrastructure sectors identified in the plan. Unfortunately, the 2009 budget cuts NIPP management and sector planning budgets by 20%. Won't this significant reduction mean that DHS coordinates less with the private sector in 2009 to make sure that our nation's infrastructure is secure? What activities within the NIPP program will be discontinued to pay for these cuts?

ANSWER: While there was a reduction to NIPP Program Management, resources for coordination with the private sector are not limited to the NIPP Management Program. The NIPP Management Program provides guidance and coordination to enhance and sustain effective implementation of the NIPP and the Sector-Specific Plans. In addition, the NIPP Management Program provides both direct and indirect support to the 17 CIKR sectors through liaisons to each of the sectors, subject matter experts in various areas, support for specific conferences or training efforts, and comprehensive programs (such as education and outreach activities) that

benefit all the sectors. In addition, the NIPP Management Program also includes metrics tracking. The basic programs and activities of the NIPP Management Program will continue, focused on the high-risk sectors as defined in the CIKR National Annual Report.

However, coordination with the private sector is also funded out of other parts of the Office of Infrastructure Protection budget. The CI/KR Sector Partnerships program provides support to the major public and private sector councils for infrastructure protection, such as the National Infrastructure Advisory Council, the Government Coordinating Councils and Sector Coordinating Councils for all the sectors; the Partnership for Critical Infrastructure Security; the NIPP Federal Senior Leadership Council; and the State, Local, Tribal and Territorial Government Council. Additionally, each Sector Specific Agency provides funding to fulfill their coordination roles under HSPD-7. The Office of Infrastructure Protection requested $17.9 million to support the five sectors under its purview.

Question: Provide for the record a table that reflects, by NIPP sector, the allocations for each of the sector partnerships funded in 2007, 2008, and proposed for 2009. Distinguish funding for sector coordinating councils and government coordinating councils.

ANSWER: The funding under the CIKR Sector Partnerships provides support for the following:

- Sector and government council and their working group administrative and partnership study or roadmap support, when requested (approximately two-thirds of the sectors use this support)
- Critical Infrastructure Partnership Advisory Council (CIPAC) policy implementation and operations support as required by Department policy (all sectors utilize this support)
- State, Local, Tribal, and Territorial Government Coordinating Council (SLTTGCC) and its working group administrative support (including travel reimbursements)
- Sector Specialist Support for each council, which includes intra-governmental cross-sector communication and coordination activities, developing and maintaining sector-specific situational awareness and information to support other DHS / IP functions; and providing sector expertise for incident management situations
- Regional Coalitions administrative and logistics support for national level coordination and communication to incorporate and leverage existing local capabilities into the NIPP Partnership Framework and as their activities are relevant and support the IP mission
- Partnership framework to support joint initiatives with other Federal agencies (such as the FBI/InfraGard) with established private sector partnership networks to leverage existing capabilities to reach CIKR owners and operators and state and local governments on IP programs to complement DHS capabilities.

The administrative and operational support required by the councils varies by sector at any point in time because requests are voluntary and will also vary with the level of meetings and working group activity in each sector. As such, we do not have one chart that shows the estimated budgets for each of the SCCs and GCCs for the areas in which IP supports them. Some of the larger sectors, such as the Transportation Sector, have sub-councils which also have requested support for their modal SCC, GCC and joint CIPAC support. Subsequently, we have developed a common support infrastructure which accommodates this variation efficiently. This common infrastructure of resources have an established concept of operations and standard operating

procedures that allow extension or compression of support based on demand at any point in time for any given sector. For example, each sector's SCC and GCC shares common support resources to assure coordination and effective communication. Such resources also support the joint activities in which each sector engages, and also are leveraged to support any multi-sector activities, such as cross-sector working groups under the CIPAC. All sectors have access to and share the analytic resources to perform partnership roadmap studies. Consequently, we do not maintain separate support budgets for each sector.

The establishment of all the councils was completed by the end of Fiscal Year 07, with the establishment of all the Transportation modal and Health Services councils, which accounts for the increased funding from FY07 to FY08 for SCC/GCC/CIPAC Support. In FY08, the Sector Partnership structure has moved into full operations and maintenance. The current estimated budget for FY08 and FY09 for this support has the capacity to accommodate the operations support for the new Critical Manufacturing Sector coordination activities.

Sector Partnership Support Activity	FY 2007	FY 2008	FY 2009 (proposed)
SCC/GCC/CIPAC Admin and Studies Support	$4,289,000	$5,700,000	$5,700,000
SLTTGCC Admin and Studies Support (*) /Regional Coalitions Coordination	Not applicable.	$1,897,226	$1,701,000
Sector Specialists	$2,000,000	$1,600,000	$1,600,000
Joint fed partnership framework	Not applicable.	$500,000	$500,000
Total	$6,289,000	$9,697,226	$9,501,000

(*) Includes travel reimbursements for State and local government participants within the entire Sector Partnership Model.

In FY2008, the funding for the SLTTGCC supports its full operations and a ramp up for the incorporation of regional coalitions into the NIPP Partnership model, to expand the reach to State and regional jurisdictions to implement the NIPP. The regional coalitions initiative development work will be completed in FY09 and be in operations and maintenance, starting that year.

For Sector Specialists the reduction comes from government FTE replacing contractors FY2007 to FY2008.

Question: Provide for the record a table that reflects, by NIPP sector and agency, the funding levels in 2007, 2008, and 2009 for each Sector Specific Agency management program costs for the non-DHS sector areas (e.g., Agriculture and Food, Defense Industrial Base, Energy, Public Health and Healthcare, National Monuments and Icons, Banking and Finance, and Drinking Water Systems).

ANSWER: DHS defers on the Sector Specific Agency (SSA) management costs to the respective SSAs. The Department does not track specific SSA management program costs for non-DHS Sector-Specific Agency (SSA) critical infrastructure protection (CIP) budgets. The budget data available to DHS from the 2007 Sector Critical Infrastructure-Key Resources (CIKR) Protection Annual Reports varies in the level of detail provided. Some of these figures would require approximations to separate actual protection programs from the SSA management costs, which may generate misleading results.

Question: Provide for the record a table that reflects, by NIPP sector and agency, the funding levels in 2007, 2008, and 2009, for each Sector Specific Agency management program costs for the non-IP DHS sector areas (e.g., Information Technology Communications, Postal and Shipping, Transportation Systems, and Government Facilities).

ANSWER: The following table provides estimated FY2007 funding levels for non-IP DHS Sector-Specific Agency (SSA) critical infrastructure protection (CIP) budgets. The budget data were extracted from the 2007

Sector Critical Infrastructure-Key Resources (CIKR) Protection Annual Reports. Sector Specific Agencies have not yet completed their 2008 Sector CIKR Protection Annual Reports which provide funding information for FY 2008 and FY2009. Because the level of detail provided by each sector in their Sector Annual Reports varied, approximations had to be made in some cases to separate SSA budget information from the overall CIP-related budget information for programs implemented by the SSAs.

Sector	FY07 Enacted Budget * ($ Million)
Communications	16.139
Government Facilities	0
Information Technology	6.811
Postal & Shipping	0.595
Transportation Systems	1.077

*** These figures include amounts reported by the SSAs during last year's CIKR annual reporting process.**

Chemical Security

Question: The budget for chemical facility security plan reviews and site visits was based on 5,000 facilities being identified in the Top Screen process as subject to DHS regulation. However, approximately 7,000 facilities have been identified by Top Screen as falling under the DHS regulatory regime for chemical facilities. How much will it cost to manage the review and inspection of these additional 2,000 facilities?

ANSWER: The 7,000 facilities mentioned in the question are those facilities that are expected to be preliminarily determined to be high risk on the basis of the Top-Screen results only. While each of those facilities is required to conduct a Security Vulnerability Assessment (SVA), they are not necessarily going to need to complete a Site Security Plan (SSP) or be inspected after DHS reviews the SVA. Only facilities designated high risk after DHS review of the SVA will have to submit SSPs and be inspected. At this time, DHS believes that approximately 5,000 facilities will be designated high risk after the SVA reviews are completed.

Question: The 2008 Appropriations Act included new authorities for DHS to regulate the sale and transfer of the chemical ammonium nitrate. How much of the proposed $63 million budget for chemical facility security will be allocated to implementing ammonium nitrate security regulations, and what will be achieved with these resources? How much will it cost to develop the regulatory processes for control of Ammonium Nitrate, and what system investments will be needed to manage the program? How much does DHS anticipate it will ultimately cost to operate a fully-implemented ammonium nitrate regulatory function on an annual basis? Please provide a detailed cost estimate showing the anticipated annual personnel, travel, systems, and other programmatic expenditures.

ANSWER: The $63 million was requested for implementation of the Chemical Facility Anti-Terrorism Standards (CFATS), to resource activities, equipment, or personnel essential to the accomplishment of full implementation of CFATS. Regarding the new requirement in Section 563 of the 2008 Consolidated Appropriations Act, although more than $12 million was authorized to be appropriated for a new ammonium nitrate regulatory program, no funding was actually appropriated to meet the requirement. DHS is eager to work with the Congress to identify sufficient resources to develop the ammonium nitrate security regulations. As an initial step, and as directed in the Appropriations Act, DHS is finalizing a report that discusses the Ammonium Nitrate (AN) supply chain and security issues surrounding AN in commerce, how CFATS cover certain types of AN facilities, the requirements of Section 563, options for fulfilling those requirements, and the

associated cost estimates related to each option. We look forward to a dialogue once Congress has received and reviewed our report.

Cyber Security

Question: Provide for the record, in classified format if necessary, a diagram of the current state of federal network and internet connections, and a corresponding diagram of what the FY 2009 appropriations will pay to improve. Please include an inventory and display of the current and future state of Einstein deployment locations.

ANSWER: Each Federal agency/department maintains its specific network diagrams, which should include their external connections. We do not have a diagram of the entire Federal Government's networks or Internet connection points at this time. The basis for the Trusted Internet Connections (TIC) initiative is to get a better understanding of all department and agency external connections across the Federal enterprise and to reduce these connections. Diagramming the Federal Government's networks will become easier as we move forward with the initiative.

The consolidation and reduction of external connections to TIC Access Providers (TICAP) will be implemented by the agencies, not by the Cyber Initiative appropriations given to the Department of Homeland Security; therefore there is no Fiscal Year 2009 diagram associated with this initiative until the organizations and TICAP are identified and Federal agencies begin their implementation of TICs.

The US-CERT Einstein will program provide situational awareness across the Federal Government. Einstein supports Federal departments and agencies' efforts to protect their computer networks and plays a key role in enhancing the security of the Federal Government's portion of cyberspace. Currently, Einstein is deployed at 28 Federal departments and agencies. The future state of Einstein deployments at Federal departments and agencies is dependent on implementation of the TIC initiative.

The following table provides an inventory of the Federal departments and agencies that have Einstein sensors deployed as of April 24, 2008.

Agency	Number of Einstein Sensors Deployed
Department of Agriculture	2
Department of Commerce	2
Department of Education	1
Indian Health Services	3
Centers for Disease Control	2
National Institute of Health	2
National Cyber Security Division	1
Customs and Border Protection	2
Mt. Weather	1
Kansas City IDC	1
Atlanta IDC	1
United States Coast Guard	5
Transportation Security Administration	3
Stennis	2
Federal Emergency Management Agency	1
Department of Interior	5
Department of Justice	1

Department of State	2
Department of Treasury	5
Internal Revenue Service	1
United States Agency for International Development	2
Department of Transportation	3
Executive Office of the President	2
Environmental Protection Agency	2
National Archives and Records Administration	1
Federal Trade Commission	1
Securities and Exchange Commission	2
Tennessee Valley Authority	2

Question: Provide for the record, in classified format if necessary, a project plan for cyber security that shows:

- specific goals and milestones that will be achieved with the Cyber Security budget in 2008 and 2009, including dates by which these milestones will be achieved, and the funds allocated from the 2008 appropriation and 2009 budget to achieve those milestones
- overall program timeline and milestones, including associated funding for achieving those milestones, for the DHS share of the Administration's cyber security initiative

ANSWER: Because of its classified nature, this material will be provided separately.

Question: The 2008 Appropriations Act funded the Administration's request for the Cyber Security Collaboration and Information Sharing Program at Dartmouth University, which was described in the 2008 Congressional Justification as "span[ing] a three-year period beginning in FY2006 and running through FY 2008" and " bring[ing] to fruition a step within the NCSD plan." Provide for the record:

- A chart that shows all funds paid to or planned for payment to Dartmouth University for this center in 2006, 2007, and 2008, including the public law by which each appropriation was made available.

ANSWER: The following chart shows the actual and planned funding for the cooperative agreement with Dartmouth University and the related public laws that made each appropriation available.

Institution	Program	Fiscal Year	Period of Performance	Enacted	Obligated	Expended	Public Law
Trustees of Dartmouth	Cyber Security Collaboration and Information Sharing	FY 2006	September 30, 2006 – March 31, 2007	$930,000	$930,000	$930,000	DHS Appropriations Act, 2006
		FY 2007	April 1, 2007 – March 31, 2008	$15,030,000	$15,030,000	$519,142	DHS Appropriations Act, 2007
						$288,515	
						$950,000	
						$606,555	
						$2,900,000	
		FY 2008	April 1, 2008 – March 31, 2009	$8,340,000	-	-	DHS Appropriations Act, 2008
Total Trustees of Dartmouth (FY06-FY08)				**$24,300,000**	**$15,960,000**	**$6,194,213**	

- A description of what was achieved by this program in 2006, 2007, and 2008.

ANSWER: NCSD-sponsored grants to Dartmouth College, which support the Institute for Information Infrastructure Protection (I3P) and the Institute for Security Technology Studies (ISTS), strengthen homeland security through research, education, and outreach programs that focus on technology critical for improving cyber security and emergency preparedness and response. The Grant program identifies and addresses critical research problems in information infrastructure protection, works to build a community of researchers focused on infrastructure security, serves as a trusted partner for industry and government, fosters collaborative programs that build links between stove-piped constituencies, and provides a neutral forum for the exchange of ideas and information.

There were no deliverables during Fiscal Year 2006, as the grant was not awarded until September 30, 2006, the last day of the Fiscal Year.

Following is a summary of the program's achievements for Fiscal Years 2007 and 2008 (1st Quarter).

FY 2007:

1. I3P Fellowship Program
Detail: Selected and funded three Fellows for the 2007-2008 Academic Year.

2. I3P Human Behavior, Insider Threat, and Awareness Initiative
Lead: RAND Corporation; Participants: The MITRE Corp., Purdue University, Columbia University, Cornell University, ISTS Dartmouth, and Indiana University
Detail: Cornell developed technologies to detect malicious insider activity. MITRE developed protocols for conducting a Capture the Flag exercise aimed at eliciting various insider behaviors. Columbia completed building host-based sensors to monitor traffic for unusual behavior on both Windows and Linux systems.

3. I3P Cyber Security Workshops
Detail: Conducted workshops on Insider Attack and Cyber Security, the Economics of Security Cyber Infrastructure, and Control Systems Security.

4. Survivability and Recovery (Process Control Systems) Initiative
Lead: MIT Lincoln Laboratory (MIT-LL)
Participants: The MITRE Corporation, Pacific Northwest National Laboratory (PNNL), Sandia National Laboratories, SRI International, University of Tulsa, University of Illinois, US Military Academy (USMA)
Detail: MIT-LL, MITRE, PNNL, Tulsa, and UIUC refined or modified the following technologies: RiskMAP, DEADBOLT, SHARP, and APT. These are tools intended to assist with process-control system-risk assessment and security. Tulsa designed a testing environment that can be used to test a network with thousands of field devices. Tulsa also developed metrics to evaluate the impact of Security Services Suite monitoring tools on large networks using the MODBUS protocol. Sandia refined a test bed for testing control system networks including simulated refinery, DMZ, and business networks.

5. I3P Business Rationale for Cyber Security Initiative
Lead: University of Virginia (UVa)

Participants: RAND Corporation, Tuck School of Business, Dartmouth, Indiana University, University of California (Berkeley)
Detail: UVa programmed an alpha version of its web-based Hierarchical Holographic Modeling game to help those who make investment decisions to discover "phantom" aspects of their decision making that are usually missed (non-rational factors, for example). UVa developed an initial model of economic forces in cyber security. UC Berkeley completed a pilot study on how data breach laws affect chief security officers' cyber security decisions.
6. I3P Assessable Privacy and Identity Protection Initiative
Lead: MITRE Corporation
Participants: Purdue University, Cornell University, Georgia Tech, University of Illinois, SRI International
Detail: The research team developed a credentialing framework for identity-management that will serve as a foundation for subsequent technology development and demonstrations. Purdue is developing a set of protocols called VeryIDX designed to verify identity attributes. An initial design applying VeryIDX to cellular telephones has been completed along with an initial use scenario for healthcare.

7. ISTS Internet Security and Privacy for Real People Initiative
Lead: Dartmouth ISTS
Detail: The Information Risk in Data-Oriented Enterprises project developed a model to simulate organizational activities (hiring, promotion, etc.) to assess risks to information in the organizational processes and the effectiveness of incentives to reduce information security vulnerabilities. ISTS developed a scalable security sensor system, MetroSense, to test management techniques and the security of large sensor networks.

8. ISTS Education and Curriculum Development Initiative
Lead: Dartmouth ISTS
Detail: The Secure Information Systems Mentoring and Training effort was established to leverage Dartmouth's expertise in developing qualified security professionals from the undergraduate community.

FY 2008 (First Quarter):

1. I3P Fellowship Program
Detail: Announced Academic Year 2009-2008 Fellowship opportunities.

2. I3P Human Behavior, Insider Threat, and Awareness Initiative
Detail: Continued work described above in item 2 under FY 2007 achievements.

3. I3P Cyber Security Workshops
Detail: Conducted workshops on Investing in Cyber Security, PCS Security, and Critical Infrastructure Protection.

4. I3P Control Systems Initiative
Detail: Continued work described above. The team conducted the PCS security conference with oil, chemical and other sector participants in Houston, TX.

5. I3P Business Rationale for Cyber Security Initiative
Detail: Continued work described above in item 5 under FY 2007 achievements.

6. I3P Assessable Identity and Privacy Protection Initiative
Detail: Continued work described above in item 6 under FY 2007 achievements.

7. ISTS Security and Privacy for Real People Initiative
Detail: Continued work described above in item 7 under FY 2007 achievements.

8. ISTS Education and Curriculum Development Initiative
Detail: Continued work described above in item 8 under FY 2007 achievements.

- An explanation of why the Administration requested an additional $2.25 million for this program in 2009, and what will be achieved with this funding.

ANSWER: A request for $2.25 million for the Collaboration and Information Sharing Program with Dartmouth College was submitted to continue the collaborative relationship that has developed between the Department of Homeland Security's National Cyber Security Division (NCSD) and Dartmouth's Institute for Information Infrastructure Protection (I3P) and the Institute for Security Technology Studies (ISTS).

NCSD's continued management of these initiatives will ensure that the expertise available through I3P is employed to address cyber security issues that are important to the mission of NCSD.

Future research topics would be mutually identified by NCSD and Dartmouth College after consultation with I3P scientists. The structure for pursuing future research should be under the current grant's terms and conditions (Cooperative Agreement). Future work may incorporate the following:

1) Continued support for educational activities, outreach, and associated fellowships;
2) Continued research in areas with results applicable to the mission of NCSD; and
3) Flexibility in funding allocation so that government-identified critical short-term applied research (3-6 months) can be accomplished by the I3P Consortium.

The requested $2.25 million for Fiscal Year 2009 is the anticipated amount necessary to support the following ongoing initiatives through FY 2009 (April 1, 2009 through March 31, 2010).

1) I3P Fellowship Program - $50,000;
2) I3P Cyber Security Workshops - $100,000;
3) I3P Control Systems Initiative - $1,750,000;
4) ISTS Security and Privacy for Real People Initiative - $300,000; and
5) ISTS Education and Curriculum Development Initiative - $50,000.

National Security/Emergency Preparedness Telecommunications

Question: Provide for the record a list of all Congressional members, Congressional staff, Executive Office of the President personnel, and DHS personnel who are enrolled in the GETS, WPS, and SRAS programs. Provide the list by name, position, and address, and indicate in which program(s) each individual is enrolled. Include the date on which the individual was enrolled in each particular program.

ANSWER: Given that this information when aggregated would reach a level of sensitivity that could compromise United States National Security programs, we would like to offer to come brief you on the Wireless Priority Service program. During this brief we would bring the data requested for your review. National Communications System personnel can provide a briefing on this issue on May 22 or 23; however, we will not be able to leave any of the requested material behind.

National Command and Control Capability

Question: Within the budget for National Security and Emergency Preparedness Communications, the National Command and Control Capability (NCCC) increases from the $3 million appropriated in fiscal year 2008 to $61 million proposed for fiscal year 2009. In NPPD justification materials, this program was described as an emergency communications system for the use of the senior White House leadership, including the President, Vice President, and their Chiefs of Staff. In written testimony, NCCC is described as a system that will also be deployed to DHS facilities and select State governments, allowing for classified communications between those parties.

- What is the purpose of this program, and who will be the ultimate users of the system?

ANSWER: The Nation needs an effective crisis management system that links Federal, State, and local leaders during the full spectrum of crises that could result from potential threats. To meet this need, the Department of Homeland Security (DHS) is developing the National Command and Coordination Capability (NCCC). By enabling and supporting day-to-day coordination and communication among leaders across the Nation, NCCC will enhance crisis mitigation and response, as well as improve prevention and recovery.

The NCCC solution will integrate and enhance existing equipment and architectures to provide responsive, reliable, survivable, and robust command, control, and coordination for key leaders across the Nation. NCCC will ensure continuous information exchange and situational awareness with key leaders at normal fixed sites, relocation sites, or while mobile so the national response to crises are coordinated and integrated. A key differentiator of the NCCC versus existing technologies will be the ability to coordinate among decision makers at multiple and appropriate security levels.

- Doesn't the White House already have an emergency classified communications system managed by the White House Communications Agency? Why can't that system be modified to include Homeland Security and State users?

ANSWER: Yes; however, the Crisis Management System (CMS) video teleconferencing capability (VTC) used by the President, White House Communications Agency (WHCA), and many Federal Agencies is TS/SCI only, and does not provide a Secret or unclassified capability. Additionally, the system does not link all Federal Principals or key non-Federal government personnel.

The National Command and Control Capability (NCCC) will provide Secret and unclassified level VTC communications to State users, ensuring that the architecture can be leveraged by WHCA to tie into their existing CMS system. Additionally, the capabilities existing and being procured by Federal Departments and Agencies will be combined with the NCCC to provide seamless communications between Federal and non-Federal users.

- Provide a list of the Federal, State, local, and other users who will be connected to this system.

ANSWER: At the completion of all phases of the NCCC Initial Operational Capability, the following Federal, State, and local users will be connected to the NCCC:

1. The President of the United States
2. The Vice President of the United States
3. The primary offices for the heads of the following departments and agencies (35):

Department of Agriculture	Department of Justice	Federal Communications Commission

Department of Commerce	Department of Labor	General Services Administration
Department of Defense	Department of State	National Aeronautic and Space Administration
Department of Education	Department of Transportation	National Transportation Safety Board
Department of Energy	Department of the Treasury	Nuclear Regulatory Commission
Department of Health and Human Services	Department of Veterans Affairs	Office of Personnel Management
Department of Homeland Security	Office of the Director of National Intelligence	Small Business Administration
Department of Housing and Urban Development	Environmental Protection Agency	Social Security Administration
Department of the Interior	Federal Bureau of Investigation	U.S. Agency for International Development
U.S. Postal Service	U.S. Army Corps of Engineers	Federal Reserve System
Federal Emergency Management Agency	United States Secret Service	National Communications System
National Archives and Records Administration	Central Intelligence Agency	

4. Governors of States and territories (56)
5. State emergency operations centers (56)
6. Selected State Fusion Centers (6)
7. Federal agency continuity of operations locations (31)
8. Operations centers (25)

- Why is it DHS's budgetary responsibility to establish a new command and control communications system at the White House?

ANSWER: DHS has been assigned to serve as the NCCC Executive Agent for coordinating the development, operations, and maintenance of the program. The tasking is consistent with DHS responsibilities for coordinating Federal communications relating to emergency crises management and emergency planning

The NCCC is not a new command and control communications system at the White House. The NCCC IOC will build on and enhance capabilities provided by the Crisis Management System, the Homeland Secure Data Network, and other similar systems to provide an integrated information sharing and collaborative structure for communicating at all levels of government (both horizontally and vertically) and with non-Federal locations. IOC is low risk program because it leverages existing programs and program management resources to provide these capabilities. Further, IOC will provide States with enhanced access to Federal websites containing critical information.

Office of Emergency Communications

Question: On April 1, 2008, the Subcommittee received Part I of the Interoperable Communications Baseline Assessment report from the Office of Emergency Communications (OEC). There were several key findings highlighted in the introductory summary:

- Substantial work remains to ensure communications interoperability between Federal law enforcement agencies
- Federal participation is needed to make progress achieving State and local interoperability
- The OEC still needs to collect a significant amount of data about the needs and requirements for interoperability at the State and local level.

The proposed 2009 budget for that agency funds only inflationary and pay increases and does not expand the Office. While OEC plans to hire some additional permanent personnel in 2009, these new positions will be offset by a reduction in the OEC contractor workforce. What is the plan for addressing the issues identified in the OEC report? When will this work get done? How will this work get done if OEC does not have the resources to do it?

ANSWER: From a strategic and substantive perspective, OEC's agenda will largely be set by the National Emergency Communications Plan (NECP), which OEC expects to be delivered to Congress in July 2008. The NECP will establish goals, objectives, initiatives, and actions to address emergency communications challenges and vulnerabilities identified through the National Communications Capabilities Report (NCCR) and the Statewide Communication Interoperability Plans (SCIPs).

From an administrative perspective, OEC will execute its congressionally mandated responsibilities, goals, objectives, initiatives and actions through its four major subprograms:

Office of the Director: Provides leadership, direction, and oversight of OEC activities conducted to accomplish this mission, and serves as the organization's primary advocate before Congress, the Nation's State, local, and tribal governments, other Departments and Agencies, key stakeholders, and the public.

Policy, Planning, and Analysis (PPA): Identifies and characterizes challenges confronting the advancement of interoperable emergency communications capabilities, and targets Federal grants, assistance and capability development efforts to address these challenges. Specific responsibilities include:

- Coordinating with relevant Federal agencies and Departments, State, local, and tribal governments, emergency response providers, and the private sector to establish national emergency communications policies;
- Coordinating and integrating information collected by the Federal and Multi-Jurisdictional Communications Services programs to provide an integrated national assessment of existing and emerging interoperable emergency communications challenges and vulnerabilities;
- Coordinating and developing a National Emergency Communications Plan that establishes objectives and methods to address emergency communications challenges and vulnerabilities (e.g. the NCCR);
- Periodically assessing and reporting on progress towards achieving national objectives concerning emergency communications and the effectiveness of methods to address these challenges and vulnerabilities;
- Coordinating the development of emergency communications requirements and grant guidelines to ensure Federal grant funding is optimally targeted against national emergency communications goals and objectives; and
- Developing Departmental Interoperable Emergency Communications Grant Program guidance and evaluating progress achieved through these programs to ensure that Federal assistance is optimally targeted at addressing identified existing and emerging interoperable emergency communications challenges.

Multi-Jurisdictional Communications Services (MCS): Establishes and administers services delivered to advance State, local, tribal, and multi-jurisdictional interoperable emergency communications capabilities. Specific responsibilities include:

- Conducting outreach and consensus building activities with State, local, and tribal government officials and national practitioner organizations to exchange best-practice information and build consensus for common challenges, solutions, and objectives;

- Developing tools, information, and systems to foster the distribution and exchange of policy, technical, best-practice, and lessons-learned information among key interoperable emergency communications users;

- Coordinating, at a Regional level, the delivery and integration of Federal planning, training, and technical assistance to State, local, and tribal governments;

- Delivering planning, training, and technical assistance to enhance State, local, and tribal government interoperable emergency communications capabilities; and

- Conducting exercises and evaluations to determine the extent to which Federal services and assistance have advanced State, local and tribal government interoperable emergency communications capabilities.

Federal Communications Services (FCS): Establishes and administers services delivered to advance Federal interoperable emergency communications capabilities. Specific responsibilities include:

- Providing administrative and policy support to the Emergency Communications Preparedness Center, the inter-Departmental organization established by Congress to serve as the focal point and clearinghouse for interagency efforts to advance interoperable emergency communications;

- Administering the Department's responsibilities and authorities relating to the Integrated Wireless Network;

- Facilitating interagency technical collaboration and cooperation through the Federal Partnership for Interoperable Communications to advance the development and adoption of standards and common capability specifications, and to identify opportunities to advance Federal interoperable emergency communications capabilities through joint, interagency projects; and

- Conducting pilot or demonstration projects to evaluate the effectiveness and efficiency obtained through such opportunities, and to promote their adoption.

OEC will address findings identified in the NCCR and in the Statewide Communication Interoperability Plans (SCIPs) through a number of initiatives and actions to be outlined in the forthcoming National Emergency Communications Plan. Timelines will be established in the NECP for each of these actions, including those outlined above. Once the National Emergency Communications Plan is complete, these initiatives will augment and in some cases drive OEC's current efforts to advance Federal, State, local, and tribal interoperable emergency communications capabilities.

OEC plans to accomplish this work within its current and requested resources. The President's budget request includes $38,300,000 and 42 FTE (47 FTP) for the Office of Emergency Communications in FY 2009. This is an increase of $2,600,000 and ten positions over FY 2008 and includes adjustments to base of $132,000 for pay inflation and $2,468,000 for annualization of new personnel requested in FY 2008. Addressing the findings listed above is and will remain a challenge for all levels of government. OEC and DHS will continue to re-evaluate needs, requirements, and resources in future years to ensure that OEC succeeds in its mission.

Question: Please provide an update on the status of DHS involvement in the IWN program. What IWN purchases will be made in 2008 and 2009? How many DHS communications systems are currently compliant with the IWN interoperability solution, and what is the schedule for upgrading the systems that are non-compliant?

ANSWER: We are currently evaluating what IWN purchases are to be made. In terms of compliance, there is no definition or requirement for Integrated Wireless Network (IWN) compliance; however, the Department of Homeland Security (DHS) is evaluating annually which existing DHS systems fully support narrowband, digital, Project 25 technology, the foundation of the IWN concept, and other Land Mobile Radio programs. IWN is just one contract vehicle that can provide a wireless extension of DHS OneNet, based on Internet Protocol technology. To provide a baseline understanding, a DHS mission-critical wireless equipment inventory will be completed by September 2008. Once the baseline is established, a gap analysis will be completed to determine which DHS systems have been or are in the process of being upgraded. This analysis will provide the basis for a schedule for the upgrade of DHS systems. The schedule is planned to be completed by February 2009.

e-LORAN

Question: The 2009 budget proposes that $34.5 million be transferred from the Coast Guard to NPPD, to establish a replacement for the current LORAN-C network of radio navigation transmitters, which was developed in the 1960's. The replacement would be called e-LORAN, and would include not just new, more reliable broadcast equipment, but also an enhanced positioning signal that would allow for more precise navigation and other signal uses. Capitalization of e-Loran will cost much more than the $34.5 million proposed for transfer from Coast Guard, however. What is the full cost of transitioning the LORAN-C system to the e-LORAN platform? How long will the e-LORAN transition take? Who will operate the LORAN-C system until the e-LORAN system is operational?

ANSWER: The 2009 budget proposes that $34.5 million be transferred from the United States Coast Guard (USCG) to the National Protection and Programs Directorate (NPPD) to establish a replacement for the current LORAN-C network of radio navigation transmitters, which was developed in the 1960s. The $34.5 million to be transferred from USCG to NPPD is not to upgrade LORAN-C to e-Loran but to maintain the basic operation of the system. Modernization costs are not included in the Fiscal Year 2009 request.

The National Communications System (NCS) and USCG are developing the cost of the transition to e-LORAN and are working closely with the Department of Homeland Security's Chief Financial Officer. The estimate is influenced by the segregation of responsibilities between NCS and USCG, capitalization of the system, and the transition timeframe

NCS is also working with USCG to develop the best strategy and opportunities for reductions in operating costs.

The upgrade of LORAN-C to e-Loran consists of upgrading the facilities, transmitters, and the radiated signal. In the Continental United States, the LORAN-C signal is being transmitted from the stations and transmitters that will transmit the e-LORAN signal. The full transition from LORAN-C to e-LORAN will take a minimum of five years.

The United States Coast Guard currently maintains and operates the Loran system and will continue to do so until the operation and maintenance is fully transferred to the Department of Homeland Security/National Protection and Programs Directorate.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSWOMAN NITA LOWEY

National Protection and Programs Directorate
Fiscal Year 2009 Budget Request

Office of Cybersecurity and Communications

Question: I have been told that Mr. Garcia's office is working on a "roadmap" for state cyber security efforts and that listening sessions have been conducted in a few states. While I applaud this outreach, it seems to overlap with the Multi-State Information Sharing and Analysis Center (MS-ISAC). MS-ISAC has participation from all 50 states and provides a common mechanism for raising the level of cyber security readiness and response in each state and with local governments. I am concerned that NPPD is reinventing the wheel on state cyber efforts when it would be more efficient and effective to strengthen MS-ISAC. What plans does NPPD have to continue its relationship with MS-ISAC and what role does DHS see MS-ISAC playing to lead state cyber security efforts?

ANSWER: The Department of Homeland Security values the collaborative relationship with all Information Sharing and Analysis Centers (ISACs), and notably the Multi-State ISAC (MS-ISAC), and their contributions to the Department's larger national cyber security efforts. One of the Department's many efforts to promote increased real-time trusted information sharing between critical infrastructure owners and operators and government departments and agencies is through partnerships with ISACs which include, among others, the MS-ISAC.

The operational role of ISACs is also recognized within the National Infrastructure Protection Plan Sector Partnership Framework, and most of the designated critical infrastructure sectors currently maintain an ISAC. The Department works with ISACs to disseminate threat and vulnerability information to specific communities in a timely fashion and relies on information provided by the ISAC community to provide increased situational awareness about the risk environment.

The Department of Homeland Security National Cyber Security Division (NCSD) serves as the national focal point for cyber security on behalf of the Department and collaborates with numerous components from within the Department, such as the Federal Emergency Management Agency, Office of Intelligence and Analysis, and Office of Infrastructure Protection, to work with State governments to coordinate the resources and technical assistance necessary to most effectively prepare for potential incidents, including cyber incidents.

To underscore the Department's efforts in this area, Secretary Chertoff has identified cyber security as one of the top priorities for the Department in 2008. The enacted Fiscal Year 2008 budget and the President's proposed Fiscal Year 2009 budget reflect the necessary investment for this priority. Per the mandates and responsibilities expressed in Homeland Security Presidential Directive 7 and the Homeland Security Act of 2002, as well as the recognition of the interdependent nature of cyberspace, NCSD must work with State and local stakeholders across the homeland security community to enhance the national cyber security posture. The Department has established and maintains strong cooperative relationships with all information sharing and analysis centers (ISACs), State governments, and numerous associations that focus on State homeland security concerns, such as the National Governor's Association, National Emergency Management Association, the Multi-State ISAC (MS-ISAC), and the National Association of State Chief Information Officers (NASCIO), to improve information sharing, incident response, and risk management. The Department remains committed to

leading efforts to improve the cyber security posture of State and local governments by working through these groups and others.

Since its creation in 2003, NCSD has matured as an organization and built capabilities to better support cyber security efforts with all stakeholders, including those at the State level. In addition to the funding NCSD provides to support MS-ISAC collaborative efforts, such as the MS-ISAC State and Local Operations Center for Cyber Security and bi-monthly webcasts with cyber security experts for the general public, the Department has committed significant resources, through various programs and activities, to help State and local security partners address their cyber security preparedness and response needs and effectively manage cyber security issues. Among others, this includes:

- providing technical assistance to State and local governments for State cyber exercise activities, such as support for planning and execution of specific State and regional exercises, as well as collaboration with nine States to enable their engagement in the National Cyber Exercise: Cyber Storm II;

- working with state representatives from NASCIO through the National Infrastructure Protection Plan Sector Partnership Framework to assess IT Sector risk, advance protective programs, share intelligence information, and ensure State perspectives are included in IT Sector Specific Plan implementation and other activities; and

- coordinating with Federal, State, and local law enforcement agencies to inform them of new vulnerabilities based on the United States Computer Emergency Readiness Team's reporting.

DHS is committed to continuing activities to enhance engagement with state and local governments, including collaboration with the MS-ISAC.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSWOMAN LUCILLE ROYBAL-ALLARD

National Protection and Programs Directorate
Fiscal Year 2009 Budget Request

Cyber Security and Privacy

Question: The President's FY09 budget request includes money for a new version of the cyber security program "Einstein". The program will analyze the content of some communications, including e-mail attachments, for harmful code. What privacy and civil rights safeguards has DHS incorporated into the new version of Einstein?

ANSWER: In 2004, the Department of Homeland Security (DHS) published a Privacy Impact Assessment (PIA) that examined the privacy implications of the United States Computer Emergency Readiness Team's (US-CERT's) current Einstein program, in accordance with Section 208 of the E-Government Act and the guidance for PIAs issued by the Office of Management and Budget.

Building on this work, US-CERT is developing the next PIA for the version of Einstein that – as noted – will analyze Federal Internet traffic for malicious code and other harmful cyber events. This PIA, the technical architecture of the enhanced Einstein effort, and the procedures governing US-CERT's use of the Einstein data have been developed in close coordination with DHS legal counsel, the DHS Privacy Office, and the DHS Civil Rights and Civil Liberties Office. The enhanced Einstein program will include audit and oversight capabilities designed to ensure that US-CERT's activities are conducted with a strict attention and awareness to privacy and civil rights and civil liberties.

Cyber Security and Effective Metrics

Question: According to a recent OMB report, federal agencies certified and accredited 92 percent of their computer systems in 2007 as able to defend against cyber attacks. Figures from the U.S. Computer Emergency Readiness Team indicated that federal agencies reported nearly 13,000 attacks in 2007. While accreditation and reporting measurements are welcome, no metric exists to determine the number of attacks detected and then prevented. The Department is developing this metric. When will this metric be available for Congressional review?

ANSWER: At this time, the United States Computer Emergency Readiness Team (US-CERT) is working with the Department to establish the appropriate set of metrics to measure the effectiveness of cyber protection and deterrence activities and to establish baselines for these activities.

Using metrics as we build our capability and expand the system is a critical component of our success as we increase our responsibility across the Federal system. We recognize that we need to have accurate and appropriate metrics in place to drive improvement while we also strive to understand the overall and systemic trends of the network.

QUESTIONS FOR THE RECORD SUBMITTED BY

RANKING MEMBER HAROLD ROGERS

National Protection and Programs Directorate
Fiscal Year 2009 Budget Request

Staffing

Question: Please provide a detailed explanation of NPPD's staffing targets for the end of FY 08 and FY 09 and how the directorate plans to meet them.

ANSWER: The National Protection and Programs Directorate (NPPD) is proactively addressing the Directorate's workforce needs by expanding its recruitment program and focusing on reducing the length of time it takes to bring new employees onboard. NPPD recognized these shortfalls and established a Hiring Task Force, led by a Senior Executive Service member, to manage the workforce issues. We would welcome the opportunity to come brief you on our strategy.

Critical Subterranean Infrastructure

Question: What efforts (research, study, testing, evaluation, reports) has NPPD undertaken regarding the protection of the subterranean infrastructure?

ANSWER: The National Protection and Programs Directorate (NPPD), through the Office of Infrastructure Protection (IP), has undertaken multiple efforts to address the security and protection of our Nation's critical infrastructure and key resources (CIKR) using a risk-based approach. Specifically, under the framework of the NIPP, IP works to enhance security at assets in every sector, including those with underground/subterranean infrastructure through a number of protective programs and vulnerability assessments. Examples of sectors with significant subterranean infrastructure include Energy, Transportation, Telecommunications, and Water sectors. IP Programs and assessments include the Buffer Zone Protection Program (BZPP), Site Assessment Visits (SAV), PSA Assessments, and Comprehensive Reviews (CR). IP also conducts training courses, such as the Surveillance Detection (SD) and Soft Target Awareness Courses (STAC), to enhance awareness and capabilities of law enforcement and other first responders. Based on the information collected through vulnerability assessments, IP also shares information with all relevant stakeholders by distributing Characteristics and Common Vulnerabilities (CV), Potential Indicators of Terrorist Activity (PI), and Protective Measures (PM) Reports.

The BZPP is a targeted infrastructure protection grant program jointly administered by IP and FEMA's Office of Grant Programs. The BZPP enhances facility security by identifying vulnerabilities in the area outside of a facility that can be used by an adversary to conduct surveillance or launch an attack (or the "buffer zone"); and then providing grant funds to local law enforcement (LLE) jurisdictions to mitigate identified vulnerabilities. To date, IP has completed 588 BZPs on assets in the Energy, Transportation, Telecommunications, and Water Sectors, including underground/subterranean assets.

SAVs are "inside the fence" vulnerability assessments that are jointly conducted by Protective Security Coordination Division (PSCD) in coordination and cooperation with Federal, State, local, Sector Specific Agencies (SSAs) and CIKR owners and operators that identify critical facility components, specific vulnerabilities, recommended security enhancements, and to develop joint mitigation strategies. To the extent

possible, IP attempts to conduct SAVs in conjunction with Buffer Zone Plans (BZPs) to facilitate more thorough and integrated assessments, and to gain efficiencies by bringing all of the relevant stakeholders together in a single assessment. To date, some 284 SAVs have been conducted for Energy, Transportation, Telecommunications and Water sectors, which include underground/subterranean assets. SAVs also provide the foundation for developing CV, PI, and PM reports which are disseminated to State and local authorities and private sector partners to help detect, deter, and defend against potential terrorist attacks.

IP Protective Security Advisors (PSAs) are conducting PSA Assessments for all Tier 1 and Tier 2 CIKR, including underground/subterranean assets. To date, 80 PSA Assessments have been completed on assets in the Energy, Transportation, Telecommunications, and Water Sectors. During these assessments, PSAs identify protective measures currently in place at the Tier 1 and Tier 2 facilities and track the implementation of any new protective measures in the future. PSAs also inform Tier 1 and Tier 2 facility owners and operators of the national importance of their facilities as high priority CIKR and discuss potential mitigation measures and other enhancements. PSAs are establishing and enhancing strong relationships between Tier 1 and Tier 2 facility owners and operators, DHS, and Federal, State, and local law enforcement personnel in order to provide increased situational awareness regarding potential threats, maintain an in-depth knowledge of the current security posture at each facility, and provide a constant Federal resource to facility owners and operators.

IP is conducting and supporting CRs in the Water and Energy Sectors. CRs are a regional, cooperative, government-led analysis of high- consequence CIKR to explore the exposure to potential terrorist attack or natural hazards, the consequences of an attack or natural disaster, and the integrated prevention and response capabilities. CRs enhance regional and site security through the development of short-term protective measures and the development of longer-term risk based investments and research and development decisions.

In 2007, the CR methodology and process was expanded to assess the first system-wide CR, the California State Water System. The CA Water System CR spans 33 counties and encompasses two major water systems and five water aqueducts. The identification of critical nodes within this vast system is vital to ensuring that resources are allocated to high- risk facilities and jurisdictions. The CA Water System CR has identified 161 assets and 40 prioritized as highest risk/most critical. This prioritization was accomplished by applying an analytical approach to ascertain human health impacts and potential economic impacts, the impact of denial of service to that area, and the costs of rebuilding or replacement. Over FY2007 and FY2008, a total of $4.2 million has been allocated in BZPP grant funding to mitigate the vulnerabilities identified in the CA Water System CR. IP will also support the U.S. Coast Guard in their lead role for conducting CRs for liquefied natural gas (LNG) facilities in the Energy Sector.

IP also offers SD and STAC courses to enhance the awareness and capabilities of State, local and private sector security partners. SD courses provide guidelines for mitigating risks to CI/KR through developing, applying, and employing protective measures, and the creation of a surveillance detection plan. STAC provides private sector facility managers, supervisors, and security and safety personnel with a venue to receive and share baseline terrorism awareness, prevention, and protection information and is intended to enhance individual and organizational security awareness. To date, IP has conducted 284 STACs across 71 cities and 97 SD Trainings within a wide variety of locations around the country.

Question: Has a vulnerability / threat assessment of the subterranean infrastructure or a cost-benefit analysis of feasibility of securing critical underground infrastructure? If so, what were the results?

ANSWER: IP has not specifically addressed critical underground infrastructure in a cross-sector report, but has performed asset specific assessments in the following sectors that include significant subterranean/underground infrastructure: Energy (natural gas transmission pipelines and underground storage facilities segments), Transportation (mass transit, crude oil transmission pipelines, and tunnels segments), Telecommunications (submarine cable landing segment) and Water sectors (water pipelines and covered reservoirs segments).

Question: What policies, grant guidance, rules or regulations governing subterranean infrastructure protection has the Department developed?

ANSWER: Currently, the Department of Homeland Security's (DHS) Office of Infrastructure Protection (IP) efforts are conducted on a voluntary basis for subterranean infrastructure; which is primarily located within the Energy, Telecommunications, Transportation, and Water Sectors. DHS/IP does not have the authority to implement rules or regulations that govern infrastructure protection for subterranean/underground CIKR. However, DHS/IP, in partnership with FEMA's Office of Grant Programs, has developed and implemented grant guidance for the Buffer Zone Protection Program (BZPP) to enhance the security of subterranean infrastructure. As a result of BZPP vulnerability assessment recommendations, the following equipment has been authorized for purchase to fill common security gaps. Additionally, as a part of the FY08 BZPP guidance, FEMA added locking manhole covers to the Authorized Equipment List for BZPP expenditure, making manhole covers a mandatory mitigation measure for Telecommunications sites.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSMAN JOHN CARTER

National Protection and Programs Directorate
Fiscal Year 2009 Budget Request

NCCC

Question: (Addressing Robert Jamison, Undersecretary for NPPD) "The National Command and Coordination Capability (NCCC) is a program which is supposed to develop a robust, enduring, secure, survivable net-centric communications network. The President's FY 2009 budget proposes $57 Million for the NCCC. If the Department were allocated additional funding this fiscal year, would you be able to accelerate and expand the deployment of this network?

ANSWER: Yes. Additional funds in the current fiscal year would accelerate deployment of the National Command and Coordination Capability (NCCC) to mobile and fixed State and DHS locations. The first step would be site surveys for installation of NCCC capability at these sites to prepare for deployment.

Cellular Technology

Question: (Addressing Gregory Garcia, Asst. Secretary for Cyber Security and Communications) "We see evidence that the Government workforce is becoming more mobile: cell phones, PDAs, and laptops. Plus, law enforcement and public safety are working with the Department and FCC to launch a nationwide broadband cellular network with the new spectrum it will receive in 2009. Cellular networks have distinct advantages and corresponding vulnerabilities to wired networks. What plans does the Department have to work with the cellular technology builders and providers to ensure that the cyber initiative properly takes into account the wireless aspects of modern government networks?"

ANSWER: The Department of Homeland Security, through the National Communications System (NCS), is currently engaged in the development of Next Generation Network (NGN) Industry Requirements for National Security and Emergency Preparedness priority features in the Core and Access portions of the evolving NGN. NCS relies on the best practices of industry regarding security, as security has always been a prime concern for our programs. The majority of the domestic cellular industry's vendors and service providers are actively participating in this process. The Department intends to continue to work closely with industry to ensure that security concerns of modern government networks are addressed.

The National Cyber Security Division and the NCS are working to identify the cyber security requirements and necessary resources. The Department will continue to look at this issue with respect to the Cyber Initiative and will follow up with the Committee in the appropriate setting.

THURSDAY, MARCH 6, 2008.

BORDER SECURITY PROGRAMS AND OPERATIONS—CHALLENGES AND PRIORITIES

WITNESSES

W. RALPH BASHAM, COMMISSIONER, U.S. CUSTOMS AND BORDER PROTECTION, DEPARTMENT OF HOMELAND SECURITY

ROBERT A. MOCNY, DIRECTOR, US–VISIT PROGRAM, NATIONAL PROTECTION AND PROGRAMS DIRECTORATE, DEPARTMENT OF HOMELAND SECURITY

RICHARD M. STANA, DIRECTOR, HOMELAND SECURITY AND JUSTICE ISSUES, GOVERNMENT ACCOUNTABILITY OFFICE

MR. PRICE'S OPENING STATEMENT

Mr. PRICE. The subcommittee will come to order. Good morning, everyone. This morning, we are going to resume a discussion, which we began back on February 14th, when activity on the House floor required a postponement of our second hearing panel. We have that second hearing panel here today and augmented to cover a wider range of topics, as we will see.

Today, we want to welcome Ralph Basham, the Commissioner of U.S. Customs and Border Protection, to testify on efforts to gain control of our borders, including airport ports of entry. Seated with him, a U.S. Border Chief, David Aguilar—oh, he is not here. All right, I am sorry. I need to read the—the Deputy Chief, Ron Colburn is here. Mr. Colburn, welcome. We appreciate your presence. We, also, have the Assistant Commissioner for Air and Marine, Michael Kostelnik. We have Robert Jacksta, Deputy Assistant Commissioner for field operations, Greg Giddens, the Executive Director of the Secure Border Initiative, Robert Mocny, Director of the US–Visitor and Immigrant Status Indicator Technology, who will testify about efforts to improve US–VISIT biometric and exit functions, and Richard Stana, Director for Homeland Security and Justice Issues with the Government Accountability Office, who will describe challenges in carrying out DHS's border security mission. So, welcome to all of you. We appreciate you being here.

I am sure we agree that we need to move quickly to gain operational control of all of our borders, north and south, air and sea, but we must not allow haste to force us into repeating the mistakes of the past. Whether we are talking about the technology challenges facing the Project 28 effort in Arizona or decisions about where to place border fencing, it is important not to just do it, but to do it right. That is why this committee put language in the fiscal 2008 appropriations bill to require that border security, fencing, infrastructure, and technology funding be allocated to the highest priority needs and be used as efficiently as possible.

For fencing, the law requires DHS to back its decisions with detailed evaluations of border security solutions for each segment of 15 miles or less and to compare fencing with alternative ways of achieving operational control. The law also requires that DHS consult with federal agencies, local officials, law enforcement, and landowners to gain a complete picture of the true costs and benefits from proposed border infrastructure projects. Based on testimony we heard a few weeks ago from border sheriffs and mayors and landowners, it appears that work remains to be done to satisfy the consultation requirements that Congress set for the agency. I have seen the list of outreach events that CBP has provided to our staff. I will have questions though or do have questions about whether the kind of consultation that that list represents permits the full sharing of information that we must have and is conducive to reaching consensual outcomes where such outcomes are possible.

This committee has acted to plug gaps in border inspection and enforcement efforts. At the border last year, we heard about CBP's problems in recruiting and retaining CBP officers and we decided to do something about it. So, we included the language in our House bill to convert CBP officers to law enforcement officer status and we enhanced that provision in the Omnibus Appropriations Act. As CBP's own spokesman said, and I quote, "the 2008 Omnibus Act appropriately recognized CBP officers for what they do, protecting America's people and enforcing its laws." Yet, the President's budget proposes to reverse this gain by repealing and defunding the conversions. We are going to want to talk about that this morning.

The 2008 Appropriations Act also increased airport staffing for model ports of entry and condition western hemisphere travel initiative funding on performance of pilot efforts to ensure the most effective implementation of a new document policy. And since we need to know who enters and remains and departs from our country, the 2008 Appropriations Act funded US–VISIT biometric capacity upgrades and a kick start for a practical exit solution contingent on getting a sensible plan. Commissioner Basham and Director Mocny, I look forward to learning how you are implementing the requirements contained in the fiscal 2008 Appropriations Act.

Now let me quickly make some observations about the 2009 request. CBP's discretionary request is less than one percent over 2008 funding. Within that is $775 million to fund border security fencing, infrastructure, and technology, $450 million below fiscal 2008. This would bring total funding to $3.5 billion.

The Border Patrol would grow under this request to exceed 20,000 agents, more than double the fiscal 2001 onboard number. However, the number of Border Patrol agents on the northern border actually fell in 2006 and has not kept up with requirements to the law. Funding for air and marine programs would fall seven percent, to $528 million under the proposed budget, although air and marine fleet is being modernized and its mission has grown, as the need to protect our northern border has been recognized.

Secretary Chertoff, in a New York Daily News interview last month, said he frets over Europe and Canada more than Mexico. He is quoted as saying that more than a dozen people linked to Al Qaeda, Hezbollah, and other extremist groups have tried to enter

the U.S. through ports of entry on the northern border, while there have been almost no such attempts at U.S.-Mexico checkpoints. So, we need to question why the department's northern border efforts and the budget before us do not reflect fully the Secretary's understanding.

In addition, we should not forget that most cargo, persons, and contraband and enter and leave this country through its ports of entry, not in between them. In addition to the proposed repeal of the CBP's law enforcement officer conversion, funding to support overall CBP efforts at ports of entry is flat in the 2009 request.

The US–VISIT request includes $55.5 million, 300 percent over fiscal 2008, to complete a biometric exit solution at air and seaports of entry. Seven years after the events of 9/11 and after appropriating 2.2 billion dollars, we expect to see exit solutions that will work.

To summarize, Mr. Commissioner, Director Mocny, we want to know how you will achieve all of the objectives that Congress has set before you, how will you secure our land borders, consult effectively with those who live on our border, and, in particular, how will you do that with an essentially flat budget. So, we look forward to our discussion this morning and a lively discussion of the efforts to secure our borders.

Let me turn now to our distinguished ranking member. We are also glad to have the ranking member for the full committee here. We would be happy to welcome his comments, as well. Mr. Rogers.

MR. ROGERS' OPENING STATEMENT

Mr. ROGERS. Thank you, Mr. Chairman. Commissioner Basham, Deputy Chief, others from CBP, Director Mocny, we are going to secure our borders and end illegal immigration. Those are goals that are not negotiable, goals that I know you are striving to achieve. And that is the first thing I want to make abundantly clear today, we are going to close the border. We have given you money. We have given you direction. We have heard complaints. We have listened to all sides. It is time to move.

Over the last week, a lot has been said about SBI NET and Project 28, words like failure, delay, cost overruns. Those have been the norm in describing these latest challenges. This hearing is obviously timely and gives each one of you an opportunity to present your case to the American public and to Congress.

While we have always understood P–28 to be a prototype from which the larger SBI NET solution would be devised, I find much of what I have been hearing and reading lately to be troubling, to say the very least. So, today I am interested in getting the full unvarnished story. We are going to insist that we be frank and full in this discussion, lay it on the table. Too much is at stake. Too much progress has been made to allow technical glitches to derail our goals of controlling the border and developing a viable immigration system. Getting clears answers now will help restore confidence that our government is up to this vital mission.

Since November of 2005 and the launch of the Secure Border Initiative, this subcommittee has been your partner and your ally in what has been an unprecedented influx of resources toward the security of our borders. And thanks to billions of dollars in appropria-

tions, considerable legislative oversight, and other noteworthy efforts, substantial progress has indeed been made. And I think we need to dwell upon that. Last year, CBP bought 141 southwest border miles under effective control, bringing the total number of southwest border miles under effective control to 498. That includes the deployment of over 154 miles of primary fence and over 109 miles of vehicle fence, well on the way to the goal of completing some 670 miles of fencing along the southwest border by the end of this calendar year.

Along the northern border, CBP has enhanced physical infrastructure by establishing four air wings and is planning for a fifth. Significant workforce enhancements have been made, including deploying nearly 2,500 additional CBP officers and agriculture specialists to our ports of entry and bringing the Border Patrol up to almost 15,000 agents. By the end of 2008, another 3,300 Border Patrol agents will be deployed, well on the way of doubling the size of the pre-9/11 Border Patrol by the end of this administration.

Apprehensions are way down, a solid indicator that our efforts thus far are working as intended. In 2007, Border Patrol reduced illegal alien apprehensions by 20 percent below 2006 levels, with especially notable apprehension reductions in the Yuma, Arizona sector by 68 percent, Del Rio, Texas by 46 percent. And finally, the significance of maintaining catch and return cannot be overstated. This accomplishment, alone, speaks volumes about how far we have come. But, the strategy of enhanced personnel and physical infrastructure have always been predicated upon also implementing the modern technology that effectively links it all together, thereby making the system far greater than the sum of its parts.

You may recall that in our first hearing on SBI just over two years ago, I asked whether SBI was for real or if it was just another acronym for failure, after we had endeared several serious missteps with ill-fated technology investments by the Border Patrol in the past. So, what I want to know today is simple. Now that you accepted P–28, what are you prepared to do now? What are we buying with SBI NET? When will we secure the border? How much is it going to cost? Difficult, but not complex questions to answer, answers this subcommittee expects and demands today, as we have in the past, but now we are getting ready to get with it.

Gentlemen, we have appropriated over $2.7 billion toward border security fencing, infrastructure, technology, since 2006, and you are requesting another $775 million for this effort in fiscal 2009. We need to know how this moves this ball toward securing the border and when we can expect it. Now, I realize the enormity of this challenge, but to Commissioner Basham and those of you from CBP, I say the time is now. There are no more excuses. You got the money, you got the personnel, you got the equipment, you got the gear, and you got the support of this subcommittee. So, it is no more excuses. We all know the stakes. You know our expectations. It is time to succeed where others have failed and provide the border security that this great nation both needs and deserves.

Thank you, Mr. Chairman.

Mr. PRICE. Thank you, Mr. Rogers. Mr. Lewis.

MR. LEWIS' OPENING STATEMENT

Mr. LEWIS. Thank you, very much, Chairman Price. I appreciate both you and my colleague Hal Rogers allowing me to come and spend a little bit of time here. Frankly, there is plenty to do around here in the full committee. We have 22 hearings of subcommittees yesterday and today. But, in the meantime, of late, most of us on this panel have spent some energy communicating with our own constituencies, various mechanisms, whereby you can hear from the folks. I must tell you that there is not an issue across the country that impacts my constituency more than this issue.

Commissioner Basham, I am not one of those members of Congress, who automatically believes that we are going to solve all of these kinds of problems by simply building a wall all the way around the country. Having said that, my constituency does not agree with that. They would essentially build a very high wall that would allow nobody to penetrate. Between now and then, however, I think you should know that they are not really aware of the amount of money that Congress has spent and provided for the work of your leadership relative to controlling the border. Some 34 billion dollars over the last four years is a lot of money when you consider who makes the responsibilities around here. The reality that my constituents think we should be taking other steps has caused me to be a supporter of funding a border fence.

But having said that, I believe there is much more to it than simply a wall. The most frustrating comment I would have to express today is that the virtual fence, that is the application of very fine and high in number personnel, along with other technology, it would appear still has many a hole and we have a lot of work to do together to make certain that we respond to the public's demand and, at the same time, recognize that all of America has a future in the world by working together.

Let me round out my comments saying, as we control the border and secure, especially the southern border, that is the short-term consideration, in my view. The longer term is to recognize that starting in Argentina, going up through Chile and Ecuador, in Mexico, Canada, United States, as a unit, we have a major task to compete in the world, as the years go forward. Europe is going to come together. China and India are coming along in a much broader sense. Unless we can respond to the people's demand that we stop illegal immigration now and, at the same time, look at that longer-term reality, that we are going to miss really a very important American opportunity.

I wanted to come and share with you that mixed view of this member of the appropriations committee and, Mr. Chairman, I appreciate your letting me express that.

Mr. PRICE. Thank you, very much, Mr. Lewis. We are very glad to have you here. Mr. Basham, we would like to ask you now to begin. We will have oral statements this morning for Mr. Basham, Mr. Mocny, and Mr. Stana. We will ask each of you to summarize your remarks in five or six minutes with an oral statement and then we will put the full text of the statement in the record. But, this will let us proceed to a discussion. So, Mr. Basham, we will begin with you. We welcome you to the committee.

STATEMENT OF MR. W. RALPH BASHAM, COMMISSIONER, U.S. CUSTOMS AND BORDER PROTECTION

Mr. BASHAM. Thank you, Mr. Chairman, and thank you ranking member Rogers. I do appreciate the opportunity to discuss with you today the present 2009 budget request for U.S. Customs and Border Protection and talk about the tremendous work the men and women of CBP are performing to secure our country's borders and at the same time, keep them open to legitimate trade and travel. I want to begin by thanking you for the strong support that this committee has given to our agency, support which has contributed greatly to our success over this past year.

I know that support is recognized in the field. The front line CBP officers I speak to are grateful for the attention you have paid in the last year to issue like retirement coverage and port of entry facilities. The President's 2009 budget request will allow CBP to continue to deploy the mix of additional personnel, infrastructure, and technology that is needed, as we continue to make progress in securing our borders.

CBP continues to increase our manpower at the borders. We currently have over 18,000 CBP officers stationed at our air, land, and seaports, to process over 1.1 million people and over 70,000 cargo containers each day. We have over 15,500 Border Patrol agents between our ports of entry to watch over the thousands of miles of U.S. borders. Our air and marine officers, agricultural specialists, and other professionals also perform invaluable parts of our mission. The President's budget will bring our Border Patrol agents strength up to more than 20,000 by the end of next year, which, as Congressman Rogers mentioned, will double the Border Patrol force since 2001. The budget also requests 212 additional CBP officers at our official ports of entry.

As our ranks grow, one of my top priorities is to maintain the highest integrity among our workforce. And I thank the committee for voting to fund the hiring of the internal officer agents last year and this year I would appreciate your continued support for the President's budget request of 25 additional agents. And while the greatest number of new Border Patrol hires will be stationed on the southern border, we have not turned our back on the northern border. By September, we expect to have 1,500 Border Patrol agents and more than 2,000 by the end of 2010 on the northern border. For comparison, this represents a 500 percent increase over the pre-9/11 level of 340 agents.

We are also expanding our air and marine operations there. By this summer, we will have the fifth of our five air wings operational in the States of Washington, New York, Montana, North Dakota, and Michigan. We, also, plan to deploy our predator, UAS Operations, and an additional SBI NET technology demonstration on the northern border this year.

We need to modernize and, in some cases, expand our facilities to accommodate our new agents, officers, pilots, and new technologies. Upgraded infrastructure is critical not only to security, but to facilitate the flow of legitimate trade and travel through our ports. Where operationally needed, we also must continue deploy-

ing tactical infrastructure in the form of fences, barriers, roads, and lighting, that act as force multipliers.

Our agents and officers are the nation's most important asset in securing the borders, but they cannot do it alone. CBP has been deploying and continue to deploy technology tools for our front-line personnel. Alot has been written about P–28 and our plans to deploy further technology recently, much of it inaccurate. It is important to clarify today that P–28 and the integrated SBI system is only a piece of our efforts to deploy technology tools. As you know, those tools include mobile surveillance systems, unmanned aerial systems, automated targeting systems, high-powered x-rays, radiation detection equipment, and much more. P–28 was Boeing's initial fixed-price prototype demonstration and was designed to be something we could test, evaluate, and learn from. We identified technical deficiencies and Boeing fixed the majority of those deficiencies at its own cost. P–28 has accomplished our objectives and on February 21, 2008, we took final acceptance. Today, P–28 is a system that provides operational technology in an area that did not have those resources and has increased our effectiveness in the area, as a result.

Unfortunately, this initial proof of concept and the overall SBI NET system approach came to be confused with one another. We have the confidence that a version of this type of integrated solution can be used in other selected border locations and we are moving forward to deliver that capacity.

The efforts of CBP and your continued support are making an impact. Apprehensions by Border Patrol in the southwest border continue to trend downward at the 20 percent range. Our success is putting pressure on smugglers of illegal aliens and drugs. They, in turn, are becoming frustrated and, unfortunately, more violent. Since 2001, the number of assaults on Border Patrol agents has tripled. Traffickers are changing their routes and methods of smuggling. Off the coast of Guatemala our CBP air P–3s discovered a submersible ship loaded with five tons of cocaine, the latest example. The bad guys will adapt and we must also adapt.

Mr. Chairman, what I mention is a small part of a much greater effort. Every day, the men and women of CBP carry out a difficult and often dangerous mission. And as you have said, Mr. Chairman, I do apologize that I have to leave at 11:45 to attend a session with the President and the Secretary on the anniversary of DHS's creation. But, again, I do want to thank you for all of the support you have provided and now I will be happy to answer any questions you may have. Thank you, Mr. Chairman.

[The information follows:]

TESTIMONY OF

W. RALPH BASHAM
COMMISSIONER

U.S. CUSTOMS AND BORDER PROTECTION
DEPARTMENT OF HOMELAND SECURITY

BEFORE

HOUSE APPROPRIATIONS COMMITTEE

SUBCOMMITTEE ON HOMELAND SECURITY

March 6, 2008
Washington, DC

Chairman Price, Ranking Member Rogers, Members of the Subcommittee, it is a privilege and an honor to appear before you today to discuss the work of U.S. Customs and Border Protection (CBP), specifically the tremendous dedication of our men and women in the field both at and between our ports of entry.

I want to begin by expressing my gratitude to the Committee for the strong support you provided for important initiatives implemented by CBP last year. Your support has enabled CBP to make significant progress in securing our borders and protecting our nation against the terrorist threat. As the Commissioner of CBP, I look forward to working with you to build on these successes.

My testimony today focuses on land border enforcement, how the men and women on the front lines accomplish the goal of achieving control of our borders between the official ports of entry. I will also discuss our efforts to facilitate legitimate travel at our ports of entry. By way of background, CBP employs highly trained and professional personnel, resources, and law enforcement authorities to discharge our mission of enforcing the laws of the United States at our borders . This important work is primarily done at official ports of entry where legal goods and people are admitted into the U.S. and at the land borders between those ports of entry. CBP is the largest uniformed law enforcement agency in the country. We station 18,000 officers at access points around the nation – air, land, and sea ports. And we deploy over 15,000 Border Patrol agents between ports of entry to prevent illegal entry. These forces are supplemented with Air and Marine officers, agricultural specialists and other professionals.

As we work toward gaining control of our borders, we must also continue to perform our traditional missions, which include stemming the flow of illegal drugs and contraband, protecting our agricultural and economic interests from harmful pests and diseases, protecting American businesses from theft of their intellectual property, violations of textile agreements, import safety violations, the economy from monopolistic practices, regulating and facilitating international trade, collecting import duties, and enforcing United States trade laws. In FY 2007, CBP processed more than 414 million pedestrians and passengers, 124 million conveyances, 30 million trade entries, examined 5.6 million sea, rail, and truck containers, intercepted 877 thousand illegal aliens between our ports of entry, and seized more than 3 million pounds of narcotics.

My testimony will also discuss the CBP Fiscal Year 2009 budget request, which totals $9.49 billion in appropriated resources. This represents an increase of $1.6 billion, a 20 percent increase over Fiscal Year 2008. This increase is critical to help CBP to fulfill its priority mission. We must perform our important security and trade enforcement work without stifling the flow of legitimate trade and travel that is so important to our nation's economy. These are our "twin goals": border security and facilitation of legitimate trade and travel.

Fiscal Year 2009 Budget Request

Mr. Chairman, while my testimony will focus on land border enforcement and facilitation of travel, I would also like to highlight the program increases in the CBP Fiscal Year 2009 budget request:

- $442 million for 2,200 new Border Patrol agents to gain and maintain control of the Nation's border. This funding will also provide for 441 operational/mission support personnel to allow agents to perform enforcement functions and allow for the relocation of experienced supervisors and agents to needed locations. The funding also provides for the necessary training to support replacement vehicles, additional instructors, support staff, and equipment.
- $775 million for Secure Border Initiative (SBI) programs that will allow us to develop and deploy planned tower sites, communications and C3I for the Arizona and El Paso sectors, construct communications relay sites, purchase long lead items such as cameras, radars, and towers, and to construct access roads needed to prepare sites, deploy towers and tower technology and communications systems. This funding will also continue the integrated transportation program needed for detainee transportation.
- $4 million for an additional 24 CBP Air Interdiction Agents for Unmanned Aircraft Systems that will be operational by fiscal year 2009 and an additional $20 million to continue the execution of the Air and Marine National Strategic Plan.
- $107 million for the implementation of the Western Hemisphere Travel Initiative (WHTI). This funding will complete the roll-out of Radio Frequency Identification (RFID) infrastructure and technology in support of WHTI to cover 95 percent of land border traffic at the top 39 Ports of Entry.
- $25 million to hire 212 CBP Officers and 22 support positions to provide an increased capability to identify and address potential threats or harmful weapons at land border Ports of Entry on our borders with Mexico and Canada.
- $35.5 million for 238 new CBP Officers to support the deployment and operation of Radiation Portal Monitors at our seaports allowing CBP to conduct radiological scanning of arriving seaborne cargo and providing funding for the operation and maintenance of RPMs.
- $10 million to replace obsolete Non-Intrusive Imaging Systems (NII) used to inspect small-targeted cargo without the need for an intrusive manual search; an essential aspect of CBP's layered enforcement strategy.
- $62.8 million to fund operations and maintenance required to sustain the US-VISIT systems. US-VISIT is critical in securing entry into the U.S. at the ports of entry and provide exit and entry information.
- $25 million for modernizing TECS, the primary subject record "watch list" database for DHS used for the biographic vetting of people entering the U.S. at ports of entry.
- $10 million for Terrorism Prevention Systems Enhancements (TPSE) that will provide 24/7 systems availability, network redundancy and monitoring in the passenger environment. This funding will also sustain infrastructure investments

made to improve communications, power distribution, networking, and computer capability to support worldwide screening operations.

- $5 million to implement targeting methodology improvements in our Automated Targeting System for passengers that will enhance services in the field, accommodate increased volume of passengers and vehicles and incorporate intelligence information and techniques to allow officers to focus their efforts on passengers that warrant further attention.
- $160 million for new and expanded permanent facilities to accommodate current and increased Border Patrol Agent presence on both the Northern and Southwest Borders and to renovate CBP-owned land port of entry inspection facilities.
- $24 million for the CBP Intelligence Program.
- $5.3 million for 24 investigators and 5 support staff to provide a strong internal affairs capability to ensure proper conduct and integrity oversight.
- $1 million for additional staffing for CBP's Regulatory Program.

Many of these program increases directly impact border security and I would like to begin by updating the Subcommittee on our continuing progress in securing our borders between the ports of entry.

Border Security Between the Ports of Entry

A national strategy to establish and maintain effective control of our Nation's borders has been brought to fruition. This strategy consists of five objectives: 1) Establish substantial probability of apprehending terrorists attempting to illegally enter between ports of entry; 2) Deter illegal entries through improved enforcement; 3) Detect, apprehend, and deter smugglers of humans, drugs and other contraband; 4) Leverage "Smart Border" technology to multiply the effect of enforcement personnel, and 5) Reduce crime in border communities and consequently improve quality of life and economic vitality of targeted areas. The national strategy requires increasing our national security by augmenting enforcement resources along the northern and southern border. The proper balance in the deployment of personnel, equipment, intelligence, support, technology, and infrastructure is critical. Reducing our vulnerability to the entry of terrorists, illegal aliens and drugs by increasing personnel and resources, is the key to the successful implementation of this strategy.

CBP has requested an additional 2,200 new Border Patrol agent positions in Fiscal Year 2009. These additional agents are part of the incremental resource increases required to support the national strategy to gain effective control of the border. CBP will have over 20,000 Border Patrol agents by the end of September 2009 – more than double the workforce in 2001. I believe that our plan to add these additional Border Patrol agents in FY 2009 will be a significant step toward establishing a highly effective border security workforce.

CBP's approach to border security strikes a balance among the factors that contribute to our success. Those factors include personnel and force multiplier tools such as fencing, the use of intelligence, other tactical infrastructure, technology, and air assets.

Personnel alone, without those force multipliers, are less effective and efficient than they are with those tools.

The mission success of these additional Border Patrol agents is predicated on CBP also receiving additional technological and tactical infrastructure resources to complement the increase in agents. The technology (sensors, cameras, communication equipment, etc.) and tactical infrastructure (fencing, roads, and vehicle barriers) funded in the budget request act as force multipliers.

With the continued growth of the Border Patrol, the CBP Construction Program addresses requirements on the northern and southern borders for new and enhanced facilities to fulfill immediate operational needs, to accommodate increasing capacity demands associated with new agent, officer, pilot, and asset deployments, to modify or correct deficiencies within exiting structures, and to replace temporary structures with permanent solutions. Stations and sector facilities are critical to Border Patrol operations, in that they provide logistical support to the field agents, supplying strategically-located bases to improve mobility and promote maximum patrol time. Air and Marine facilities are critical to the protection of aviation and marine fleets, which allow for swift and integrated detection and interdiction efforts. The Construction Program directly supports the National Border Patrol Strategy as well as the Air and Marine Strategic Plan and it supports modernization of the facility requirements for officers at CBP-owned land border ports of entry.

DHS has made significant progress in securing our borders between the ports of entry. Today, 100 percent of Other Than Mexican (OTM) aliens apprehended along the southwest and northern borders that were subject to detention pending removal and were otherwise ineligible for release from custody under U.S. immigration law were detained. This is a stark contrast to 2005, when only 34 percent were detained. The success of this effort has been primarily based on DHS enhancements in additional bed space and the streamlined process for removal of aliens, or "Expedited Removal".

CBP has recently reorganized our intelligence and operations coordination functions to support our mission set and ensure our operators have timely access to relevant intelligence reporting that can be utilized to drive effective operations. One of my top priorities is to ensure that CBP is an intelligence driven organization. The intelligence initiatives outlined in the budget request, coupled with other ongoing and planned intelligence initiatives, will enable CBP to achieve this priority objective. The stand up of a 24 x 7 CBP National Intelligence Watch will ensure that the increasing volume of reporting will be analyzed, compiled, and disseminated to CBP enforcement offices in a timely manner, allowing perishable intelligence to be analyzed while it is most actionable. This will improve our ability to secure our borders by allowing officers and agents in the field to work with the most current intelligence information available, regardless of the time at which the intelligence is received.

Another critical component of the budget request is the funding needed to continue the growth of an anti-corruption program that ensures the identification and mitigation or

elimination of vulnerabilities in the workforce. By Fiscal Year 2009, CBP will have a workforce of over 54,000, with frontline personnel conducting a mission that is vulnerable to corruption. Promoting the integrity of the CBP workforce is one of my highest priorities and with the alignment of an investigative function within CBP, efficiencies will continue to be realized by conducting investigations in closer cooperation with the operational management. Creating and continuing a strong anti-corruption program provides CBP management the visibility to address corruption and serious misconduct matters as they occur, strengthens the employee base and integrity assurance, and ensures that allegations are investigated thoroughly, objectively and timely by CBP investigators.

The budget request provides continued funding for the Secure Border Initiative (SBI) and reflects our desire to research, develop and install a technology and tactical infrastructure solution enabling a more effective and efficient method for controlling border security. The initial focus of SBI*net* technology and tactical infrastructure has been on the southwest land border sectors between the official ports of entry where there are serious vulnerabilities to border security. The budget request continues securing the southwest border while building towards a common operating picture (COP) for the southwest border within a command center environment and which will provide data to all Department of Homeland Security (DHS) agencies and strive for interoperability with stakeholders external to DHS.

The initial development and deployment of the COP is ongoing and builds upon our experience with Project 28. The COP we desire will enable users to make sound tactical, operational and strategic decisions; quickly inform CBP and other DHS components of strategic implications of mission success; rapidly exchange strategic, operational, and tactical information with supporting commands and interagency organizations; effectively plan, execute, and evaluate multiple mission events; and effectively interface with DHS partners to satisfy mission requirements.

The SBI*net* Tactical Infrastructure program is completing 370 miles of pedestrian fencing and 300 miles of vehicle fencing along the southwest border sectors by the end of calendar year 2008. This provides physical infrastructure to areas along the border where such infrastructure can be most effective, giving the Border Patrol flexibility to adjust their focus to other areas of need. To date, 168 miles of primary pedestrian fencing have been built and 135 miles of vehicle barriers are now in place.

We know these efforts to secure our borders are showing effectiveness. Apprehensions on the southwest border are down approximately 20 percent from the previous year. One important, if troubling, measure is the current trend in border violence. As we make progress in stemming the flow of illegal aliens, drugs and contraband, those who traffic in this illegal activity are becoming more aggressive in their efforts. Border Patrol has experienced a consistent increase in violence against agents. Fiscal Year 2007 saw the number of incidents of violence increase to the highest levels recorded since 2001. In the first quarter of Fiscal Year 2008, 300 assaults were perpetrated against Border Patrol agents, accounting for a 44 percent increase in violence

over the same period in Fiscal Year 2007. We are extremely concerned about this persistently high level of attacks.

While much of our initial focus of is on the southwest border, DHS and CBP have taken many steps to improve security on the northern border. Additional Border Patrol agents have been deployed from the southwest border to the northern border with 1,500 expected by September 2009 and more than 2000 agents by 2010. Prior to September 11, 2001 the northern border was staffed with only 340 Border Patrol agents. We conduct joint operations with the Joint Task Force – North (JTF-N), continue pilot maritime technology projects incorporating ground based radar and proof of concept multi-sensor systems, and seek increased liaisons with our Canadian partners through Project North Star and the Integrated Border Enforcement Teams (IBET). In addition, CBP is expanding Air and Marine operations on the northern border, including the deployment of Unmanned Aircraft Systems such as the Predator.

To address known as well as potential threats at the northern border, we are creating a stronger, more proactive presence at and between ports of entry. Eight Border Patrol sectors encompassing 12 states stretch from the Pacific, across the Rocky Mountains, Great Plains, the Great Lakes, to the Atlantic. To best support our efforts, CBP Air and Marine has developed a plan to increase security along the northern border through the accelerated start up of operations at five locations. By spring of 2008, Air and Marine will have established the following five air wings on the northern border: Bellingham, Washington, Plattsburgh, New York, Great Falls, Montana, Grand Forks, North Dakota, and Detroit, Michigan. Northern border locations were selected to provide an interdiction/law enforcement response within one hour flight time. In addition, the North Dakota Air Branch in Grand Forks was chosen to provide a strategic, centrally located air branch at the northern border that will have an expanded role, and is currently under review to certify its operational readiness as a hub for Unmanned Aircraft Systems operations.

A key component of the partnership efforts among law enforcement entities on the northern border is the IBET. The mission of IBET is to enhance border integrity and security by identifying, investigating and interdicting persons or organizations that pose a threat to national security or are engaged in other organized criminal activity. IBET's incorporate a mobile response capability and consists of six core Canadian and U.S. agencies with law enforcement responsibilities at the border.

Finally, in early 2007 with Congressional direction, CBP redirected a portion of the SBI*net* focus to the northern border, specifically in the Detroit, Michigan area. We have initiated a demonstration project utilizing at least $20 million from Fiscal Year 2007 funds to begin addressing northern border vulnerabilities using different technologies.

Travel Facilitation at the Ports of Entry

CBP welcomes more than 400 million travelers into the United States annually. While security will always be CBP's primary mission – and is key to maintaining

travelers' confidence – we strive to make the process of entering the U.S. more streamlined, user-friendly and understandable.

CBP has worked very hard to improve our process for clearing and welcoming travelers into our country. In April of 2007 we launched the nation's first "Model Ports" at George Bush Houston Intercontinental and at Washington Dulles International airports. Improved signage, multi-lingual explanatory videos and modernized procedures ease the process of arriving in the U.S. Both Houston and Dulles were chosen as initial model ports because they represent key gateway locations in the U.S. as major international hubs, as well as their unique infrastructure challenges and opportunities. In fiscal years 2008 and 2009, the Model Ports Program will expand to a total of 20 airports and add 200 CBP officers. We believe this program helps to send the message that America remains a warm, welcoming nation.

While CBP seeks programs and improves processes to make international travel more welcoming, security will always be CBP's primary mission. An important aspect of that mission involves extending security beyond our physical borders. The Immigration Advisory Program (IAP) is an important element in this strategy, enhancing security by preventing terrorists and other high-risk passengers from boarding aircraft destined for the United States. The goal of the IAP is to protect air travel and improve national security by reducing suspected overseas threats prior to a flight's departure, thereby avoiding delaying, cancelling, or diverting flights. Small CBP officer teams are deployed to work with foreign law enforcement and air carriers at key airports in host countries. The IAP program maintains deployment at seven foreign locations, adding a layer of enforcement and strengthening foreign partnerships while also providing financial savings for the U.S. Government and air carriers.

One important aspect of facilitating legitimate travel involves reducing wait times for travelers at our airports and land border ports of entry. CBP's land border ports of entry processed just under 300 million people in 2007, spending an average of only 45-60 seconds with each person at the primary inspection booth. This process yielded approximately 20,000 arrests in fiscal year 2007. CBP created a Wait Time Advisory Committee that developed recommendations to address issues such as wait time measurement standards, processing times, facilities, staffing and community outreach. CBP facilities house operations today that were designed to accomplish missions from decades before and capacity is often exceeded. We continue to work with the General Services Administration (GSA) and local, state, and regional stakeholders to expand and upgrade port of entry sites and infrastructure to streamline processing times and better facilitate throughput. Our Trusted Traveler programs, including SENTRI, NEXUS and FAST, are being streamlined to increase enrollment among frequent travelers.

The Western Hemisphere Travel Initiative (WHTI) will ensure that travelers possess standardized, secure documents to allow CBP to quickly and accurately identify a traveler and their citizenship while shortening the inspection process. With funds requested in Fiscal Year 2009, CBP will complete the deployment of the radio-frequency

identification (RFID) sensor and license plate reader technologies started in 2008 and add 89 new CBP Officers at our land border ports of entry.

CBP's Office of Field Operations (OFO) uses the Workload Staffing Model (WSM) to assist in requesting resources and aligning staffing levels at our ports of entry. The WSM was developed for CBP Officers and Agriculture Specialists focusing on all aspects of CBP processing for passengers and cargo in the air, land and sea environments. The model assesses staffing needs based on workload, processing times, complexity and threat levels, and provides an optimal level of staffing for each port of entry. The model is a decision support tool and is used as a guide in the allocation of available resources while also relying on the judgment of experienced managers when making decisions on allocation of staff.

Conclusion

Mr. Chairman, Members of the Subcommittee, I have outlined several initiatives today that, with your assistance, will help CBP continue to protect America from the terrorist threat while fulfilling our other important traditional missions. While these initiatives are by no means the sum total of CBP's work between the ports of entry on either border, I believe they highlight the significant accomplishments and ongoing work of our men and women on the front lines and provide a strong foundation for ensuring the proper balance in reducing our vulnerability to the entry of terrorists, illegal aliens and drugs.

Thank you again for this opportunity to testify. I will be happy to answer any of your questions.

Mr. PRICE. Thank you, Commissioner. We will now turn to Mr. Mocny.

STATEMENT OF MR. ROBERT A. MOCNY, DIRECTOR, US–VISIT PROGRAM, NATIONAL PROTECTION AND PROGRAMS DIRECTORATE

Mr. MOCNY. Chairman Price, ranking member Rogers and to the members of this committee, I am honored to join Commissioner Basham and my colleagues from DHS to discuss some of the department's priorities for enhancing border security. I am also pleased to be joined here again with Mr. Richard Stana from the GAO.

In today's world, border security no longer refers to the thousands of miles between us and our neighbors. We live in a global era of travel and trade that requires advanced methods to protect against the increasing sophistication of criminals, terrorists, and other dangerous people, who are determined to circumvent our security measures. US–VISIT addresses this challenge by ensuring that front-line decision makers, CBP officers, and consular officers have comprehensive, reliable information about the people they encounter when and where they need them.

Today, because of your support, we have capabilities that simply did not exist five years ago. Five years ago, our immigration and border management system had disparate information systems that lacked coordination. Today, US–VISIT is helping unify these systems, providing a single source for biometric-based information on criminals, immigration violators, and known or suspected terrorists. Every day, 30,000 authorized federal, state, and local government agency users can query US–VISIT's data, in order to help identify, mitigate, and eliminate security risks. Five years ago, we relied on travel documents that could be easily forged to mask an international traveler's identities. Today, using biometrics virtually eliminates passport and visa fraud. We, also, helped to develop what is now known as the e-passport, which dramatically improves the security of a travel document. Five years ago, ICE lacked timely and accurate information about visa overstays. Today, US–VISIT provides more than 250 credible leads each week to ICE, enabling them to better enforce our immigration laws. And five years ago, we were alone in using biometric for information and border patrol. Today, Japan, the U.K., the European Union, Canada, and other countries are either using the US–VISIT model or have plans to do so in the near future.

Every day, US–VISIT is making our border security efforts more collaborative, more streamlined, and more effective. In fiscal year 2009, we are building on these capabilities to ensure our nation remains safe from dangerous people. Our first priority will be to complete the deployment of the 10 fingerprint collection capabilities at all U.S. ports of entry by December of 2008, because it enhances our ability to keep dangerous people out of the country. This upgrade will give us the ability to check visitor's fingerprints against additional full and partial fingerprints that have been collected at crime scenes and locations where terrorists are known to operate. At the same time, this upgrade will provide faster and more accurate results, making the process more efficient for legitimate travelers. All 220 State Department visa issuing posts and 10 U.S. air-

ports already have this capability. We are on schedule to complete deployment nationwide by the end of this year.

In 2009, US–VISIT will continue its efforts to make US–VISIT's IDENT, a fingerprint database, interoperable with the FBI's IAFIS fingerprint database. The successful work already completed is showing dramatic results. Continuous effort is a priority in order to provide decision makers with more comprehensive information about the people they encounter. And in fiscal year 2009, US–VISIT will begin deploying biometric exit procedures. We understand that this is one of the committee's primary concerns for US–VISIT and we are aggressively approaching this initiative.

DHS intends to propose a rule that outlines our plans for these procedures at airports and seaports. We anticipate that the procedures will require the active participation of the airlines and the cruise lines. Deploying biometric exit procedure to land border ports of entry poses a greater challenge. US–VISIT is currently analyzing these challenges and will submit a written recommendation to DHS by the end of 2008, outlining a path forward to complete this priority. Once a land border solution is agreed upon, we expect to deploy in phases that address the different modes of transportation, starting with pedestrian, and later moving to vehicles, as technology improves.

The backbone of all of these initiatives is our ability to manage and process data effectively, with 10 fingerprint collection, IDENT-IAFIS interoperability and biometric exit procedures all coming on line in fiscal year 2009. The volume of data we are processing is dramatically increasing. At the same time, there is a growing user demand on the IDENT database. By increasing our investment in operations and maintenance, we will maintain our ability to provide accurate, comprehensive, and timely data to front-line decision makers.

Mr. Chairman, it is clear to me that Commissioner Basham and I are here together, because you see the work that we do as inextricably linked. I would agree. But, I would also say that US–VISIT program is linked to others in DHS and to other federal and state and local law enforcement entities. As an identity management service provider government-wide, US–VISIT has become a point of integration, eliminating inefficiencies created by the stove pipes that were once a U.S. Government fixture. US–VISIT is a cross government, cross department tool that is most effective when it collaborates with its federal partners. We are committed to this approach and see such inter-governmental collaboration at the heart of our future successes, as we take on the increased demand for our services and meet our remaining challenges to close the door on visa overstays with the deployment of biometric exit procedures. The challenges we face are great, but our determination and our measured, deliberate approach assures success.

I thank you for your continued support. I look forward to addressing the committee's questions.

[The information follows:]

TESTIMONY OF

ROBERT A. MOCNY
DIRECTOR
US-VISIT PROGRAM
NATIONAL PROTECTION AND PROGRAMS DIRECTORATE
DEPARTMENT OF HOMELAND SECURITY

BEFORE THE

HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON HOMELAND SECURITY

March 6, 2008

Chairman Price, Ranking Member Rogers, and other distinguished Members, it is a pleasure to appear before you today to discuss how the United States Visitor and Immigrant Status Indicator Technology (US-VISIT) Program will continue to enhance our Nation's security in Fiscal Year (FY) 2009.

The US-VISIT Program

The US-VISIT Program was originally created as a critical component of the Department of Homeland Security's (DHS) strategy to prevent those who present a threat to the United States from coming to our country and to facilitate the movement of legitimate travel and trade. The establishment of US-VISIT and the creation of an integrated immigration and border screening system represent major achievements, not only in efforts to reform the Nation's immigration and border management system, but also in efforts to improve the Nation's security.

Through its use of biometrics, US-VISIT collects, stores, and shares digital fingerscans and digital photographs for subsequent verification. This biometric information is paired with biographic information pertaining to that individual used to establish and verify an individual's identity.

While US-VISIT continues to fulfill its original mission of implementing an integrated entry/exit system for the country, in 2007 DHS repositioned US-VISIT into the National Protection and Programs Directorate so that it could better serve as a Department-wide resource for biometric identity verification. US-VISIT currently provides biometric identity verification for Customs and Border Protection (CBP), Immigration and Customs Enforcement, U.S. Citizenship and Immigration Services, and the U.S. Coast Guard. US-VISIT is working with a number of other DHS components, such as the Transportation Security Administration (TSA), on future or planned credentialing and identity management programs.

US-VISIT's Automated Biometric Identification System (IDENT) plays an important role in biometric screening and identity verification of non-U.S. citizens for other U.S. Federal agencies.

US-VISIT directly supports the Department of State's (DOS') BioVisa program and shares information with the Federal Bureau of Investigation (FBI) on expedited removals.

The following request for FY 2009 reflects the work necessary to continue providing biometric identity verification for all of DHS and other Federal agencies.

US-VISIT Budget for Fiscal Year 2009

The US-VISIT Program is requesting $390.3 million for FY 2009. This represents a decrease of $84.7 million from the FY 2008 amount of $475 million. Of the total US-VISIT request:

- $55.5 million is for work on comprehensive biometric exit activities. In the first quarter of FY 2009, US-VISIT will complete the deployment of the air/sea biometric exit phase of comprehensive biometric exit. In FY 2009, US-VISIT will also prepare a recommendation for DHS on addressing exits at the land ports of entry (POEs).

- $20 million is for enhancement of identity and screening services activities. In FY 2009, US-VISIT will provide additional support for law enforcement and intelligence community stakeholders and will expand analysis of overstay records. These activities provide confirmation on biometric identities; enhancements to identification through biographic, overstay, and data integrity analysis; and relevant identity information to law enforcement and other biometric stakeholders.

- $66.4 million is for the Unique Identity project. US-VISIT will complete full 10-Print deployment in the first quarter of FY 2009. US-VISIT will implement the Automated Biometric Identification System/Integrated Automated Fingerprint Identification System (IDENT/IAFIS) initial operating capability (IOC). The IOC will include upgrades to fingerprint matching capabilities and storage capacity.

- $128.3 million is for operations and maintenance activities. In FY 2009, US-VISIT will enhance its infrastructure and support to meet increasing transaction volumes and user growth, as well as to engage in data center migration-related activities.

- $120.1 million is for enhanced program management activities. This increase includes the request for an additional 35 full-time positions and 17 full-time equivalents in FY 2009. This additional staff will support the increased capacity in US-VISIT's mission of identity and screening services and will provide increased governmental oversight.

US-VISIT Accomplishments

US-VISIT assists the Department of Homeland Security every day in protecting our Nation from dangerous people attempting to enter the country. Significant US-VISIT accomplishments include the following:

- Identified suspected individuals through biometric matching capabilities and supported crime solving through latent print identification. During FY 2007, more than 160,000 individuals were biometrically matched against the US-VISIT watchlist. Latent fingerprints are those acquired in a manner other than from the actual person to whom the fingerprints are connected (e.g., from objects or items). Since the capability first began in 2006, US-VISIT identified 129 previously unidentified individuals through the use of latent prints.

- Increased the identification of overstays. US-VISIT identified more than double the number of in-country overstays through its review of records in 2007 compared to those identified in 2006. In-country overstays are those aliens who have overstayed their admission period and for whom DHS has no record of departure. US-VISIT has identified more than 12,600 in-country overstays in FY 2007, up from approximately 4,000 in FY 2006. At the same time, US-VISIT increased the number of "out-of-country" overstay aliens (that is, aliens who left the country after their admission period expired) identified and added to watchlists, from approximately 450 in FY 2006 to almost 7,350 in FY 2007. Over 724 enforcement actions were taken in FY 2007 based on overstay validation work.

- Reviewed approximately 450 biometric watchlist encounters every week to ensure that the US-VISIT biometric watchlist is accurate and actionable. US-VISIT also actively managed the IDENT biometric watchlist, demoting 5,343 records in FY 2007. Demoting records that are no longer valid ensures that DHS, DOS, intelligence officers, and law-enforcement officers respond to actionable records when there is a match. US-VISIT also promoted 7,967 individual to the biometric watchlist during the same period. During 2007 there were 872 encounters with biometrically watchlisted individuals across various DHS business processes.

- Enhanced mobile biometric identification. Working with the U.S. Coast Guard, US-VISIT enhanced security by effectively extending mobile biometric identification to remote locations where no traditional fixed-information-technology infrastructure existed or was cost-effective to establish. Since the inception of the program in November of 2006, the program has enabled the prosecution of more than 118 people, including migrants and felons, the identification of more than 1,500 illegal migrants attempting to enter U.S. territory, and a 40 percent decrease in the flow of illegal migration in Mona Pass. Prior to the inception of the Mona Pass project, U.S. Coast Guard averaged two prosecutions per year in the Mona Pass.

Additionally, US-VISIT has made substantial headway on the following important projects:

Unique Identity: 10-Print Reader Deployment

US-VISIT and CBP successfully completed the initial deployment of 10-print collection devices to 10 airports of entry: Atlanta, Boston, Chicago, Detroit, Houston, Miami, New York (JFK), Orlando, San Francisco, and Washington (Dulles). Both US-VISIT and CBP remain on schedule for performing an initial deployment evaluation, which will culminate in a final evaluation report in late May 2008. New 10-print capture scanning devices are replacing the earlier 2-print capture

devices; new CBP port systems and software have been deployed, and some changes in traveler processing have been implemented.

The results of the initial deployment are promising. In addition to matching traveler 10-prints against the DHS IDENT watchlist and database, DHS is now piloting transmission of these prints to the FBI for a search against the FBI criminal master file. DHS is working with FBI to help it meet DHS response time goals and overcome some initial system capacity and performance issues.

For the rest of FY 2008, US-VISIT and CBP will deploy the new 10-print readers and supporting systems and software to all POEs where 2-print systems are currently in use. The 10-Print full deployment is scheduled to begin in the fourth quarter of FY 2008 and finish in the first quarter of FY 2009.

The use of 10 prints for biometric verification offers many enhancements. The 10-print readers improve the accuracy of identification; improve interoperability with the FBI and State, local, and tribal governments; and will mean fewer travelers will be referred to CBP secondary inspection. Additionally, DHS will now be able to conduct full searches against the FBI Unsolved Latent File, which, for example, allows DHS to match against prints lifted from crime scenes and from prints collected in Afghanistan and Iraq.

Unique Identity: IDENT/IAFIS Interoperability

DHS is developing a seamlessly integrated system that will allow authorized users access to all relevant information in a timely manner so they can make the right decisions on aliens they encounter. IDENT/IAFIS interoperability increases the ability of DHS and DOS to screen individuals and benefits the FBI and other law enforcement organizations by providing them with increased access to immigration information on high-risk individuals to whom DOS has refused visas and those whom DHS has expeditiously removed.

US-VISIT and the FBI's Criminal Justice Information Services Division have been working since early 2005 on a solution for database interoperability. The solution agreed upon is being deployed in three phases: 1) an interim data sharing model (data sharing solution), 2) initial operating capability (IOC), and 3) full operating capability.

The interim solution (also known as the interim data sharing model or iDSM), is the first step toward the new interoperable environment between IDENT and IAFIS. The iDSM became operational in September 2006. The interim solution allows for two-way sharing of certain biometric information. The FBI provides information on all wanted or warranted individuals, and DHS provides information on individuals who have been expeditiously removed, while the Department of State provides data on Category 1 visa refusals (generally those involving a permanent ground of inadmissibility).

During the next phase of the IOC, DHS will build upon iDSM and existing 10-print deployment efforts. DHS and the FBI will enhance their ability for exchanging information and search capabilities.

Air/Sea Biometric Exit

DHS has performed significant planning and testing over the past three years examining possible solutions for integrating US-VISIT biometric exit requirements into the international air departure process. The options of deployment at airline ticket counters, TSA checkpoints, and airline boarding gates, and in airport terminals were considered. For more than two years, US-VISIT ran biometric exit pilots at 14 air and sea locations. These pilots evaluated the use of both automated kiosks and mobile devices in port terminals. These pilots ended in May 2007. While the pilots demonstrated that the technology works, they also revealed low voluntary compliance by travelers.

Given the analysis of the pilots, other potential options, and the Congressional mandate that requires the establishment of a biometric exit program, DHS intends to propose a rule to establish an exit system at all air and sea ports of departure in the United States. This rule would propose that those aliens subject to U.S. VISIT biometric requirements to provide biometric identifiers prior to departing the United States from air or sea ports of departure. These requirements would integrate with the current international departure process and minimize the impact on legitimate travelers. The Department will publish a proposed rule and seek public comment on the options articulated in the proposed rule and then will consider those comments when developing the final rule.

In developing the deployment schedule, US-VISIT will prioritize the implementation of departure controls at airports based on risk. Risk in this environment is likely to be a function of the volume and the destinations of travelers departing the United States. A critical focus of counterterrorism efforts is recording the arrival of travelers from countries of interest (COIs). These COIs were determined by the National Counterterrorism Center (NCTC), DHS, FBI, and DOS. Over 91 percent of all COI travelers arrive in the United States via air. Knowing which travelers from COIs have overstayed their authorized periods of admission or otherwise violated the terms of their admission is essential to assessing risk and to enhancing the integrity of our immigration and border management system.

The deployment of US-VISIT air exit will likely cover the vast majority of Visa Waiver Program travelers, just as entry procedures do today. These are travelers from mostly western European countries who enter the United States for business or pleasure without a visa for a period of 90 days or less.

The long-term exit solution will also be deployed to commercial seaports to provide an integrated biometric exit capture for cruise line passengers. Biometrics will be captured and processed in a manner aligned with the protocol developed for air exit, allowing for optimal efficiency in traveler processing. However, the scope for biometric exit at sea will be considerably smaller than for air. Seaport deployment will occur concurrently with deployment to the air environment.

Conclusion

US-VISIT and its use of biometrics play a critical role in supporting many programs and initiatives within DHS and other Federal agencies. In closing, I would like to thank you for the support you have given us in past years. That support has allowed us to accomplish many of the successes I have outlined in this testimony. We look forward to continuing to enhance the security of our country and to meet the challenges that lie ahead.

Mr. PRICE. Thank you, Mr. Mocny. Mr. Stana.

STATEMENT OF MR. RICHARD M. STANA, DIRECTOR, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Mr. STANA. Chairman Price, Mr. Rogers, members of the subcommittee, in the year since 2001 terrorist attacks, the need to secure the U.S. borders has taken on added importance and has received increasing attention from the Congress and the public. As the lead federal agency in charge of securing our nation's borders, CBP employs about 18,000 CBP officers for inspecting travelers at 326 air, land, and seaports of entry and over 15,000 Border Patrol agents posted at our northern and southwest land borders, as well as our coastal areas. In addition, CBP helps to screen international travelers before they arrive in the United States and works to mitigate risks associated with the Visa Waiver program. The administration has requested $9.5 billion for CBP for fiscal year 2009.

My prepared statement is based on recent GAO reports and testimonies that address border security, operations, and programs. At this time, I would like to highlight just a few main points. First, with respect to port of entry inspections, CBP has taken various actions to improve the inspection of travelers, but challenges remain. For example, CBP management has emphasized to CBP officers and supervisors the importance of carrying out effective inspections of travelers and their travel documents, but weaknesses and traveler and travel inspection procedures, the lack of physical infrastructure, and staff shortages have hampered CBP's ability to properly inspect travelers.

With regard to the Western Hemisphere Travel initiative, as of December 2007, actions taken to meet program requirements include finalizing and implementing document requirements at airports of entry and selecting technology to be used with a new passport card at the 37 highest volume land ports of entry. CBP is moving forward to employ RFID document readers and training its officers on how to use them. Finally, DHS is implementing US–VISIT, a program designed to collect, maintain, and share data on selected foreign nationals entering and exiting the United States at air, sea, and land ports of entry. DHS has invested about $1.5 billion on US–VISIT since 2003. DHS now has the capacity to collect biometrics, such as fingerprints, from foreign nationals arriving at more than 300 ports of entry. However, this delivery represents only one-half of the program. Although DHS has allocated about $250 million since 2003 to exit-related efforts, it still lacks the ability to verify when travelers leave the United States. No detailed exit program plans are currently available and prospects for successfully delivering the exit half of US–VISIT remain unclear.

Second, DHS also faces challenges in securing the border between land ports of entry. In November 2005, DHS announced the launch of its Secure Border initiative, a multi-year, multi-billion program aimed at securing U.S. borders and reducing illegal immigration. One component of this program, Project 28, was to secure 28 miles along the Arizona border using, among other means, improved cameras and radars. DHS has formally accepted Project 28 from its contractor, Boeing, at a cost of about $20.6 million. SBI of-

ficials told us that Project 28 has not fully met their expectations, but they plan to apply the lessons learned to future projects.

Another component of the program, 370 miles of pedestrian fence and 300 miles of vehicle fence, will be challenging to complete by its December 2008 deadline because of various factors, including difficulties in acquiring land rights to border lands. DHS is unable to estimate the total cost of this component, because various factors are not yet known, such as the type of terrain where the fencing is to be constructed.

Finally, CBP has experienced unprecedented growth in a number of its Border Patrol agents. Between the end of fiscal year 2006 and December 2008, the total number of new Border Patrol agents is expected to increase by about 6,000, from 12,349 to 18,319. CBP officials believe that the Border Patrol training academy can handle the influx of new agents, but express concerns to us about their ability to provide sufficient training and supervision to new agents once they are posted to Border Patrol field offices.

Finally, with respect to screening international travelers before they arrive in the United States, DHS and other agencies have done a credible job by, among other things, enhancing visa security, improving applicant screening, and providing counter terrorism training to overseas consular offices. Nevertheless, DHS could better address the requirements of recent legislation related to the Visa Waiver program. Specifically, it has yet to announce when or how it will rollout the legislatively required Electronic Travel Authorization system requiring foreign nationals from visa waiver countries to provide information before boarding U.S. bound flights. Also, DHS's proposed methodology for calculating overstay rates for the air exit system is flawed. To its credit, CBP has reported successes in its pilot program that stations CBP officers overseas. This is called the Immigration Advisory program and the CBP is taking steps to expand this program.

In closing, CBP has made progress in taking actions to secure our nation's borders. It has enhanced its ability to screen travelers at and between ports of entry, as well as before they arrive in the United States. Nevertheless, vulnerabilities still exist and additional actions are required to address them. How long it will take and how much it will cost are two questions that plague two of DHS's major border security initiatives. For US–VISIT, how DHS will implement the exit portion of the program is uncertain, particularly for land ports of entry where there is no near term solution. And completing the SBI initiative within time and cost estimates will be challenging, including the building of nearly 700 miles of fencing. These issues underscore Congress's need to stay closely attuned to DHS's progress in these programs, to help ensure performance, schedule, and cost estimates are achieved and the nation's border security needs are met and fully addressed.

I will be happy to answer any questions that members of the subcommittee may have.

[The information follows:]

United States Government Accountability Office

GAO

Testimony

Before the Subcommittee on Homeland Security, Committee on Appropriations, House of Representatives

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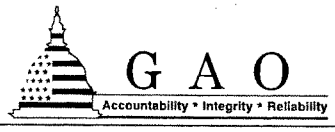
HOMELAND SECURITY

DHS Has Taken Actions to Strengthen Border Security Programs and Operations, but Challenges Remain

Statement of Richard M. Stana, Director
Homeland Security and Justice Issues



GAO-08-542T

March 6, 2008

GAO
Accountability·Integrity·Reliability

Highlights

Highlights of GAO-08-542T, a report to Subcommittee on Homeland Security, Committee on Appropriations, House of Representatives

HOMELAND SECURITY

DHS Has Taken Actions to Strengthen Border Security Programs and Operations, but Challenges Remain

Why GAO Did This Study

Since September 11, 2001, the need to secure U.S. borders has increased in importance and attracted greater public and Congressional attention. The Department of Homeland Security (DHS) has spent billions of dollars to prevent the illegal entry of individuals and contraband between ports of entry—government designated locations where DHS inspects persons and goods to determine whether they may be lawfully admitted into the country. Yet, while DHS apprehends hundreds of thousands of such individuals each year, several hundreds of thousands more enter the country illegally and undetected. U.S. Customs and Border Protection (CBP), a component of DHS, is the lead federal agency in charge of securing our nation's borders.

This testimony summarizes GAO's work on DHS's efforts on selected border security operations and programs related to (1) inspecting travelers at U.S. ports of entry, (2) detecting individuals attempting to enter the country illegally between ports of entry, and (3) screening of international travelers before they arrive at U.S. ports and challenges remaining in these areas. GAO's observations are based on products issued from May 2006 through February 2008. In prior reports, GAO recommended various actions to DHS to, among other things, help address weaknesses in the traveler inspection programs and processes. DHS has generally agreed with our recommendations and has taken various actions to address them.

To view the full product, including the scope and methodology, click on GAO-08-542T. For more information, contact Rich Stana at (202) 512-8816 or StanaR@gao.gov.

What GAO Found

CBP has taken actions to improve traveler inspections at U.S. ports of entry, but challenges remain. First, CBP has stressed the importance of effective inspections and trained CBP supervisors and officers in interviewing travelers. Yet, weaknesses in travel inspection procedures and lack of physical infrastructure and staff have hampered CBP's ability to inspect travelers thoroughly and detect fraudulent documents. Second, CBP is implementing an initiative requiring citizens of the United States, Bermuda, Canada, and Mexico to present certain identification documents when entering the United States. As of December 2007, actions taken to meet the initiative's requirements include selecting technology to be used at land ports of entry and developing plans to train officers to use it. Finally, DHS has developed a program to collect, maintain, and share data on selected foreign nationals entering and exiting the country. As of October 2007, DHS has invested about $1.5 billion on the program since 2003 and biometrically-enabled entry capabilities now operate at more than 300 ports of entry. However, though allocating about $250 million since 2003 to exit-related efforts, DHS has not yet detailed how it will verify when travelers exit the country.

In November 2005, DHS announced the launch of a multiyear, multibillion-dollar program aimed at securing U.S. borders and reducing immigration of individuals who enter the United States illegally and undetected between ports of entry. One component of this program, which DHS accepted as complete in February 2008, was an effort to secure 28 miles along the southwest border using, among other means, improved cameras and radars. DHS plans to apply the lessons learned to future projects. Another program component, 370 miles of pedestrian fence and 300 miles of vehicle fence, has not yet been completed and DHS will be challenged to do so by its December 2008 deadline due to various factors, such as acquiring rights to border lands. Additionally, DHS is unable to estimate the total cost of this component because various factors are not yet known such as the type of terrain where the fencing is to be constructed. Finally, CBP has experienced unprecedented growth in the number of its Border Patrol agents. While initial training at the academy is being provided, Border Patrol officials expressed concerns about the agency's ability to provide sufficient field training.

To screen international travelers before they arrive in the United States, the federal government has implemented new policies and programs, including enhancing visa security and providing counterterrorism training to overseas consular officials. As GAO previously recommended, DHS needs to better manage risks posed by a program that allows nationals from 27 countries to travel to the United States without a visa for certain durations and purposes. Regarding the prescreening of international passengers bound for the United States, CBP has a pilot program that provides additional scrutiny of passengers and their travel documents at foreign airports prior to their departure. CBP has reported several successes through the pilot but has not yet determined whether to make the program permanent.

Mr. Chairman and Members of the Subcommittee:

I appreciate the opportunity to participate in today's hearing to discuss the Department of Homeland Security's (DHS) efforts to secure our nation's borders. In the years since the 2001 terrorist attacks, the need to secure U.S. borders has taken on added importance and has received increasing attention from Congress and the public. In August of last year, we issued our report on the progress DHS has made in implementing its mission and management functions.[1] We reported that while DHS made some level of progress in all of its mission and management areas, more work remains. Regarding the border security mission area, we reported that DHS had made modest progress in achieving border security performance expectations. My testimony today summarizes the results of our work on DHS's efforts on selected border security operations and programs related to (1) inspecting travelers at our nation's ports of entry, (2) detecting individuals attempting to enter the country illegally between the ports of entry and (3) screening of international travelers before they arrive in the United States.

U.S. Customs and Border Protection (CBP)—a major component within DHS—is the lead federal agency in charge of securing our nation's borders. CBP employs nearly 18,000 CBP officers responsible for inspecting travelers seeking to enter the United States at 326 air, land, and sea ports of entry. To prevent individuals and contraband from illegally entering the country between the ports of entry, CBP's Office of Border Patrol employs nearly 15,000 agents responsible for patrolling our northern and southwest land borders as well as our coastal areas. In addition, DHS, along with the Department of State, is responsible for screening international travelers before they arrive in the United States, including mitigating any risk associated with the Visa Waiver Program (VWP), which enables citizens of participating countries to travel to the United States without first obtaining a visa. The administration has requested about $9.5 billion for CBP for fiscal year 2009.

My comments are based on GAO reports and testimonies issued from May 2006 through February 2008 addressing border security operations and programs. We conducted these performance audits in accordance with generally accepted government auditing standards from September 2005

[1] See GAO, Department of Homeland Security: *Progress Report on Implementation of Mission and Management Functions*, GAO-07-454 (Washington, D.C.: August 2007).

through February 2008. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Summary

DHS has taken various actions to improve the inspection of travelers at our nation's ports of entry, but challenges remain. For example, we reported that CBP management has emphasized the importance of carrying out effective inspections and trained CBP supervisors and officers in, among other things, interviewing travelers and checking travel documents. Nevertheless, weaknesses in travel inspection procedures, lack of physical infrastructure, and lack of staff have hampered CBP's ability to inspect travelers. Specifically, although passports and visas contain newly-added security features, some CBP officers lack the technology and training that would enable them to take full advantage of these features. DHS has worked with the Department of State to implement the Western Hemisphere Travel Initiative (WHTI) in response to post-9/11 legislation requiring citizens of the United States, Bermuda, Canada, and Mexico, who previously had not been required to do so, to present certain identification documents or combinations thereof when entering the United States. As of December 2007, actions taken to meet WHTI requirements include finalizing and implementing document requirements at air ports of entry and selecting technology to be used with a new passport card at the 39 highest-volume land ports of entry. DHS plans to move forward by deploying the selected technology and staffing and training officers to use it. Finally, DHS has developed U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT), a program designed to collect, maintain, and share data on selected foreign nationals entering and exiting the United States at air, sea, and land ports of entry. As of October 2007, DHS has invested about $1.5 billion on US-VISIT since 2003. Biometrically-enabled entry capabilities now operate at more than 300 ports of entry but this represents delivery of one-half of the program. That is, DHS has allocated about $250 million since 2003 to exit-related efforts but lacks the ability to verify when travelers exit the United States. Today, because no detailed exit program plans are available, prospects for successfully delivering this half of US-VISIT remain unclear.

DHS also faces challenges securing the border between land ports of entry. In November 2005, DHS announced the launch of the Secure Border Initiative (SBI), a multiyear, multibillion-dollar program aimed at securing U.S. borders and reducing immigration of individuals who enter the United

States illegally and undetected between ports of entry. One component of this program, Project 28, is to secure 28 miles along the southwest border using, among other means, improved cameras and radars. DHS has formally accepted Project 28 from its contractor, Boeing, at a cost of about $20.6 million. However, DHS officials told us that Project 28 has not fully met their expectations. Boeing developed the system with very little input from the border patrol agents that are to use the system. Another component of the program, 370 miles of pedestrian fence and 300 miles of vehicle fence, will be challenging to complete by its December 2008 deadline because of various factors, including difficulties in acquiring rights to border lands. Furthermore, DHS is unable to estimate the total cost of this component because various factors are not yet known, such as the type of terrain where the fencing is to be constructed. Finally, CBP has experienced unprecedented growth in the number of its Border Patrol agents. Between the end of fiscal year 2006 and December 2008, the total number of new Border Patrol agents is expected to increase by 6,000. CBP officials believe that CBP's training academy can handle the influx of new agents, but expressed concerns about the agency's ability to provide sufficient training to new agents in the field.

The federal government has done a creditable job screening international travelers before they arrive in the United States by implementing several measures to strengthen the visa process. Specifically, new policies and programs have been implemented to, among other things, enhance visa security, improve applicant screening, and provide counterterrorism training to overseas consular officials. Nevertheless, DHS could better manage risks posed by VWP, which allows nationals from 27 countries to travel to the United States without a visa for certain durations and purposes. One DHS screening program, the Immigration Advisory Program (IAP), is a pilot program that provides additional scrutiny of passengers and their travel documents at foreign airports prior to their departure. CBP has reported several successes through the pilot but has not taken steps to determine whether to make the program permanent.

We have recommended various actions to enhance DHS's ability to better secure the border and enhance our nation's security. Among them are actions to help address weaknesses in the traveler inspection program and challenges in training officers to inspect travelers and the documents they present for inspection; to develop a comprehensive strategy detailing how DHS will develop and deploy US-VISIT exit capabilities at air, sea, and land ports of entry; and to enhance controls over to VWP to reduce the risk of vulnerabilities posed by Visa Waiver travelers. DHS has generally

agreed with our recommendations and has taken various actions to address them.

Inspecting Travelers at Ports of Entry

CBP's ability to inspect travelers at our nation's ports of entry has been hampered by weaknesses in travel inspection procedures, inadequate physical infrastructure, and lack of staff at the air, land, and sea ports of entry. The use of fraudulent identity and citizenship documents by some travelers to the United States as well as limited availability or use of technology and lack of timely and recurring training have also hampered CBP's efforts in carrying out thorough inspections. DHS has taken several actions to implement WHTI at air, land, and sea ports of entry nationwide so that it can better secure the border by requiring citizens of the United States, Bermuda, Canada, and Mexico to present documents to show identity and citizenship when entering the United States from certain countries in North, Central, or South America. DHS plans to move forward to deploy technology to implement WHTI at land ports of entry, and staff and train officers to use it. Finally, DHS has enhanced border security by deploying US-VISIT biometric entry capability at over 300 air, sea, and land ports of entry nationwide, but the prospects for successfully delivering an operational exit solution remain uncertain because DHS has not detailed how it plans to develop and deploy an exit capability at the ports.

Traveler Inspection Procedures and Physical Infrastructure

Each year individuals make hundreds of millions of border crossings into the United States through the 326 land, air, and sea ports of entry. About three-fourths of these crossings occur at land ports of entry. In November 2007, we reported that while CBP has had some success in interdicting inadmissible aliens and other violators, weaknesses in its traveler inspection procedures and related physical infrastructure increase the potential that dangerous people and illegal goods could enter the country.[2] For example, CBP's analyses indicated that several thousand inadmissible aliens and other violators entered the country at land and air ports of entry in fiscal year 2006.

One factor that contributed to failed inspections was weaknesses in travel inspection procedures. In mid-2006, CBP reviewed videotapes from about 150 large and small ports of entry and, according to CBP officials,

[2]See GAO, *Border Security: Despite Progress, Weaknesses in Traveler Inspections Exist at Our Nation's Ports of Entry*, GAO-08-219 (Washington, D.C.: November 2007).

determined that while CBP officers carried out thorough traveler inspections in many instances, they also identified numerous instances where traveler inspections at land ports of entry were weak in that they did not determine the citizenship and admissibility of travelers entering the country as required by law, such as officers not stopping vehicles for inspection and pedestrians crossing the border without any visual or verbal contact from a CBP officer despite operating procedures that required officers to do so. In the summer of 2006, CBP management took actions to place greater management emphasis on traveler inspections by holding meetings with senior management to reinforce the importance of carrying out effective inspections and by providing training to all supervisors and officers on the importance of interviewing travelers, checking travel documents, and having adequate supervisory presence. However, tests our investigators conducted in October 2006 and January 2007—as many as 5 months after CBP issued guidance and conducted the training—showed similar weaknesses as those on the videotape were still occurring in traveler inspections at ports of entry. At two ports, our investigators were not asked to provide a travel document to verify their identity—a procedure that management had called on officers to carry out—as part of the inspection. The extent of continued noncompliance is unknown, but these results point to the challenge CBP management faces in ensuring its directives are carried out.

In July 2007, CBP issued new internal policies and procedures for agency officials responsible for its traveler inspection program at land ports of entry. The new policies and procedures require field office managers to conduct periodic audits and assessments to ensure compliance with the new inspection procedures. However, they do not call on managers to share the results of their assessments with headquarters management. Without this communication, CBP management may be hindering its ability to efficiently use the information to overcome weaknesses in traveler inspections.

Another weakness involved inadequate physical infrastructure. While we could not generalize our findings, at several ports of entry of entry that we examined, barriers designed to ensure that vehicles pass through a CBP inspection booth were not in place, increasing the risk that vehicles could enter the country without inspection. CBP recognizes that it has infrastructure weaknesses and has estimated it needs about $4 billion to make the capital improvements needed at all 163 land crossings. CBP has prioritized the ports with the greatest need. Each year, depending upon funding availability, CBP submits its proposed capital improvement projects based upon the prioritized list it has developed. Several factors

affect CBP's ability to make improvements, including the fact that some ports of entry are owned by other governmental or private entities, potentially adding to the time needed to agree on infrastructure changes and put them in place. As of September 2007, CBP had infrastructure projects related to 20 different ports of entry in various stages of development.

Lack of inspection staff was also a problem. Based upon a staffing model it developed, CBP estimated it may need several thousand more CBP officers at its ports of entry. According to CBP field officials, lack of staff affected their ability to carry out border security responsibilities. For example, we examined requests for resources from CBP's 20 field offices and its pre-clearance headquarters office for January 2007 and reported that managers at 19 of the 21 offices cited examples of anti-terrorism activities not being carried out, new or expanded facilities that were not fully operational, and radiation monitors and other inspection technologies not being fully used because of staff shortages. At seven of the eight major ports we visited, officers and managers told us that not having sufficient staff contributes to morale problems, fatigue, lack of backup support, and safety issues when officers inspect travelers—increasing the potential that terrorists, inadmissible travelers, and illicit goods could enter the country.

CBP also had difficulty in providing required training to its officers. CBP developed 37 courses on such topics as how to carry out inspections and detect fraudulent documents and has instituted national guidelines for a 12-week on-the-job training program that new officers should receive at land ports of entry. However, managers at seven of the eight ports of entry we visited said that they were challenged in putting staff through training because staffing shortfalls force the ports to choose between performing port operations and providing training. Lastly, although CBP has developed strategic goals that call for, among other things, establishing ports of entry where threats are deterred and inadmissible people and goods are intercepted—a key goal related to traveler inspections—it faces challenges in developing a performance measure that tracks progress in achieving this goal.

We made a number of recommendations to the Secretary of Homeland Security to help address weaknesses in traveler inspections, challenges in training, and problems with using performance data. DHS said it is taking steps to address our recommendations.

Identifying Fraudulent Travel Documents

We also reported that CBP's ability to do thorough inspections is made more difficult by a lack of technology and training to help CBP officers identify foreign nationals who attempt to enter the United States using fraudulent travel documents. In July 2007, we reported that although the State Department had improved the security features in the passports and visas it issues, CBP officers in primary inspection—the first and most critical opportunity at U.S. ports of entry to identify individuals seeking to enter the United States with fraudulent travel documents—were unable to take full advantage of the security features in passports and visas.[3] This was due to (1) limited availability or use of technology at primary inspection and (2) lack of timely and recurring training on the security features and fraudulent trends for passports and visas. For example, at the time of our review, DHS had provided the technology tools to make use of the electronic chips in electronic passports, also known as e-passports, to the 33 airports of entry with the highest volume of travelers from Visa Waiver Program countries. However, not all inspection lanes at these air ports of entry had the technology nor did the remaining ports of entry. Further, CBP did not have a process in place for primary inspection officers to utilize the fingerprint features of visas, including Border Crossing Cards (BCC) which permit limited travel by Mexican citizens—without additional documentation—25 miles inside the border of the United States (75 miles if entering through certain ports of entry in Arizona) for fewer than 30 days. For example, although BCC imposter fraud is fairly pervasive, primary officers at southern land ports of entry were not able to use the available fingerprint records of BCC holders to confirm the identity of travelers and did not routinely refer BCC holders to secondary inspection,[4] where officers had the capability to utilize fingerprint records. Moreover, training materials provided to officers were not updated to include exemplars—genuine documents used for training purposes—of the e-passport and the emergency passport in advance of the issuance of these documents. As a consequence, CBP officers were not

[3] See GAO, *Border Security: Security of New Passports and Visas Enhanced, but More Needs to Be Done to Prevent Their Fraudulent Use*, GAO-07-1006, (Washington, D.C.: July 2007).

[4] A secondary inspection occurs when persons whose admissibility cannot be readily determined and those selected as part of a random selection process are subjected to a more detailed review. This involves a closer inspection of travel documents and possessions, additional questioning and checks of multiple law enforcement databases to verify the traveler's identity, background, purpose for entering the country, and other corroborating information. This process may result in an individual being admitted, refused entry, returned to the country of origin, or detained.

familiar with the look and feel of security features in these new documents before inspecting them. Without updated and ongoing training on fraudulent document detection, officers told us they felt less prepared to understand the security features and fraud trends associated with all valid generations of passports and visas.

Although CBP faces an extensive workload at many ports of entry and has resource constraints, there are opportunities to do more to utilize the security features in passports and visas during the inspection process to detect their fraudulent use. We recommended that the Secretary of Homeland Security make better use of the security features in passports and visas in the inspection process and improve training for inspection officers on the features and fraud trends for these travel documents. We recommended that DHS take steps, including developing a schedule for deploying technology to other ports of entry and updating training. DHS generally concurred with our recommendations and outlined actions it had taken or planned to take to implement them.

We currently have work ongoing to examine DHS efforts to identify and mitigate fraud associated with DHS documents used for travel and employment verification purposes, such as the Permanent Resident Card and the Employment Authorization Document. We expect to issue a report on efforts to address fraud with these DHS documents later this year.

Western Hemisphere Travel Initiative

One of the major challenges for CBP officers at our nation's ports of entry is the ability to determine the identity and citizenship of those who present themselves for inspection. For years, millions of citizens of the United States, Canada, and Bermuda could enter the United States from certain parts of the Western Hemisphere using a wide variety of documents, including a driver's license issued by a state motor vehicle administration or a birth certificate, or in some cases for U.S. and Canadian citizens, without showing any documents. To help provide better assurance that border officials have the tools and resources to establish that people are who they say they are, section 7209 of the Intelligence Reform and Terrorism Prevention Act of 2004, as amended, requires the Secretary of Homeland Security, in consultation with the Secretary of State, to develop and implement a plan that requires a passport or other document or combination of documents that the Secretary of Homeland Security deems sufficient to show identity and citizenship for U.S. citizens and citizens of

Bermuda, Canada, and Mexico when entering the United States from certain countries in North, Central, or South America.[5] DHS' and the State Department's effort to specify acceptable documents and implement these document requirements is called the Western Hemisphere Travel Initiative (WHTI).

In May 2006, we reported that DHS and State had not made decisions about what documents would be acceptable, had not begun to finalize those decisions, and were in the early stages of studying costs and benefits of WHTI. In addition, DHS and State needed to choose a technology to use with the new passport card—which State is developing specifically for WHTI. DHS also faced an array of implementation challenges, including training staff and informing the public.[6] In December 2007, we reported that DHS and State had taken important actions toward implementing WHTI document requirements.[7] DHS and State had taken actions in the five areas we identified in our 2006 report:

- DHS and State published a final rule for document requirements at air ports of entry. The agencies also published a notice of proposed rule making for document requirements at land and sea ports of entry.
- By publishing a final rule for document requirements at air ports of entry, DHS and State have established acceptable documents for air travel. DHS has also published a notice of proposed rule making which includes proposed documents for land and sea travel. Under current law, DHS cannot implement WHTI land and sea document requirements until June 1, 2009, or 3 months after the Secretary of Homeland Security and the Secretary of State have certified compliance with specified requirements,

[5]Pub. L. No. 108-458, § 7209, 118 Stat. 3638, 3823 (2004), *amended by* Department of Homeland Security Appropriations Act, 2007, Pub. L. No. 109-295, § 546, 120 Stat. 1355, 1386-87 (2006) and Consolidated Appropriations Act, 2008, Pub. L. No. 110-161, § 545, 121 Stat. 1844, 2080 (2007). This provision applies to citizens of Bermuda, Canada and Mexico entering the United States as nonimmigrant visitors.

[6]See GAO, *Observations on Efforts to Implement the Western Hemisphere Travel Initiative on the U.S. Border with Canada*, GAO-06-741R (Washington, D.C.: May 2006).

[7]See GAO, *Observations on Implementing the Western Hemisphere Travel Initiative*, GAO-08-274R (Washington, D.C.: December 20, 2007).

whichever is later.[8] In the meantime, in January 2008, CBP ended the practice of oral declaration. According to CBP, until the WHTI document requirements are fully implemented, all U.S. and Canadian citizens are required to show one of the documents described in the proposed rule or a government issued photo identification, such as a driver's license, and proof of citizenship, such as a birth certificate.[9]

- DHS has performed a cost-benefit study, but data limitations prevented DHS from quantifying the precise effect that WHTI will have on wait times at land ports of entry—a substantial source of uncertainty in its analysis. DHS plans to do baseline studies at selected ports before WHTI implementation so that it can compare the effects of WHTI document requirements on wait times after the requirements are implemented.

- DHS and State have selected technology to be used with the passport card. To support the card and other documents that use the same technology, DHS is planning technological upgrades at land ports of entry. These upgrades are intended to help reduce traveler wait times and more effectively verify identity and citizenship. DHS has outlined a general strategy for the upgrades at the 39 highest volume land ports, beginning in January 2008 and continuing over roughly the next 2 years.

- DHS has developed general strategies for implementing WHTI—including staffing and training. According to DHS officials, they also planned to work with a contractor on a public relations campaign to communicate clear and timely information about document requirements. In addition, State has approved contracting with a public relations firm to assist with

[8] Consolidated Appropriations Act, 2008, Pub. L. No. 110-161, § 545, 121 Stat. 1844, 2080 (2007). These requirements include (1) National Institute of Standards and Technology certification that DHS and State have selected a card architecture that meets or exceeds the security standards set by the International Organization for Standardization, (2) sharing the technology used for the passport card with the governments of Canada and Mexico, (3) submitting a detailed justification to the House and Senate Committees on Appropriations concerning the fee that will be charged to individuals by the U.S. Postal Service for the passport card, (4) developing an alternative procedure for groups of children entering the United States under adult supervision and with parental consent, (5) ensuring that the infrastructure needed to process the passport cards has been installed at ports of entry, (6) training CBP officers at those ports of entry to use the new technology, (7) ensuring that the passport card is available to U.S. citizens, and (8) establishing a single date for implementing the program at sea and land ports of entry.

[9] According to CBP officials at the ports of entry we visited at the time of our review, they did not expect the end of oral declaration to represent a significant operational change for them, because the majority of people crossing at their ports already present documents rather than attempt entry by oral declaration alone.

educating the public, particularly border resident communities about the new passport card and the requirements of WHTI in general.
Earlier this year, DHS selected a contractor for the public relations campaign and began devising specific milestones and deadlines for testing and deploying new hardware and training officers on the new technology.

U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT)

Another major initiative underway at the ports of entry is a program designed to collect, maintain, and share data on selected foreign nationals entering and exiting the United States at air, sea, and land ports of entry, called the US-VISIT Program. These data, including biometric identifiers like digital fingerprints, are to be used to screen persons against watch lists, verify identities, and record arrival and departure. The purpose of US-VISIT is to enhance the security of U.S. citizens and visitors, facilitate legitimate travel and trade, ensure the integrity of the U.S. immigration system, and protect visitors' privacy.

As of October 2007, after investing about $1.5 billion since 2003, DHS has delivered essentially one-half of US-VISIT, meaning that biometrically enabled entry capabilities are operating at more than 300 air, sea, and land ports of entry, but comparable operational exit capabilities are not. That is, DHS still does not have the other half of US-VISIT (an operational exit capability) despite the fact that its funding plans have allocated about one-quarter of a billion dollars since 2003 to exit-related efforts.[10]

To the department's credit, operational entry capabilities have produced results, including, as of June 2007, more than 1,500 people having adverse actions, such as denial of entry, taken against them. Another likely consequence is the deterrent effect of having an operational entry capability, which officials have cited as a byproduct of having a publicized capability at the border to screen entry on the basis of identity verification and matching against watch lists of known and suspected terrorists.
Related to identity verification, DHS has also taken steps to implement US-VISIT's Unique Identity program to enable CBP and other agencies to be better equipped to identify persons of interest and generally enhance law enforcement. Integral to Unique Identity is the capability to capture 10 fingerprints and match them with data in DHS and FBI databases. The capability to capture and match 10 fingerprints at ports of entry is not only

[10]See GAO, *Homeland Security: Prospects for US-VISIT Biometric Exit Capability Remain Unclear*, GAO-07-1044T (Washington, D.C.: June 2007).

intended to enhance CBP's ability to verify identity, but, according to DHS, is intended to quicken processing times and eliminate the likelihood of misidentifying a traveler as being on a US-VISIT watchlist.

Nonetheless, the prospects for successfully delivering an operational exit solution remain uncertain. In June 2007, we reported that DHS's documentation showed that, since 2003, little has changed in how DHS is approaching its definition and justification of future US-VISIT exit efforts.[11] As of that time, DHS indicated that it intended to spend about $27.3 million on air and sea exit capabilities. However, it had not produced either plans or analyses that adequately defined and justified how it intended to invest these funds. Rather, it had only described in general terms near-term deployment plans for biometric exit capabilities at air and sea ports of entry. Beyond this high-level schedule, no other exit program plans were available that defined what would be done by what entities and at what cost. In the absence of more detailed plans and justification governing its exit intentions, it is unclear whether the department's efforts to deliver near-term air and sea exit capabilities will produce results different from the past.

The prospect for an exit capability at land ports of entry is also unclear. DHS has acknowledged that a near-term biometric solution for land ports of entry is currently not feasible. According to DHS, at this time, the only proven technology available for biometric land exit verification would necessitate mirroring the processes currently in use for entry at these ports of entry, which would create costly staffing demands and infrastructure requirements, and introduce potential trade, commerce, and environmental impacts. A pilot project to examine an alternative technology at land ports of entry did not produce a viable solution. US-VISIT officials stated that they believe that technological advances over the next 5 to 10 years will make it possible to utilize alternative technologies that provide biometric verification of persons exiting the country without major changes to facility infrastructure and without requiring those exiting to stop and/or exit their vehicles, thereby precluding traffic backup, congestion, and resulting delays.

US-VISIT also faces technological and management challenges. In March 2007, we reported that while US-VISIT has improved DHS's ability to process visitors and verify identities upon entry, we found that

[11]See GAO-07-1044T.

management controls in place to identify and evaluate computer and other operational problems at land ports of entry were insufficient and inconsistently administered.[12] In addition, DHS had not articulated how US-VISIT is to strategically fit with other land border security initiatives and mandates and could not ensure that these programs work in harmony to meet mission goals and operate cost effectively. DHS had drafted a strategic plan defining an overall immigration and border management strategy and the plan has been under review by OMB. Further, critical acquisition management processes had not been established to ensure that program capabilities and expected mission outcomes are delivered on time and within budget. These processes include effective project planning, requirements management, contract tracking and oversight, test management, and financial management.

We currently have work underway examining DHS' strategic solution, including a comprehensive exit capability, and plan to issue a report on the results of our work in Spring 2008.

Between the Ports of Entry

As part of its Secure Border Initiative (SBI), DHS recently announced final acceptance of Project 28, a $20.6 million dollar project designed to secure 28 miles of southwestern border. However, DHS officials said that the project did not fully meet agency expectations and will not be replicated. Border Patrol agents in the Project 28 location have been using the system since December 2007 and 312 agents had received updated training. Still, some had not been trained to use the system at all. Deployment of fencing along the southwest border is on schedule, but meeting CBP's December 2008 goal to deploy 370 miles of pedestrian and 300 miles of vehicle fencing will be challenging because of factors that include difficulties acquiring rights to border land and an inability to estimate costs for installation. Besides undergoing technological and infrastructure improvements along the border, the Border Patrol has experienced unprecedented growth and plans to increase its number of agents by 6,000 by December 2008. Border Patrol officials are confident that the academy can accommodate this influx but are also concerned about the sectors' ability to provide sufficient field training.

[12]See GAO, *Homeland Security: US-VISIT Program Faces Operational, Technological, and Management Challenges*, GAO-07-632T (Washington, D.C.: March 2007).

The Secure Border Initiative

In November 2005, DHS announced the launch of SBI aimed at securing U.S. borders and reducing illegal immigration. Elements of SBI are to be carried out by several organizations within DHS. One component is CBP's SBI program office[13] which is responsible for developing a comprehensive border protection system using people, technology, known as SBInet, and tactical infrastructure—fencing, roads, and lighting.

In February 2008, we testified that DHS had announced its final acceptance of Project 28, a $20.6 million project to secure 28 miles along the southwest border, and was gathering lessons learned to inform future border security technology development.[14] The scope of the project, as described in the task order between DHS and Boeing—the prime contractor DHS selected to acquire, deploy, and sustain the SBInet system across the U.S. borders—was to provide a system with the detection, identification, and classification capabilities required to control the border, at a minimum, along 28 miles in the Border Patrol's Tucson sector.[15] After working with Boeing to resolve problems identified with Project 28, DHS formally accepted the system, noting that it met contract requirements. Officials from the SBInet program office said that although Project 28 did not fully meet their expectations, they are continuing to develop SBInet with a revised approach and have identified areas for improvement based on their experience with Project 28. For example, both SBInet and Border Patrol officials reported that Project 28 was initially designed and developed by Boeing with limited input from the Border Patrol, whose agents are now operating Project 28 in the Tucson sector; however, they said that future SBInet development will include increased input from the intended operators. The schedule for future deployments of technology to the southwest border that are planned to replace most Project 28 capabilities has been extended and officials estimated that the first planned deployment of technology will occur in other areas of the Tucson sector by the end of calendar year 2008. In

[13]The CBP SBI Program Executive Office, referred to in this testimony as the SBI program office, is responsible for overseeing all SBI activities; for acquisition and implementation, including establishing and meeting program goals, objectives, and schedules; for overseeing contractor performance; and for coordinating among DHS agencies.

[14]See GAO, *Secure Border Initiative: Observations on the Importance of Applying Lessons Learned to Future Projects*, GAO-08-508T (Washington, D.C.: February 2008).

[15]The U.S. Border Patrol has 20 sectors responsible for detecting, interdicting, and apprehending those who attempt illegal entry or smuggle people—including terrorists or contraband, including weapons of mass destruction—across U.S. borders between official ports of entry.

February 2008, the SBI program office estimated that the remaining deployments of the first phase of technology development planned for the Border Patrol's Tucson, Yuma, and El Paso sectors are expected to be completed by the end of calendar year 2011.

Border Patrol agents in the Project 28 location have been using the system as they conduct their border security activities since December 2007, and as of January 2008, 312 agents in the Project 28 location had received updated training. According to Border Patrol agents, while Project 28 is not an optimal system to support their operations, it has provided them with greater technological capabilities—such as improved cameras and radars—than the legacy equipment that preceded Project 28. Not all of the Border Patrol agents in the Project 28 location have been trained to use the system's equipment and capabilities, as it is expected to be replaced with updated technologies developed for SBInet.

Deployment of tactical infrastructure projects along the southwest border is on schedule, but meeting the SBI program office's goal to have 370 miles of pedestrian fence and 300 miles of vehicle fence in place by December 31, 2008, will be challenging and the total cost is not yet known. As of February 21, 2008, the SBI program office reported that it had constructed 168 miles of pedestrian fence and 135 miles of vehicle fence. Although the deployment is on schedule, SBI program office officials reported that keeping on schedule will be challenging because of various factors, including difficulties in acquiring rights to border lands. In addition, SBI program office officials are unable to estimate the total cost of pedestrian and vehicle fencing because of various factors that are not yet known, such as the type of terrain where the fencing is to be constructed, the materials to be used, and the cost to acquire the land. Furthermore, as the SBI program office moves forward with tactical infrastructure construction, it is making modifications based on lessons learned from previous fencing efforts. For example, for future fencing projects, the SBI program office plans to buy construction items, such as steel, in bulk; use approved fence designs; and contract out the maintenance and repair of the tactical infrastructure.

The SBI program office established a staffing goal of 470 employees for fiscal year 2008, made progress toward meeting this goal, and published its human capital plan in December 2007; however, the SBI program office is in the early stages of implementing this plan. As of February 1, 2008, SBI program office reported having 142 government staff and 163 contractor support staff for a total of 305 employees. SBI program office officials told us that they believe they will be able to meet their staffing goal of 470 staff

by the end of September 2008. In December 2007, the SBI program office published the first version of its Strategic Human Capital Management Plan and is now in its early implementation phase. The plan outlines seven main goals for the office and activities to accomplish those goals, which align with federal government best practices.

Border Patrol

In addition to technological and infrastructure improvements along the border, the Border Patrol has experienced an unprecedented growth in the number of its agents. As we reported last year, in a little over 2 years, between fiscal year 2006 and December 2008, the Border Patrol plans to increase its number of agents by 6,000.[16] This is nearly equivalent to the increase in the number of agents over the previous 10 years, from 1996 through 2006. As of September 30, 2007, CBP had 14,567 Border Patrol agents onboard. It plans to have 18,319 Border Patrol agents on board by the end of calendar year 2008. While Border Patrol officials are confident that the academy can accommodate the large influx of new trainees anticipated, they have expressed concerns over the sectors' ability to provide sufficient field training. For example, officials are concerned with having a sufficient number of experienced agents available in the sectors to serve as field training officers and first-line supervisors. The large influx of new agents and the planned transfer of more experienced agents from the southwest border to the northern border could further exacerbate the already higher than desired agent-to-supervisor ratio in some southwest border sectors.

Screening of International Travelers Before They Arrive in the United States

Because citizens of other countries seeking to enter the United States on a temporary basis generally must apply for and obtain a nonimmigrant visa, the visa process is important to homeland security. While it is generally acknowledged that the visa process can never be entirely failsafe, the government has done a creditable job since September 11 in strengthening the visa process as a first line of defense to prevent entry into the country by terrorists.[17] Before September 11, U.S. visa operations focused primarily on illegal immigration concerns—whether applicants sought to reside and

[16]See GAO, *Homeland Security: Information on Training New Border Patrol Agents*, GAO-07-540R (Washington, D.C.: May 2007).

[17] See GAO *Homeland Security: Progress has been Made to Address the Vulnerabilities Exposed by 9/11, but Continued Federal Action is Needed to Further Mitigate Security Risks*, GAO-07-375 (Washington, D.C.: January 2007).

work illegally in the country. Since the attacks, Congress, the State Department, and DHS have implemented several measures to strengthen the entire visa process as a tool to combat terrorism. New policies and programs have since been implemented to enhance visa security, improve applicant screening, provide counterterrorism training to consular officials who administer the visa process overseas, and help prevent the fraudulent use of visas for those seeking to gain entry to the country. The State Department also has taken steps to mitigate the potential for visa fraud at consular posts by deploying visa fraud investigators to U.S. embassies and consulates and conducting more in-depth analysis of the visa information collected by consulates to identify patterns that may indicate fraud, among other things. (Notably, 2 of the 19 terrorist hijackers on September 11th used passports that were manipulated in a fraudulent manner to obtain visas.)

The Visa Waiver Program allows nationals from 27 countries to travel to the United States for 90 days or less for business and tourism purposes without first having to obtain a visa.[18] The program's purpose is to facilitate international travel for millions of people each year and promote the effective use of government resources. While valuable, the program can pose risks to U.S. security, law enforcement, and immigration interests because some foreign citizens may try to exploit the program to enter the United States. Effective oversight of the program entails balancing the benefits against the program's potential risks. To find this balance, we reported in July 2006 that the U.S. government needs to fully identify the vulnerabilities posed by visa waiver travelers, and be in a position to mitigate them.[19] In particular, we recommended that DHS provide the program's oversight unit with additional resources to strengthen monitoring activities and improve DHS's communication with U.S. officials overseas regarding security concerns of visa waiver countries. We also recommended that DHS communicate to visa waiver countries clear reporting requirements for lost and stolen passports and that the department implement a plan to make Interpol's lost and stolen passport database automatically available during the primary inspection process at

[18]The Immigration Reform and Control Act of 1986, Pub. L. No. 99-603, 100 Stat. 3359, created the Visa Waiver Program as a pilot program. In 2000, the program became permanent under the Visa Waiver Permanent Program Act, Pub. L. No. 106-396, 114 Stat. 1637.

[19]GAO, *Border Security: Stronger Actions Needed to Assess and Mitigate Risks of the Visa Waiver Program* GAO-06-854 (Washington, D.C.: July, 2006).

U.S. ports of entry.[20] DHS is in the process of implementing these recommendations and we plan to report later this year on the department's progress.

Until recently, U.S. law required that a country may be considered for admission into the Visa Waiver Program if its nationals' refusal rate for short-term business and tourism visas was less than 3 percent in the prior fiscal year. According to DHS, some of the countries seeking admission to the program are U.S. partners in the war in Iraq and have high expectations that they will join the program due to their close economic, political, and military ties to the United States. The executive branch has supported more flexible criteria for admission, and, in August 2007, Congress passed legislation that provides DHS with the authority to admit countries with refusal rates between 3 percent and 10 percent, if the countries meet certain conditions.[21] For example, countries must meet all mandated Visa Waiver Program security requirements and cooperate with the United States on counterterrorism initiatives.

Before DHS can exercise this new authority, the legislation also requires that the department complete certain actions aimed at enhancing security of the Visa Waiver Program. These actions include:

Electronic Travel Authorization System:

The August 2007 law requires that DHS certify that a "fully operational" electronic travel authorization (ETA) system is in place before expanding Visa Waiver Program to countries with refusal rates between 3 and 10 percent. This system would require nationals from visa waiver countries to provide the United States with biographical information before boarding a U.S.-bound flight to determine the eligibility of, and whether there exists a law enforcement or security risk in permitting, the foreign national to travel to the United States under the program. In calling for an ETA, members of Congress and the administration stated that this system was

[20]Interpol is the world's largest international police organization, with 184 member countries. Created in 1923, it facilitates cross-border police cooperation, and supports and assists all organizations, authorities, and services whose mission is to prevent or combat international crime. In July 2002, Interpol established a database on lost and stolen travel documents. As of June 2006, the database contained about 11.6 million records of lost and stolen passports

[21]Implementing Recommendations of the 9/11 Commission Act of 2007, Pub .L. No. 110-53, 121 Stat. 267.

an important tool to help mitigate security risks in the Visa Waiver Program and its expansion. DHS has not yet announced when or how it will roll out the ETA system.

Air Exit System

The August 2007 law also required that, before DHS can admit countries with refusal rates between 3 percent and 10 percent to the Visa Waiver Program, DHS must certify that an air exit system is in place that can verify the departure of not less than 97 percent of foreign nationals who depart through U.S. airports.[22] Last month, we testified that DHS's plan to implement this provision had several weaknesses. [23] Using this methodology, DHS stated that it can attain a match rate above 97 percent, based on August 2007 data, to certify compliance with the air exit system requirement in the legislation. On December 12, 2007, DHS reported to us that it will match records, reported by airlines, of visitors departing the country to the department's existing records of any prior arrivals, immigration status changes, or prior departures from the United States. On February 21, 2008, DHS indicated that it had not finalized its decision on the methodology the department would use to certify compliance. Nevertheless, the department confirmed that the basic structure of its methodology would not change, and that it would use departure records as the starting point. Because DHS's approach does not begin with arrival records to determine if those foreign nationals stayed in the United States beyond their authorized periods of admission, information from this system will not inform overall and country-specific overstay rates—key factors in determining illegal immigration risks in the Visa Waiver Program. The inability of the U.S. government to track the status of visitors in the country, to identify those who overstay their authorized period of visit, and to use these data to compute overstay rates have been longstanding weaknesses in the oversight of the Visa Waiver Program. We reported that DHS's plan to meet the "97 percent" requirement in the visa waiver expansion legislation will not address these weaknesses.

[22]In addition, Public Law 110-53 required the implementation of a biometric exit system at U.S. airports. If this is not in place by mid-2009, the flexibility DHS could have obtained to admit countries with refusal rates between 3 percent and 10 percent will be suspended until it is in place.

[23]GAO, *Visa Waiver Program: Limitations with Department of Homeland Security's Plan to Verify Departure of Foreign Nationals*, GAO-08-458T (Washington, D.C.: February 2008).

DHS Pilot on the Immigration Advisory Program

DHS has also has begun to pilot the Immigration Advisory Program (IAP), which is designed to provide additional scrutiny to passengers and their travel documents at foreign airports prior to their departure for the United States.[24] This pilot program began in 2004 and was designed to identify and target potential high-risk passengers. Under the IAP pilot, CBP has assigned trained officers to foreign airports where they personally interview pre-identified high-risk passengers, conduct behavioral assessments, and evaluate the authenticity of travel documents prior to the passenger's departure to the United States. The pilot program has been tested in several foreign airports, and CBP is negotiating with other countries to expand it elsewhere and to make certain IAP sites permanent.

CBP has reported several successes through the IAP pilot. According to CBP documents, from the start of the IAP pilot in June 2004 through February 2006, IAP teams made more than 700 no-board recommendations for inadmissible passengers and intercepted approximately 70 fraudulent travel documents. CBP estimated that these accomplishments equate to about $1.1 million in cost avoidance for the U.S. government associated with detaining and removing passengers who would have been turned away after their flights landed, and $1.5 million in air carrier savings in avoided fines and passenger return costs. According to CBP, these monetary savings have defrayed the costs of implementing the program.

In May 2007, we reported that CBP has not taken all of the steps necessary to fully learn from its pilot sites in order to determine whether the program should be made permanent and the number of sites that should exist.[25] These steps are part of a risk management approach to developing and evaluating homeland security programs. A risk management framework includes such elements as formally outlining the goals of the program, setting measurable performance measures, and evaluating program effectiveness. Although CBP is currently taking steps to make its IAP sites permanent and to expand the program to other foreign locations, CBP has not finalized a strategic plan for the program that delineates program goals, objectives, constraints, and evaluative criteria. CBP officials told us that they have drafted a strategic plan for the IAP, which

[24]See GAO, *Aviation Security: Efforts to Strengthen International Prescreening are Underway, but Planning and Implementation Issues Remain*, GAO-07-346 (Washington, D.C.: May 2007).

[25]See GAO-07-346.

contains program goals and performance measures. CBP stated that the plan has not yet been finalized.

Concluding Remarks

CBP has made progress in taking actions to secure our nation's borders. It has enhanced its ability to screen travelers before they arrive in the United States as well as once they arrive at a port of entry. Nevertheless, vulnerabilities still exist and additional actions are required to address them. How long it will take and how much it will cost are two questions that plague two of DHS's major border security initiatives. Whether DHS can implement the exit portion of US-VISIT is uncertain. For land ports of entry, according to DHS, there is no near-term solution. Completing the SBI initiative within time and cost estimates will be challenging, including the building of nearly 700 miles of fencing. These issues underscore Congress' need to stay closely attuned to DHS's progress in these programs to help ensure performance, schedule, and cost estimates are achieved and the nation's border security needs are fully addressed.

This concludes my prepared testimony. I would be happy to respond to any questions that you or members of subcommittees may have.

Contact and Acknowledgments

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SBI—BORDER FENCING

Mr. PRICE. Thank you, Mr. Stana, and thanks to all of you. Mr. Basham, let me begin with a question about border infrastructure and, in particular, the fence construction that you referenced and the kinds of requirements in executing that construction that are contained in our 2008 appropriations bill. Section 564 of that bill requires the Secretary of Homeland Security to consult with key stakeholders in carrying out the requirement to construct reenforced fencing along the southwest border. Specifically, by law, the Secretary "shall consult with the Secretary of the Interior, the Secretary of Agriculture, states, local governments, Indian tribes, and property owners in the United States to minimize the impact on the environment, culture, commerce, and quality of life for the communities and residents located near sites at which such fencing is to be constructed."

As you know, we had a number of those stakeholders before us a few days ago and the reports there were not encouraging, in terms of the amount of consultation that had taken place or that was perceived to have taken place, the amount and quality of consultation that was perceived to have taken place with respect to this project. And, of course, there were reports about CBP suing landowners to gain access to property for survey and assessment purposes and so forth, which does not suggest—at a minimum, it does not suggest a very consensual outcome to all of this. I know you have had a lot of meetings. I know you have had 100 meetings, 100 plus meetings with officials and with the general public over the past year. But, those meetings, I am afraid, by the mayors, especially, across the Texas border, those meetings are characterized rather negatively, that they consist of making a presentation, but not a whole lot of genuine consultation or follow-up. So, they are saying DHS maybe can check the consultation box, but that there is not really a dialogue going on.

I wonder how you would respond to these concerns and also want to ask you, from your perspective, where are we in this process? What degree and what kind of consultation is yet required?

Mr. BASHAM. Mr. Chairman, we are very familiar that there is a tremendous amount of frustration with respect to this issue. And, as you know, we based our assessments on the need for infrastructure along the southwest border based upon the Border Patrol's views with respect to what we would have to do to secure that border. And as you mentioned, we recognized that it needed to be a collaborative effort, that we needed to reach out to the stakeholders, and we have done a number of outreach sessions. I think we have had over 18 town hall meetings across the southwest border. We have had hundreds of contacts by the Border Patrol with landowners to discuss issues. What we recognize is that we are not going to get everyone completely in agreement that there needs to be fencing placed on their property. But, there have been discussions—and Greg Giddens can give you a couple of examples of just how extensive these discussions have been and the collaboration that we have tried to attain in trying to get access to this property.

But at the end of the day, Mr. Chairman, we are bound to meet the requirements of the Congress and the Congress has said we

will build 370 miles of pedestrian fence and 300 miles of vehicle barriers along the southwest border by the end of the year. And you can only go so far in discussions until you have to make a decision and we are at a point where we have to make those decisions. As you mentioned we have sent out letters to landowners advising them that there could be legal action taken for us to get access to do surveys, and environmental assessments on those pieces of property. And that is where we are today. If we are going to meet the mandate, if we are going to build the fence that has been required of us, we have to start and we have to start now.

And I would like to give Greg, if you do not mind, Mr. Chairman, a chance just to maybe elaborate on the kinds of discussions we have had along the southwest border.

Mr. PRICE. I would like to turn to Mr. Giddens, but I would like to first interject a couple of elements that might be helpful in clarifying this. First of all, the number 370 keeps getting repeated, but, as you know, what the law states is 370 miles or an amount determined by the Secretary.

Mr. BASHAM. Right.

Mr. PRICE. Presumably, after full consideration of what it takes to achieve "operational control" and after these various processes are undertaken. So, the very rigidity of that notion of 370 miles, no more, no less, I think raises certain questions about how flexible this—and how accommodating this process is.

SBI—HIDALGO COUNTY

Secondly, there was one bright spot in this testimony from our Texas friends and that had to do with Hidalgo County where there seems to have been an agreement to share the cost of a levy that would double as a border barrier. Now, all parties seem to be reasonably happy with that, seems to be what I was referring earlier, as a consensual outcome. I do not imagine that was an easy outcome to reach. I imagine it was actually fairly painstaking and no doubt pretty challenging to think about doing that with numerous communities. Yet, I do believe that is what we envision going on or at least something more than just a public meeting that lets everybody say there has been a public meeting. So with that elaboration, Mr. Giddens, you can——

Mr. BASHAM. I would like to thank the committee for that flexibility and, as you recall, in the initial discussions regarding where that fence should be, we turned to the Border Patrol and asked the Border Patrol what is it going to take to get control of this section of the border. And the Border Patrol feels that that 370 miles is the accurate number of miles that need fencing. But the flexibility, we will continue to try to exercise that in the best manner possible. But, I will just give Greg a minute just to go over some of the collaborative efforts. And you mentioned Hidalgo, which is a——

Mr. GIDDENS. Mr. Chairman, I appreciate the opportunity. Frankly, to talk about some of the things that when I read about our program and what we are doing in this area in the press, I do not even know what program they are talking about. We have had over 400 landowners that we were required to get right-of-entry access to. Of those 450 landowners, all but 77 voluntarily agreed to allow us to come on to their land. And when I read about instances

where we have not consulted and people were surprised and we go back and have documented contacts with people to say that we would like to come in and chat with you about the fence and get your thoughts on aesthetics and placement and we get the response, we are not going to put it on the agenda, sir, I do not know, at some point, what else we can do when we are reaching out to consult and people do not want to meet with us. And when we send letters out to gain right-of-entry that say, you have received this letter, because we have not been able to get your approval and if you think you received it in error or if you are ready to talk about this or sign a right-of-entry, please call us and we give a point of contact and we do not hear anything back from them, sir, I am just—I really do not understand a lot of what I read about what we are doing.

We have had some very positive experiences on the southwest border. Hidalgo County, sir, the one you mentioned, is probably the most, I think, one that is wide ranging. It involves about 22 miles. But, we are carefully looking at the appropriated dollars and we appreciate the support of this subcommittee to make sure that what we do with that dollar is targeted to border security and it is not building a levee and we are able to work an agreement and, sir, our staff and Hidalgo County worked very hard, as you indicated, to try to make this happen, so that we could combine these projects and protect the integrity of the appropriations for border security and not merge that with levee repair, but combine two government public works projects in a way that is beneficial for the local community and it is beneficial for Customs and border protection.

I would like to point out that we do need a legislative remedy that would allow us to enter this cooperative agreement with Hidalgo County. Without that legislative relief, we do not have the authority to proceed.

SBI—BROWNSVILLE

Sir, in the Brownsville area, in discussions with the University of Texas at Brownsville, we modified and changed the footprint of where our fence would go based on local input. We also made similar modifications in San Diego, in Del Rio. We made modifications in the Rio Grande Valley sector, based on discussions with the Department of Interior, to better protect the birdwatching sanctuary and other environmentally sensitive areas. So, we are going out and making real changes based on input. And the inputs that we get at these public meetings where we go down factors of air quality, noise, land use, geology, and water resources, vegetation, wild life, and aquatic resources, special studies, status species, cultural, resources, aesthetics and visual, socioeconomic resources, environmental justice, utilities infrastructure, hazardous materials and waste, we are not just going out there to collect something and just file that away. So, we have the obligation and responsibility to the NEPA process to adjudicate each one of those comments. We go through each one of those, look at what the comment is, and then we have to give a disposition of that and have a record of that to the NEPA process. So, we are not doing anything to check the box. We are doing this because it is the right thing to do. It is required

to do by NEPA. It was clearly reinforced by the subcommittee. And there is no box checking going on with our consultation.

Mr. PRICE. Well, we will, I am sure, return to this. I want to make clear that nobody here have a veto. We all understand that. Sometimes, consensual outcomes are not possible. But, the kind of process that appears to have been undertaken at Hidalgo County and what I understand Brownsville, for example, to be asking for, those represent a positive indication of what might be possible. I would think that we want to the maximum extent possible to not be hearing the kinds of things we heard from not just scattered people, who were discontent, but from the representatives of all the leaders of those border towns.

Just finally, Mr. Basham, is there a rough way of estimating how much is yet to be done? I mean, to what extent is your agency's attitude that you have already done this or to what extent do you see a good bit of work yet to be done? If you could somehow give us a general idea of that.

Mr. BASHAM. We feel we are at a point, Mr. Chairman, that the outreach that we have done and the discussions that we have had now brings us to a point where we have to now go in and exercise whatever legal authorities remain to get access to these properties to do the kinds of surveys, to do the environmental assessments, and we have to start to construct these fences, and that is where we—I guess my answer is we are at a point where we will still be open to discussion, but we recognize we have to now make very hard decisions and that is where we are.

Mr. PRICE. Well, getting a temporary order to give you access to the land to conduct a survey is different than beginning construction.

SBI—LOCAL CONSULTATION

Mr. BASHAM. That is exactly right. And the reason that we are asking for access is to do those engineering and environmental assessments to make a determination as to whether or not we are going to build a fence. It does not mean because we have gotten access that we are going to build a fence. There is a strong likelihood, based upon operational needs, that that is where we want to build the fence. So, as Greg said, we have had exhaustive conversations. And I will give you an example, Mr. Chairman. I was in Laredo this past weekend and they were complaining about the fence. And I tried to explain to them, we are not building a fence in Laredo. We have the Rio Grande River. But, that is sort of issues we are dealing with down on the border. And so, we are doing everything we can to make this collaborative process, Mr. Chairman, but it is a difficult—it is difficult for us to continue to do that and meet the requirements.

Mr. PRICE. Mr. Rogers.

Mr. ROGERS. Thank you, Mr. Chairman. Well, I do not want to diminish the complexity and difficulty of constructing a virtual or real fence along the border, nor do I diminish the concern of citizens along the border in seeing something built in their backyard so to speak. However, there is a national mandate to build a fence to protect the border. There is always going to be people, who will complain. You cannot positively satisfy 100 percent. Frankly, I

think you have come a long, long way. There is only 77 landowners, who have not said no to access or have not responded and I am told that that only represents about 22 miles of the border. Is that right, Mr. Giddens?

Mr. GIDDENS. Yes, sir.

Mr. ROGERS. And given the enormous amount of consultation and asking for advice and listening to local concerns and responding to individual landowners, hundreds of sessions, I do not think anyone can say that you have not been open to consultation. But this is a national mandate. We want the fence built. Congress has said it for years. You got the money. And I do not want us to stagger at the gate here. And to be frank with you, a lot of these people, who say do not build the fence, tomorrow are going to say or yesterday said, why does the government not stop these people from coming in here, same people that now will not let you on their property to assess the kind of fence that needs to be built. So, a lot of us are a bit impatient, I am sure you are, too. I do not represent the border area. So, I do not have a constituent involved here. But, I do have, as all of us do on this subcommittee, the responsibility to find the monies to help you do the national mandate that has been laid down before us.

So, the consultations have been enormous, public meetings, town hall meetings, open houses, private meetings with state and local officials, city counsels, local utility representative, tribal reps, universities, local law enforcement, environmental leaders, city managers, county commissioners, delegates, judges, you have talked to them all endlessly. And you have come down to where there is only 77 landowners, who now say, no way or at least not at this point. Well, when we came up with the street lights, oil-fired street lamps, a great invention, people complained that it would pollute the air. So, every time you try to do something, there is going to people that will fight you all the way. That is just the way things are. And I do not want us on this subcommittee to get the idea that there is anything more than minor opposition from selected individuals. We heard a few of them here the other day, but, my gosh, there are thousands of others, who are saying let us do it and there is millions of the rest of us saying why are you not proceeding faster. Well, I apologize for vetting my frustrations with you, who I am sure are just as frustrated as me.

SBI—P–28

Well, let me get back to the P–28 task order. By all accounts that I have heard, P–28 represented a big time failure. You can correct me. I want you to correct me, if I am wrong. Go ahead.

Mr. BASHAM. I would correct that view. In the beginning, I believe there were some problems, and those problems were recognized with P–28 and with the effort that Boeing was putting forth.

That is why we advised Secretary Chertoff and Deputy Secretary Michael Jackson at the time in June 2007 that P–28 was not operational; it had not delivered what we had expected. And the decision was made not to accept from Boeing that product.

To their credit, the CEO of Boeing stepped up and said: You are right. It is not working. It is not what we said we would deliver.

We are going to fix it; we are going to fix it on our time; and we are going to fix it on our dollar.

I would venture to say that Boeing has doubled the amount of money invested in P–28 to correct the problems.

Mr. ROGERS. Was that a design and engineering problem at the outset, or was it a problem in construction or what?

Mr. BASHAM. Well P–28, as you recall, was intended as a proof-of-concept approach to see what Boeing would take off-the-shelf software, integrate that, and provide us with something that we could look at; something that we could test to make the determination whether this was feasible.

They did not deliver that machine. In December, we took conditional acceptance of P–28, so we could have the Border Patrol agents get their hands on this product, and work the system to see whether or not it was going to provide any operational value to the Border Patrol.

They worked with this until February. In February, the Secretary himself, who went down to Tucson and saw this product, walked away satisfied that Boeing had met the obligations that the Task Order had presented.

In fact, in my opinion, Boeing delivered a better product than what had been originally requested. We are going to take that, what we have learned, we may be switching out hardware; we may be switching out software; we may be making some changes. But the concept works.

Now, we will move forward and apply that concept, taking parts of that and apply it to other parts of the border. Greg can elaborate further on that, if you wish. But I believe that the press—and I can tell you, I believe it was stated that it was said that the Border Patrol was not satisfied with the product.

We knew that this was not going to be the new product. This was an opportunity for us to see what was within the realm of possibility by integrating these pieces. We will continue to refine and improve the hardware and the software, working with the Border Patrol, working with Boeing to make this a very effective and efficient product.

Mr. ROGERS. Well, you finally accepted P–28 on February 22nd——

Mr. BASHAM. Right.

Mr. ROGERS [continuing]. Eight months late.

Mr. BASHAM. Right.

Mr. ROGERS. And now you are up against the deadline that has been set for the 370 miles of pedestrian fencing, and 300 miles of vehicle fencing, and all of the rest by the end of the 2008 calendar. Can you make it?

Mr. BASHAM. We are on course, yes.

Mr. ROGERS. Even though P–28 was eight months late?

Mr. BASHAM. P–28 was, in fact, eight months late; however, we have made other decisions, other than the fact that P–28 was late, in terms of our approach to securing that portion of the southwestern——

Mr. ROGERS. I did not understand that, what did you say?

Mr. BASHAM. Yes, P–28 was late on delivery, and you were talking about the time line, so when we would have P–28 completed——

Mr. ROGERS. Yes.

Mr. BASHAM. But it has made us go back and take another look at how we are going to apply what we have learned out of P–28.

Mr. ROGERS. Tell us about that. How are you going to apply what you have learned from P–28, and what kind of delay are we involved in here?

Mr. GIDDENS. Yes, sir, as you indicated, P–28 was always the prototype. It was to get a technology demonstrator out there.

So even when I go back to 2006 when we started down this path, we could have taken a classical approach to generate details, specific requirements, get those out, and then do a detailed source selection, so we would be in front of this hearing now talking about awarding a contract this summer to get started. That is not the role and approach that we took. We took the approach to get a technology demonstrator out; and, in parallel, we are developing our detail requirements.

Now, we sit before this sub-committee with a technology demonstrator fielded and we are on target this summer to develop and deploy our first operational spiral of capability, get a deployment decision in the September time frame, and then be in a production mode whether we will have our first spiral operational capability. And then, depending on available funding, we can spread that out to the southwest border.

I think that is in a much better position than you are talking about just awarding a contract to get started this summer.

The decisions we made in terms of schedule, one of the issues that GAO raised with this approach was that it had a lot of concurrency in it. We have looked for ways to try to drive some of that concurrency out; and one of the decisions the Commissioner was indicating was we decided this summer: instead of deploying broadly to the Arizona border to deploy in two sites this summer, basically we bring out those two sites, and nail down that configuration, and then by early fall be ready to start broadly deploying it along the Arizona border based on the priorities from the Border Patrol.

Mr. ROGERS. What did you learn from P–28, and how will you apply that to the rest?

Mr. GIDDENS. One of the first things we learned on P–28 was the need to do robust integration testing.

Mr. ROGERS. All right.

Mr. GIDDENS. The way we are looking to apply that is: We are establishing both the software development and integration facility and a hardware facility. So that in P–28, within the eight months and the $20 million, Boeing did not have the time or the dollars in that contract to establish that type of integration facility.

So we are going to develop the software, and we will fully integrate and test, within all its modules. At the same time, we are testing the real hardware in an integration lab. Then we will bring both of those together, so that we bring it out in that laboratory environment, and minimize the impact, and minimize the bugs and glitches that we will find when we field it. Now that is a very different approach than what we took with Project 28.

Mr. ROGERS. When will we let this out for contract?

Mr. GIDDENS. Sir, the activity to develop that software is already on contract, and it is on schedule for us to be able to start deploying that this summer.

The hardware is already in the integration lab, so it is already in that testing. And then we will have, I think it is within the next 45 to 60 days, we will have the contract. That should start the deployment process so that we can field that this summer, actually in the field and in two sites in Arizona.

Mr. ROGERS. So the contract to deploy will be this summer.

Mr. GIDDENS. Yes, sir.

Mr. ROGERS. Is Boeing a part of any of this so far, beyond P–28?

Mr. GIDDENS. Yes, sir. They are developing the follow-on common operating picture, which was to plan, even back in December 2006 when we had submitted to the sub-committee, that has always been our plan that we had work to do beyond P–28.

And Boeing is also establishing, under the contract, this integration lab to bring all this together in a real structured integration and test environment to wring it out before we put it out to the field this summer.

Mr. ROGERS. Bottom line, last question: Can you meet the deadline we have set for you on building the fence and virtual fence before the end of the year?

Mr. GIDDENS. By the end of the year, we are on track for the 370 miles of pedestrian fence and 300 miles of the vehicle fence.

On the technology side, we will be in a position where we have deployed it to two sites by the summer. And our ability beyond that starts to be based on appropriations. But we will be in a production mode that we will have the configuration of operational capability ready to move forward.

Mr. ROGERS. Thank you, Mr. Chairman.

Mr. PRICE. Mr. Rodriguez.

Mr. RODRIGUEZ. Thank you very much, Mr. Chairman, and Commissioner and the rest of the Board, let me first of all thank you. I know we have had some great success on the border, but we also understand that part of the success is also the fact that we had a good number of our Border Patrol expansions. But we are having some difficulties. And later on, I want you to react to the housing that is needed in some of those areas for our Border Patrol.

I am really concerned about our national parks. I have La Amistad and the Big Ben, and I have visited Organ Pipe. I do not want anything to happen in those areas such as has happened in Organ Pipe. So I want as much as I can in those areas in terms of security.

I want to congratulate those efforts that have been done regarding stopping a lot of that immigration. And I know that part of that responsibility also falls with the legislature, that we have failed to pass immigration legislation that will allow us to handle this more appropriately than we have.

We know that a large number of the people who come through, come through legally, with vistas. And the ones we have had problems with, we just have those 22,000 Saudis that the administration has allowed to bring in, and there are some real concerns there.

As it relates to the fence, Commissioner, in all due respect, the meetings that I have had have been where I had been told where the fence is going to go. I would just ask you if there is an opportunity for us, myself, you, or whoever you designate to meet with my communities, and that is all I ask: If there is an opportunity to dialogue, we need to secure the border enough.

I feel very strongly about that, but we also know and I will quote your Chief of Border Patrol that says: That the fence is only as good as the amount of time that the Border Patrol is given based on that individual jump in the fence. It is takes three minutes to jump the fence, that is the amount of time that they are given in order to make that happen.

The other things for the rest, I think we also need to abide by our own laws as it deals with private ownership of property, and consider that. When all is due and done, I understand that security takes priority. Where you are going to have to build it, you are going to have to build it. But I would ask that you dialogue with us.

I have some real concerns with recent negotiations and what has transpired about where the fence is and where it is not, if it is based on those that have political pull and those that have resources roles versus poor communities, and there has been literature on that.

So I am hoping that the Border Patrol, or whoever makes those decisions, that it is based on security, not on the fact that we have some political pull in some of the areas and none in the others.

So I would like, if possible, to have that opportunity to be able to just sit down. I have the communities in Eagle Pass that were sued. My understanding is that they were reaching out and everything, and it sounds great to talk about the reaching out, but it is another thing when you hand out lawsuits throughout without notices to those individuals, and being able to dialogue with them.

SBI

So I would hope that we have an opportunity to dialogue about that because I personally, in my meetings—the last one that we had here with the Border Patrol, we were told basically where the fence was going to go. It was not an opportunity to dialogue back and forth.

That did not occur with me. I mean you told me where you were going to put it. So what I am asking is if there is an opportunity to dialogue and if we have to put down, fine.

As I went through the Border area, I saw where there was a need for car barriers in Arizona and some other areas. Texas has a natural border there. It is very different. If you have not been there, it is difficult to comprehend how to deal with that.

I know when you looked in terms of the Eagle Pass, where they were looking at a golf course, and you got that fence going right through the middle of the proposed golf course in that area. And I know you had those fences going right through the junior college in Cameron County, I think, where that was going through. I am real pleased that there were some agreements that were made there.

With that said, I would just ask: If there would be an opportunity for us to sit down with, especially the Eagle Pass Presidio sector, which is a modified sector. I think the Del Rio, unless I hear otherwise, because I will be there tomorrow and the next day. But the two sectors are the Eagle Pass sector and the Presidio sector, and seeing in terms of the rationale there.

In addition, there were some concerns on the outskirts of the county right after El Paso with some fencing that might cause some problems with flooding and some problems with the levies.

The other biggest issue on private property is: Border Patrol people, in terms of when they go through there and the damage to the private property there, and those complaints, which are minimal in comparison to what you guys have been doing.

With all that said and done, let me also qualify it. The only complaints that I have been getting I have 785 miles. I have more border than other member of Congress. It is just isolated areas. Other than that, you are doing a great job, and the numbers are being reduced.

With that, I would ask the Commissioner, I would like to be able to sit down with you, or any of your designees in my communities, as it is possible, to dialogue about the security on the border.

Mr. BASHAM. Mr. Rodriguez, again, the answer to your last question is: Yes, we would be more than happy to continue the conversation with you on those areas that you have concerns with, and share with you the outreach that we have done, the process that we have followed.

All of those things that you cited early on are issues that we take very seriously: the impact on environment, the impact on the towns and cities. We will work with that, and we will work with our partner, the Department of the Interior, working on these land-management issues.

We feel that we have been very open to discussion, and we recognize that we are not going to come to agreement on every single one of these issues.

Mr. RODRIGUEZ. I understand that, I understand that. I just ask to sit down at least with the communities that I mentioned because we feel that we have not had that.

Mr. PRICE. The time is almost expired, thank you.

Mr. Carter.

Mr. CARTER. Thank you, Mr. Chairman. I know we have limited time. I have got a million questions, but I will just cut down to one that I am really curious about. I think the Commissioner just said: We are not building a fence in Laredo.

I have sat in on the side of the Rio Grande with the Border Patrol. I am almost right in downtown Laredo, just slightly outside of town. He had, during the summer, anywhere from 200 down to about 20 people come across his two-mile sector every night.

When it got cold, it dropped down to two or three, whoever wants to swim a cold river. He showed me how they did it; he showed me films of—this end of his sector across, and when he responds there, a hundred come across that piece.

This was just two years ago, okay. This border patrolman told me that he had between that road and the river, it is basically cane and mesquite. He told me that if they crawled through the cane

and mesquite, get to the road, sprint that three-lane road, they are free and clear.

Because once they have reached that road and got across it, they look like everybody else and they cannot do anything about them. So they always wait until they have dried off before they make that sprint

And he told me that that fence would help tremendously to slow them down so that he could get to them, tremendously. Then you tell me that you are not going to build a fence in Laredo, is that right?

Mr. BASHAM. Again, based upon the assessment of the sector chief there in Laredo, Chief Corell, you had the river, you had the carrizo cane. The thinking is that we really do not need a fence there. What we need to do is to get rid of the carrizo cane, and come up with a way of getting rid of that cane and put eyes on that part of the border, using technology so that——

Mr. CARTER. So you are going to get the environmentalists come in and let you take out native cane along the area——

Mr. BASHAM. Actually, that is not what——

Mr. CARTER. That is what they told me they could not get done.

Mr. BASHAM. No, it is not native. The carrizo cane is not native cane. But, right now, we are trying to determine how we are going to get rid of the carrizo cane.

Mr. CARTER. I would agree with that.

Mr. BASHAM. And by then applying the cameras and the sensors, and the appropriate level of Border Patrol staffing to be able to see it, and interdict it before they get to that three-lane highway on a sprint. A fence is not necessary there.

There is another occasion where the Border Patrol has made a determination that the best effective operational approach there is to get rid of the carrizo cane and put in technology, get the level of Border Patrol agents necessary to interdict and react to those incursions. We do not need a fence. We are not going to build a fence where we do not need it.

Mr. PRICE. Let me interrupt the gentlemen. We need to get to the floor. There will be two votes in rapid succession and we will come back. Thank you.

[Whereupon, a short recess was taken.]

Mr. PRICE. Thank you for your patience. We will reconvene the hearing now, and turn to Ms. Roybal-Allard.

Ms. ROYBAL-ALLARD. Thank you, Mr. Price. First of all, let me thank you for your attention to a trade issue that I had in the Los Angeles area. I have some very positive news on that front, and I appreciate the work that you and your people did on that issue. Thank you.

Mr. PRICE. Thank you.

MICHAEL TONY DEATH

Ms. ROYBAL-ALLARD. As you know, on February 8th, at Honolulu International Airport, a two-week-old U.S. citizen named Michael Tony died after he, his mother and a nurse were prevented from leaving a locked CBP holding area, despite the fact that the child needed medical attention. He was flying in to get medical attention because of a hole in his heart.

I understand there may be a lawsuit, so you may be limited in how you are able to respond. But, to the best of your ability, can you tell us what kind of training CBP officials receive in order to adequately respond to these kinds of emergencies, and also what procedures, if any, have been changed to make sure that a tragedy like this does not happen again?

Mr. BASHAM. Let me just respond by saying that we recognize it was a very tragic incident.

But if you look at the time lines that have been published, the flight arrived at 5:35, they reached primary at I believe 5:55; and, into secondary, about 6 p.m. At 6:07, there was a response to that child by medical personnel and there was medical attention that was given to the child.

I might also add that at no time, that our information provided, had they requested oxygen, either during the flight or after the flight, there was no request for any assistance once they arrived at the port of entry.

And I want to tell you our personnel reacted immediately and efficiently to that child, and to that situation. To me, it is a tragic situation, but for these officers now to be accused of not reacting is just a very sad thing in my mind.

I will let Bob Jacksta, who is the deputy assistant commissioner for operations, add to my thoughts.

Mr. JACKSTA. I would just add that it is under investigation and we take this very seriously. We have looked at our operations; and we have looked at our protocols to make sure that not only in Honolulu but all of our airports and ports of entry we have personnel ready to respond to any type of medical emergency.

The protocol is that where something happens like that, we would immediately call for medical emergency personnel to come to the port of entry to assist and help in any way possible, and our officers are trained with just basic type of emergency capabilities.

But, as the Commissioner mentioned in this case here, our time line is clearly different from the time lines that have been out there. The flight did arrive at 5:30. By 6:00 in the morning, we were taking action, notifying the 911 at the airport, as well as the other security personnel, and they responded.

I think it is important to note that we did take this seriously and we responded quickly to the actual event.

Ms. ROYBAL-ALLARD. The concern that I have, and I do not want to get into all the details, but I guess one of the things that I reacted to was that both the nurse and the baby were American citizens.

As I understand it, the nurse asked: Let me take the baby to the hospital while you attend to whatever the issue was with the mother. That was denied, and they had been there for about a half hour when this incident happened.

I would just recommend that you look at that a little bit closer to see if maybe some adjustments could be made so that would not happen again.

Mr. JACKSTA. Once again, we are looking at it very carefully. We do have specific emergency procedures to follow to insure that we can respond quickly.

We did work with the air carrier before the actual traveler arrived in the United States to make sure that we could get them through the process as quickly as possible, and we worked with the carrier at the time the individuals arrived before the baby became ill.

I think that we do have a lot of protocols out there and we will continue to look at them and evaluate them.

Ms. ROYBAL-ALLARD. Thank you.

UNACCOMPANIED JUVENILES

According to reports in the media and by non-governmental organizations, unaccompanied alien children apprehended along the southern border continued to languish in Border Patrol stations, sometimes up to weeks, and often without receiving a proper diet.

The law requires that these children be transferred within three to five days to the Office of Refugee Resettlement. According to a Congressional Research Service report published last month, roughly 70 percent of the delay in transferring these children to the Office of Refugee Resettlement is caused by a lack of space at ORR facilities. However, 30 percent is due to delays by the CBP in making these transfers.

When bed space is available at the ORR centers, what are the reasons for the delayed transfers, and what are the specific standards that CBP is using to protect the health and well-being of these children when they are being held in the CBP facilities and how are these standards enforced?

I just want to emphasize that this is an issue that is brought to our attention every single year. And every year I keep hoping that this is being dealt with because we are dealing with children here. So I would like to know what has happened since last year when we mentioned this very same issue?

Mr. BASHAM. Well, as you know, we work in collaboration, on the detention removal services, within ICE on these issues. The committee has been very helpful in providing additional funding for bed space, but we recognize that it is a serious issue when it comes to how we are dealing with children.

I would like for Deputy Chief Colburn to tell you how the Border Patrol handles it, and then Bob can tell you how it is so handled at our ports of entry.

Mr. COLBURN. Thank you, sir, and thank you for the opportunity.

The mission of the United States Border Patrol is to capture those who are entering, or attempting to enter illegally, between the ports of entry, and process for the administrative or criminal proceedings that are pertinent to the individual cases.

In those with unaccompanied juveniles, or juvenile-accompanied families, we try to be as expeditious as possible in the hand-off to the responsible parties. We work very closely with the non-governmental organizations, as well as the governmental oversight organizations, in ensuring that they get the proper care in the short time that they are in the custody of the United States Border Patrol.

As you are all aware, the mission to hand-off detention and removal of persons, including the hand-off of unaccompanied juveniles, is the responsibility of ICE's detention and removals office,

What we have done in the past year is to meet with these organizations frequently, and to assign, at every sector, a representative to deal with any and all questions that do come up regarding that. And we of course invite visits to the sectors that happen on a semi-annual basis, pretty much all of the nine southwest border sectors from Texas to California.

I think that the number of complaints that you are hearing from the non-governmental organizations have diminished distinctly in the past several months. A lot of it probably is due to education, the ability to have a dialogue with these organizations to hear their concerns. But also, to work closely with detention removal operations to properly house unaccompanied juveniles.

Ms. ROYBAL-ALLARD. As a matter of fact, if I could just make this one point. The concern is the conditions that we are hearing about. These children are not given a proper diet. They are given dirty blankets. They are not allowed to shower. These are things that can be easily addressed, and I am hoping that there will be immediate change to this, so that these children are being treated humanely.

Mr. COLBURN. We absolutely agree with you. We work very closely also with the government of Mexico on this.

As you know, Border Patrol facilities are not long-term holding, or over-night holding facilities, so we do not, in most places, have showers. We do provide nutrition. We work closely with the government of Mexico as to what they consider is acceptable nutrition as well. So it is actually a binational effort. But again, you are talking about a long-term issue which is detention/removal operations and those that handle juveniles.

Ms. ROYBAL-ALLARD. I think a lot of work needs to be done there to protect these children.

Mr. COLBURN. And we are very happy to work very closely with all interested parties.

Ms. ROYBAL-ALLARD. Thank you.

Mr. PRICE. Thank you. Mr. Farr.

CANADIAN BORDER VS. MEXICAN BORDER INTERDICTION

Mr. FARR. I was very interested in the comment last year where we were talking about the role of this committee and risk management, and essentially the contrasts between the two borders: the Canadian border and the Mexican border.

I would just like to read the number of apprehensions you have made for people who are terrorists, or have terrorist material, on the Canadian border versus the Mexican border?

Mr. BASHAM. I believe you are referring to—there were several incidents where there has been interdictions of individuals that we felt had a connection to terrorism.

If you recall in Toronto, and in New York State, and then we had a millennium bomber back in I believe it was 2000. Those incidents, if that is what you are referring to, we recognize that the threat is not just along the southwest border. The threat exists at all of our borders.

That is why we are continuing to increase the number of agents, we are increasing the technology that is being used on the northern border. General Kostelnik can give you more information——

Mr. FARR. What were the numbers?

Mr. BASHAM [continuing]. On the creation of additional air wings up there. So we are addressing the concerns. We have tripled the number of Border Patrol agents and increased the staffing at our ports of entry.

One of the reasons that WHTI is—we are working on the Western Hemisphere Travel Initiative is to reduce that number and types of documents that can be used to enter this country. There were 8,000 different types of documents, oral declarations of U.S./Canadian citizens just declaring that I am Ralph Basham, I am a U.S. citizen, come on in.

We ended that on January 31st of this year, recognizing that we can no longer allow that kind of a process to proceed. The Congress has mandated that we not implement WHTI until June 2009, and we have heard those directions.

But ending oral declarations and requiring documentation for citizenship are things that we feel—and increasing the number of queries we're making on the northern border to check to see whether someone is a criminal, rapist and murderer, so make a lot of efforts.

Mr. FARR. How many interdictions and nexus to terrorism were there on the Canadian border?

Mr. BASHAM. I am sorry, would you repeat that?

Mr. FARR. What is your number of interdictions and nexus to terrorism?

Mr. BASHAM. How many? Okay, Bob would you take that.

Mr. JACKSTA. Sir, I can give you an exact number right now, but I think it is important to note that there are——

Mr. FARR. Well, you gave it to us last year.

Mr. JACKSTA. I do not have it with me right now, the total number of——

Mr. FARR. Well, just a ballpark number?

Mr. JACKSTA. I would be careful with putting a ballpark number out there, sir. I can get it to you. I do not have——

[The information follows:]

When travelers at the Port of Entry (POE) are identified during primary inspection as a possible match to the Terrorist Screening Database (TSDB), they are automatically referred for secondary inspection. The TSDB is incorporated into the standard TECS primary query. During secondary inspection, the Customs and Border Protection (CBP) officers at the POE will review the TSDB match in TECS and contact the CBP National Targeting Center (NTC) to resolve potential or exact matches.

When a Border Patrol agent suspects that an individual trying to enter the country has a possible terrorist connection, the agent contacts the Border Patrol station to conduct additional name checks in TECS and begins the same resolution process that is conducted by officers at the POE, including contacting the CBP NTC for potential and exact matches.

In both instances, the NTC supports the field officer by coordinating with the Terrorist Screening Center (TSC) and by reviewing the classified information contained in the Terrorist Identity Datamart Environment (TIDE). The TIDE database is maintained by the National Counterterrorism Center (NCTC) in conjunction with the Terrorist Screening Center (TSC).

Confirmed positive matches are included in the CBP BorderStat—TIDE report. This report is generated by the CBP Office of Intelligence and Operations Coordination (OIOC) and is designed to provide CBP personnel a monthly, quarterly and yearly snapshot highlighting terrorist-related encounters of individuals identified in the Terrorist Identity Datamart Environment (TIDE) database. The statistics used

in this report represent CBP's tabulation of positive TIDE encounters as reported by the NTC and Border Patrol.

Although data regarding positive TIDE matches (PTMs) that were refused entry at the land borders were not formally collected until calendar year 2008, a rough calculation of the FY 2007 data for PTMs refused entry concludes that 65 instances occurred on northern land border and no instances occurred on the southern land border. There were an additional 213 instances of people refused entry based on suspected terrorist connections, but these occurred at airports and seaports—primarily airports.

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Mr. FARR. Five, six?

Mr. JACKSTA. There is more than that. I would say that on a regular basis, we stop individuals——

Mr. FARR. This is nexus to terrorism?

Mr. JACKSTA [continuing]. Who have some kind of relationship to terrorism that we have to——

Mr. FARR. On the Canadian border?

Mr. JACKSTA. Yes, sir.

Mr. FARR. Now how about on the Mexican border because last year you did not have any?

Mr. JACKSTA. I cannot give you the number on that, sir. I do not have the exact number.

Mr. BASHAM. We will have to get back to you with the number, Mr. Farr.

Mr. FARR. The reason I am interested in these numbers is because I think it has to do with the this whole testimony. It is always based on the Mexican border.

So it seems to me what we are doing is we are arming the Mexican border. We have got every asset that technology can buy on that border. Yet, the people who are crossing are the most vulnerable, according to arrest histories is the Canadian border.

So we really have two policies. One policy is to keep undocumented people out of the United States on the Mexican border; and our other concern is that if terrorists are going to come, they are probably going to come from the Canadian border because that is where the history shows it is easier to get in.

These things are controversial, and the controversy is along the southwest border. It is a long border; it is about 2,900 miles of the whole border, creating these country concerns with our neighbor. Yet we are not doing the same thing on the Canadian border. If we were, we would have probably them screaming equally as loud.

Yet, from a risk-management standpoint, it sounds like the Canadian border is the higher risk than the Mexican border.

Mr. JACKSTA. I would just add, sir, I think as the Commissioner mentioned, there are a couple of things that we are doing to try to address that.

The first one that we tried to address on January 31st was preventing people coming across the border with just an oral declaration, both Canadians and U.S. citizens. That is a big step in identifying who is coming across and requiring them to identify who they are and their citizenship.

The other things that we are doing is that we are putting equipment up there. We are putting technology for our officers to use the radiation portable monitors, both for vehicles and trucks. We are putting out big ticket items regarding the ability to take back as pictures of cargo coming across and the vehicles.

Mr. FARR. How about the portable radar systems that we found were very effective on the southern border? Are any of those on the Canadian border?

Mr. BASHAM. General Kostelnik can give you some information on the air wings we are going to be deploying——

Mr. FARR. That is what you are flying. These were stationary, remember the ones we visited?

Mr. BASHAM. Yes, the ground-based radar that we saw out in Nohair Hill and at——

Mr. FARR. Yes. Yes, the one that I felt, as well as the men and women on the ground, that that was the most effective tool you had.

Mr. BASHAM. Well, we actually, Greg, what, 40 additional——

Mr. JACKSTA. Thirty-six.

Mr. BASHAM. I am sorry, 36. We just purchased 36 additional ground-based radar systems. Some are the ones you saw that are mobile.

Mr. FARR. How many of those go to the Canadian border?

Mr. BASHAM. I do not think we have any right now, do we? Right now, there are only four deployed in the field, the others are manufactured by the vendor and they are deployed to the Tucson sector and the Yuma Sector, which account for over half of all illicit trafficking between ports of entry.

Mr. Jacksta was referring to ports of entry. Between ports of entry, we had 858,000 arrests, and 1.1 million pounds of narcotics seized on the southwest border; and only 600 people were arrested crossing illegally from Canada into the United States last year by border police.

We have tripled our staff over the last years on the Canadian border, and we are bringing a robust technology to the Canadian border. We will have 2,200 agents up there by 2010. So we are increasing staffing, technology, and, to some degree, even infrastructure probably, as required on the Canadian border.

The ground surveillance radars, they are fantastic. My son is a border Patrol agent and he called me the other day to say: I arrested 52 people. We chased. They split into a group of 25. I got reinforcements and we were able to capture them.

He said: Dad, that ground surveillance radar is fantastic. It makes a difference. So we are believers in it, and that is why we are acquiring and building more, augmenting what we are doing with SBI and SBInet.

We are very worried, and very concerned, for different reasons on the northern border, as we are on the southwest border. But both are equally a threat to the security of the United States of America.

The nearly one million entries in the U.S., and nearly two million pounds of narcotics interdicted by the Border Patrol last year, speaks to part of that threat. Terrorism comes in many different ways, not just a foreign-born person.

But along that line, on the Canadian border last year, we arrested 122 people, most of whom did not enter from Canada. They happened to be transiting near where we were working up there, or were institutionalized up there, when we captured them, from foreign countries of a special interest, and we know which countries those are.

On the southwest border, we arrested 297, so significantly more than——

Mr. FARR. What was the first number?

Mr. BASHAM. It is 297.

Mr. FARR. On the southwest border?

Mr. BASHAM. Yes, sir.

Mr. FARR. And how many on the northern border?

Mr. BASHAM. It is 122, and it does concern us.

As we all know, about the discussions about interests and groups in vulnerabilities, and we are staffing up both the southwest border, the coastal marine, and the Canadian border. Thank you.

Mr. PRICE. Thank you.

LEO STATUS

Mr. Jacksta, as you well know, our committee included language in this year's bill to convert CBP officers to law-enforcement officer status.

The budget proposal coming from the administration proposes to repeal that provision, repeal the provision that would provide law-enforcement officer retirement, and other benefits to CBP officers, and would rescind the $50 million provided in the 2008 Appropriations Bill to begin this process on July 1 of this year.

Mr. JACKSTA. Commissioner, I know that CBP has issued public statements supporting the law as enacted, and I am confident that you plan to continue the preparations to implement the law.

Mr. PRICE. Let me ask you about the underlying rationale for what we did, though, and the kind of conditions that you are facing.

In your opinion, does recruitment and retention of CBP officers remain an ongoing concern, and will these provisions be helpful?

Mr. BASHAM. First off, Mr. Chairman, I cannot think of one thing in my 37 years in law enforcement that has been more positive for the people, the men and women out there at our ports of entry, than what you have done by recognizing them as law enforcement officers.

Recruitment and retention remains a problem with officers transferring to the FBI, or to ICE, or the Secret Service, so I feel it would be helpful. However, in answer to your question, we recognize, and are moving forward, to implement the law as the Congress has mandated.

And we will, on July 1st, be prepared to convert the 18,000 CBP officers into that system. Funding, clearly, is an issue that we are concerned about for 2009, as you recognized. But I believe when I have been out there in the field, the one thing that I can tell you that has been extremely positive is what you have done for these agents and officers is recognize them.

Mr. PRICE. Thank you.

Mr. Jacksta, would you like to elaborate about the kind of steps you are taking, and whether you think those steps are sufficient to implement this law in the third quarter of this year?

Mr. JACKSTA. Is that the WHTI requirement, sir, or the law enforcement——

Mr. PRICE. No, I am talking about the Law Enforcement Act requirements.

Mr. JACKSTA. Well, from a CBP officer's perspective, as the Commissioner mentioned, this is something that is very valuable.

We believe very strongly that our officers, over the years, have been performing more enforcement work, and this is the recognition that they finally deserve for the efforts that they have been putting out there.

We will work within CBP to make sure that we can move forward and we are moving forward on July 1st to give the officers the option of joining this retirement system.

Mr. PRICE. Well, from my own perspective, and I think that of many members, I think repeal is highly unlikely.

We realize there is a challenge with respect to 2009 funding, and we intend to apply ourselves to that challenge as we write the bill.

Mr. JACKSTA. I also think it is important that it is going to help us with recruiting.

As you know, it is very difficult to recruit people to join various law enforcement agencies. We think this is going to be an excellent opportunity for people to see their capabilities and the ability to be recognized, that is law enforcement.

P–28

Mr. PRICE. Thank you. I now want to return to the P–28 matter that Mr. Rogers explored in some detail.

And I do want to make sure, though, that we know what the take-away is from today's session, as they say, about what you are gaining from that effort, from that experience, and what your plans are going forward.

Then, I want to give Mr. Stana, who has worked on this considerably, a chance to comment on both looking back and looking forward on this episode.

My basic question is: How do you rate the benefit that the Border Patrol has derived from P–28, and what more are you looking for?

Mr. BASHAM. Well, first off, I would say that I feel that the P–28 is in fact adding operational value to the Border Patrol. And at the break, I was speaking with Deputy Chief Colburn about what they are saying in the Tucson sector at P–28 and the value that it has added in terms of apprehensions, and the Chief has got some numbers here which I think are very impressive numbers that are coming out of P–28.

Mr. COLBURN. Thank you, Mr. Chairman.

Mr. PRICE. Yes, sir.

Mr. COLBURN. The beauty of what we are being allowed to do to call us as the American people the customers with SBI, SBInet, in both tax flow infrastructure and the Smart Borders technology is that we get to set the requirement. We go to the field to our tactical commanders and those on the ground that are setting the re-

quirement and telling us what they believe they need and what our vision is to SBI, to Greg and to Boeing and to those who are involved in the acquisitions of the technology or the assistance of design for a fence.

With that said, with P–28, what we described to them in general terms was we need the capability to detect an entry or an incursion into this country, an attempt to come in. Besides detecting it, then we need to identify and classify is it a threat, is it something that we need to respond to. Then we need the capability to respond and then finally resolve, interdict the rest.

With that said, just in the last four days, in the P–28 area that we assigned value to that equipment, Smart Borders technology, we had 223 detections the last four days. Of those, we arrested 103 people and turned back 55. That is about an 88 percent to 90 percent effectiveness to call it that of those that we were able to detect, identify and classify as a threat, meaning foreign-born nationals or mules as we call backpackers of drugs, types of threats and risks coming into the United States, and actually be able to respond to it and make the apprehension or turn them back and get a count of that.

So we are pretty pleased with that. So far we have 2,495 arrests that the agents in the field assigned have used the technology that is now in place in that area just in the past couple of months. Some of those arrests were during the test and evaluation portion where agents were given for a short time the ability to get hands-on and eyes-on and use the equipment, about 1,418 of those arrests. But so far we assigned 2,495 arrests to the equipment. We are pleased. We still have a lot more to do, but we are pleased so far with what we are gaining on the border in Arizona with that.

Mr. PRICE. All right. Mr. Stana, you can answer in more detail for the record obviously, but I wonder if you briefly could indicate what your reasons are or what reasons you would give for P–28 not meeting its stated goals. Are we talking here about errors in contract or task order design? Are we talking about some kind of failure to capture in advance all the requirements by stakeholders? Are we talking about some combination of factors? And then what your expectations would be going forward as we have discussed them here today.

Mr. STANA. Sure. I think I would like to answer it this way. There is an expectation gap as we have seen at the GAO between what the task order expected on a performance standard and what the performance-based contract lists as the deliverable.

In the performance-based contract, there are very carefully prescribed—I mean, I am sorry, in the task order, there are very carefully prescribed metrics like being able to identify 95 percent plus or minus 5 percent of all border crossers, and be able to classify them. There are others and I can go through them, but they are in the documents, and maybe I do not need to do that here.

On the other hand, when the Department says that they met contract requirements, when Boeing met contract requirements, that may be true, but the contract requirements are much broader and more output-oriented like deliver this many towers, this many cameras, this many radars. So they could be right that they met

contract terms, but is it working consistently and to the expectation of the performance standard? Not always.

We had my staff in Arizona just a week before the Department accepted. We asked one of the agents who was showing us around in a vehicle with P–28 equipment to stop next to the tower and turn it on and let us see what it shows. And this was an experienced agent who had used it. It took him 10 minutes to get a picture, 10 minutes to get a picture. We also found out that once the radar acquires a target, the camera is supposed to train in on that target, but that is done automatically about half the time. The other half of the time, a person with a joystick has to manually work the camera to find what the radar is finding.

We heard of hotspots where you can pull a signal down and areas where you cannot pull a signal down. So I think it is important as we move on and put Project 28 behind us so to speak not to lose those lessons. On one level CBP says it was a success, and I have no doubt that there could be camera acquisitions that are extremely important to the Border Patrol. There could be radar acquisitions that are extremely important to the Border Patrol. We have had cameras on the southwest border for years doing the very kinds of things that we see in some hearing rooms where they train on a certain number of crossers coming across the border.

Going on from here, though, I think there are basically three lessons, and I think the SBI people are learning these lessons, one is that the Border Patrol has to be involved much earlier than they were in defining the requirements of the system, and there are some open questions still. Should the Border Patrol take control of cameras and radars in the vehicle? Is that necessary? It is costly. Is that necessary, or should they go on the dispatch model that has worked I think in these instances CBP is talking about?

The second thing is—I think Boeing is addressing this—is that the equipment and the software need to be tested before you field it, before you deploy it. You are going to save yourself lots of problems by doing so. That was the eight-month delay here. And by the way, I ought to mention we never said that the eight-month delay resulted in the three-year delay. That is a strawman argument. We never made it.

And finally, the third thing is is that I think maybe our overall expectations have to be tamped down a bit or at least made a little more realistic. This is a tough thing to create a virtual fence, and to think that you could take off-the-shelf hardware and easily integrate it with software and within a matter of months come up with a working camera and radar system that is going to integrate the signals from sensors and UAVs may be one of the lessons we learned. And I think what was learned in the deep dive in September is it is going to take a little more time than we had hoped to make this all a reality, that it works consistently to our satisfaction and expectation.

Mr. PRICE. Thank you, sir. Mr. Rogers.

Mr. ROGERS. Let me ask you, Commissioner Basham, about DHS's original SBI goal for securing the entire southwest border by 2011 and how or if that has changed given P–28's delays.

SBI GOAL

Mr. BASHAM. Going back to the original conversations I know that you had with Secretary Chertoff on this particular subject, I think there were certain, Mr. Rogers, I think there were certain assumptions that were made. And as the Secretary I believe discussed at that time, operational control of the southwest border depend on several factors, getting a comprehensive immigration reform bill through, getting additional interior enforcement and increasing the numbers of agents that would be working these worksite issues, funding that would be necessary to build the fencing and to continue to build the virtual fence on the border.

It would be very disingenuous for me to now sit here and give you a date or a time that we are going to be able to accomplish that. There are many factors that have to be taken into consideration. How are we going to progress on technology? Where is the spiral technology going to take us and how quickly can we get there? Deploying the number of Border Patrol agents needed. Again, the fencing and the vehicular barriers that need to go into place.

So we are going to be pushing to meet those goals. We are going to be pushing as best we can to deliver what you have required of us. But I cannot with any assurance tell you right now that we are going to meet that, and I would not want to come back up here and face you again and have to explain why we did not meet a date that I am not sure we are going to be able to meet.

And, Greg, you are certainly welcome to jump in here on this issue in terms of the——

Mr. GIDDENS. Well, sir, as I mentioned earlier, what we are working the program to be in a position to do is to field our first operational spiral this summer, have a deployment decision for a broad deployment after that and then really looking at what the available funding would be moving beyond that.

Mr. ROGERS. All right. Let me switch——

Mr. BASHAM. I would like to just follow up, Mr. Rogers. That is not to infer, however, that we are not making significant progress in terms of getting the border secure. As we have said, we are hiring additional agents. We are deploying the infrastructure. We have made progress. The apprehensions that are going down between our ports of entry. So we are making significant progress in getting control of the border, but like I say, to put a date specific where we put our stamp on a piece of paper and say it is done, I am just not in a position at this point to be able to say that.

AIRCRAFT ALLOCATION

Mr. ROGERS. Let me switch gears now onto something completely different, and I want to ask General Kostelnik about this. In the Caribbean area in the deployment of maritime patrol aircraft from Puerto Rico, they told me that three, I think three of the planes that were based there have been transferred elsewhere, leaving them only with the Dash 8. I think I am correct on this.

Mr. KOSTELNIK. Well, as part of our normal processes, we are always reallocating aircraft within the service and the various operating locations based on aircraft ages, mission needs and so forth.

There are originally in CBP Air Marine six C–12 maritime aircraft. These are the three aircraft that you are referring to. And originally before the Dash 8 acquisitions, we had those aircraft, three deployed in Puerto Rico and three deployed in Miami doing maritime work, which is a very important AOR.

In our planning, it was always the plan to replace those aircraft with the much more capable and dependable Dash 8. That is a brand-new Bombardier aircraft. I know that we are in the process of fielding, and it was always the intention to replace two of the C–12s with that Dash 8. The third aircraft was reallocated as part of the northern border branch standups in Washington, and that airplane, that third airplane, is being now replaced by a loaner aircraft, a chit aircraft in fact from Jacksonville.

The fourth Dash 8, actually we just accepted the green aircraft this month. That is being modified for the maritime patrol environment, and that aircraft will return to Puerto Rico. So, at the end state, you are going to have two brand-new modern, more capable Dash 8s replacing the original three C–12s that were originally planned to be retired. So there is no net plan to reduce our fixed wing capability in Puerto Rico, and what you are seeing is a temporary reduction in the number, but actually the airborne flight hours that we can dedicate to the mission is actually enhanced with the Dash 8 that is present.

Mr. ROGERS. Well, the Dash 8 is a great plane. We took a tour on it patrolling Mona Pass. But the mission in Puerto Rico being a U.S. territory and being a magnet for drugs and smuggled personnel particularly from the Dominican Republic across that 60-mile-wide sea headquartered around Mona Island is a critical area, and the Coast Guard says that when they do not have your plane up there, they do not have any eyes and cannot deploy their marine assets. So it is a critical place and a critical piece of machinery that we need there, and I am hopeful that it can be resolved.

Mr. KOSTELNIK. We are working this very hard. In fact, I think you may realize thanks to the appropriations we had last year we actually this year procured an additional three Dash 8s that will be deployed into this scenario, so ultimately we are going to have a substantial augmentation to the maritime fleet in that area.

Plus we are in the process of working towards advanced technological solutions to augment the manned solutions. I think you are probably aware that we are developing a maritime variant of our predator capability in concert with the U.S. Coast Guard, and in fact this month in the Gulf of Mexico, we will be deploying the United States Air Force CREDA Aircraft, their developmental predator with an Israeli seaview radar that we are working to come up with the joint requirements between us and the Coast Guard.

So we realize the importance of that scenario and are not only acquiring new aircraft manned to deal with that scenario, we are also adding unmanned aircraft and our potential needs to meet those needs downstream.

Mr. ROGERS. Yes. Well, yes. The UAVs, but then you have got all that commercial traffic in the Caribbean and the Miami area that I wonder about the unmanned aircraft. I am wondering whether the FAA is going to be cooperative in all this.

Mr. KOSTELNIK. Well, it is a complex arena as you know. There is a lot of concerns and issue with that, but if you look at the aircraft that we are flying, it is one of the most sophisticated around and one of the most experienced. It has been in service with the United States Air Force for more than a decade, used very effectively overseas. This aircraft is very capable.

With all the command and control facilities we expect and the way that air and marine operates through our Air-Marine Operations Center out of Riverside, we are completely integrated with the FAA. When the aircraft flies, it does fly on an IFR flight plan, has IFF to identify itself from other aircraft. And we believe that this aircraft and our mission and where we fly and when we fly and how we fly it, we think we can safely fly this in these areas.

I mean, we will work very closely with the FAA. In fact, this maritime demo that is going on this month in Florida, one of the desired outcomes is to see some of the interface issues that we might have working through the Air Force ranges in the Gulf of Mexico and then in the airspace in the Key West AOR to determine what the requirements might be. So we are very aware of those things, working very closely with the FAA to resolve those issues downstream.

BIOMETRICS/10 PRINT

Mr. ROGERS. I want to ask any of you that would like to respond, but down in Puerto Rico, we observed the Coast Guard when they intercept smugglers or particularly people trying to escape to the U.S. territory on board the Cutter. Now they are able with a mobile unit to take the 10-fingerprint test and that instant check it against the database to determine whether or not the person that they have apprehended is a repeat offender or wanted for arrest or whatever or a terrorist.

Mr. BASHAM. Right.

Mr. ROGERS. And that is apparently having really good effects. Am I correct in that?

Mr. BASHAM. You are absolutely correct. And I can let Bob certainly address that.

Mr. MOCNY. Absolutely it has. Well, just in the short time that we have put this together, the year before, the Coast Guard had one prosecution in that year prior. So far since we have had the program in place, we have 118 individuals now prosecuted, many of whom have been brought back to the U.S. and prosecuted for crimes they have committed here in the U.S. So it is a resounding success working with the Coast Guard in deploying the biometric devices.

We just began an expansion of that now to the Florida straits, so in addition to the Mona Pass, we will now be deploying these devices also to the areas in the Florida straits. So the Coast Guard obviously has seen this as a very positive development for their officers. We will continue to deploy this as needs be and again to satisfy their operational needs.

Mr. ROGERS. I have just got to tell you I have been on this stuff for 26 years or whatever now on the old Commerce, Justice, State subcommittee that funded the State Department and the old INS, and to see that operational, and we actually ran it while we were

on the Cutter out at sea, to see that work and to see instantaneously a flashback from databases confirming or not confirming the identity of somebody on board a Cutter in the middle of the sea was absolutely thrilling. I have to tell you that. We need to use more of that kind of technology to do the job we are doing.

Mr. BASHAM. We are going to be going to Puerto Rico next week and looking at exactly what you saw down there and so would be happy when we come back to sit down with you and talk to you about some of the thoughts that we gained from that trip. And General Kostelnik is going to be going down with me as well, so when we get back, we will try to reach out.

Mr. ROGERS. I was very impressed with all of what you are doing there in that vicinity because it to me was a microcosm of the Department of Homeland Security, coordination between Coast Guard, ICE, Border Patrol, CPB, Air, US–VISIT, everybody, and that is a model that I would like to see us repeat in other places. So I would like to hear.

Mr. BASHAM. And I think you have been to Rejada South if I am not mistaken in Key West, which is also a piece of all of that, being able to look in and interdict what is coming at us.

POE OWNERSHIP

Mr. ROGERS. Yes. Now to finally wind up in a wholly different topic, we talked before on the points of entry. Originally, of course, they are owned by GSA and maintained by GSA in an era and it was done that way in an era when we had Agriculture and Commerce and FBI and everybody else on the borders out those points of entry. But now that Homeland Security is the sole occupant of the points of entry, I think DHS needs to own and operate those points of entry, because we can modify them and change them as we get the money to accommodate the new needs of US–VISIT and all of the agencies within DHS. We have had some discussions about that. Are we going anywhere with that?

Mr. BASHAM. Well, Mr. Rogers, we have had numerous conversations with GSA on this point, and we are concerned at the funding level for our ports of entry. I think in 2009, I think there is 78 million——

Mr. JACKSTA. Seventy-four.

Mr. BASHAM. Seventy-four million dollars that has been budgeted for our ports of entry. Our estimation of what it is going to cost us to expand and improve the ports of entry is something in the neighborhood of $5 billion. What I would like to see, what I would like to propose and have discussion on, do we now need to create for our ports of entry an SBInet approach, an SBI approach where we are looking at the infrastructure, we are looking at the staffing, looking at the technology that is going to be needed to meet the demands that we know we are going to face in the years to come, putting together what we would propose is $500 million for a 10-year period to address this problem.

We do not necessarily feel that we have to have the money as long as we would have an assurance that if that money were appropriated to GSA that that money be walled off for infrastructure for our ports of entry. But we are going to face a very, very serious

challenge in the years to come if we do not do something about the port infrastructure.

Mr. ROGERS. Mr. Stana, do you have a comment on that?

Mr. STANA. Well, in addition to GSA owning about 96 ports, you have private ownership of about 24 ports, which makes this even more difficult to accomplish. But I think your central point is correct. You do not take a 1960 Chevy and put GPS on it and a satellite radio and power windows and brakes and call it a new car. Perhaps we need to take a more comprehensive look at what a 21st century port should look like, particularly when we are getting more and more concerned about easing the passage of legitimate travelers and cargo through the ports.

Mr. ROGERS. Well, I just do not see the cooperation between GSA and DHS at the points of entry in modernizing them to accommodate the new needs that we have with US–VISIT and all your other operations. And the longer we do not have that conversation, the more costly it is going to become, and two, more importantly, we are going to miss some important things that we need to do.

Mr. STANA. Well, you are right, because GSA has a different priority system, and ports might not have as high a priority as they would have in DHS.

Mr. ROGERS. Right. Exactly. Will you pursue that, Commissioner?

Mr. BASHAM. I certainly will, and I will get back to you and let you know what conversations we have.

[The information follows:]

CBP operates and is the primary tenant at each of the ports of entry while the U.S. General Services Administration (GSA) is the primary owner or lessor from various public/private entities. therefore, it is essential that both organizations work in concert to ensure that the site and port infrastructure effectively supports operations. To properly accommodate this reality, CBP continues to partner with GSA to address the balance of facility requirements in the land port inspection facilities. Specifically, this partnership is premised on three key objectives: Increasing the funding available to develop and sustain land port infrastructure, reducing the cost and time that GSA requires to deliver land port enhancements, and improving the performance of the resulting facilities. Over the coming fiscal years, both CBP and GSA plan to continue building upon this partnership to implement this new model across the inventory.

Mr. ROGERS. Thank you.

Mr. PRICE. Thank you. Mr. Rodriguez.

Mr. RODRIGUEZ. Thank you very much. And, Commissioner, thank you for agreeing to dialogue with me on those issues, and I look forward to working with you. And I agree, Mr. Giddens. There are some that are not going to yield, but we have got to do what is right in securing our borders and making sure that that occurs.

NATIONAL PARKS

I want to follow up on our national parks. On both borders, we have a large number of national parks, and I want to make sure, maybe get some feedback from you as to it, because we have a million people, for example, at La Amistad. It could easily double to two million. It is beautiful. We get 350,000 at Big Ben, and right now they are pretty secure. In all honesty, as far as I know, there are no problems, but I do not want it to get out of hand such as we have had in others. And we want to make sure our Americans

can go out there and take advantage of those beautiful parks. And I know that there is a good number on the Canadian border. And I wanted to get some feedback from you, either from yourself or the Border Patrol, on those issues.

Mr. BASHAM. Yes. We have had, as you well know, many discussions with the Department of the Interior, Bureau of Land Management, on these issues. And you mentioned Organ Pipe, and we recognize that we have a challenge there. But in terms of what has happened in the discussions, I will let the Deputy Chief give you some idea of what we have been doing in those.

Mr. COLBURN. Thank you. We do have a very good and close working relationship with the five major bureaus in the Department of the Interior. That helps a lot since many of the publicly stewarded lands fall within the auspices of DOI. Department of Agriculture, Forest Service Lands, for instance, also has a big piece along the border.

Where I hail from, Yuma Sector, and I did have the honor of hosting many of you on visits to the sector while I was still chief there before coming up here as deputy, 96 percent of all of the lands abutted to the border between the U.S. and Mexico there are publicly stewarded lands either with U.S. Fish and Wildlife Service, Bureau of Reclamation, Bureau of Land Management, Department of Defense and Travel Nations. So it is a quite a mix.

That is in contrast to Texas where most of the lands along the border are privately owned, as you know, but you do have some parts as you mentioned. The Organ Pipe Cactus National Monument even on an environmental website was listed as the most dangerous park in America I recall. Having worked there myself, the illegal alien and narcotics trafficking, smuggling that was going on in that park five to seven years ago was dangerous enough that Kris Eggle, a park ranger working closely with two Border Patrol agents on an interdiction, encountered a narcotics trafficker, a hitman with an AK–47, and unfortunately Kris lost his life in the line of duty working closely with the U.S. Border Patrol.

So it is a shared mission, shared interest when it comes to securing America's borders. Their concerns with Department of the Interior of course is protecting the American public who want to enjoy and use those American public lands. Ours is in securing good order.

Mr. RODRIGUEZ. What do we need to do I guess? And maybe this was I guess to my Chairman in terms of how we make sure that they get resources or you get resources to make sure that that comes. And that also brings me to the other issue.

CAVE ERADICATION

As we look at the border and as we look at the other committees that allow, for example, now Mexico to get 1.4 billion or whatever is recommendations from, when we do something such as getting rid of the cane on this side, it also would make sense to get rid of the cane on the other side, especially in Texas with the river. And it just gives you a few more minutes or even more time there, and so I wanted to see if you would comment on some of those.

Mr. COLBURN. I think that first part talking about working with our partner agencies on the U.S. side, we honestly could not do it

alone without the help of the Department of Interior. For instance, we are actually clearing invasive brush along the Colorado River that forms the border where you saw it when you visited Yuma Sector. We are actually doing that. We could not have done that without the assistance of Department of Interior, so that is working very well in partnership.

With the government of Mexico, with the Border Safety Initiative, the accords that we have with them and the funding that probably will happen that you mentioned, we think that the ability to do that in a binational effort probably exists greater now than ever before certainly in my nearly 30 years doing this have I seen the relationship with Mexico in not on our watch securing the America borders. They share that interest. They do not want an act to happen in this Western hemisphere just as we do not either, and that is very encouraging with our partners to the south.

Mr. RODRIGUEZ. And I guess, Commissioner, that would be an area that as we look in doing certain things on this side where the Mexican side could be helpful to both sides.

Mr. BASHAM. Well, and I think you are familiar with some of the programs that we are initiating down there on the border, Streamline where we are prosecuting illegals, Oasis where the Mexican government has agreed where we will not prosecute some of these apprehensions, the Mexican government takes them back and prosecutes them on the Mexican side, and we have been very, very engaged with the law enforcement elements in Mexico on our border violence protocols. So there is a lot of very good work aside from the stewardship of the public lands, a lot of good work, a lot of effort just from an enforcement to stop the flow, which is really the problem.

Mr. RODRIGUEZ. Okay.

Mr. BASHAM. That is the problem.

Mr. RODRIGUEZ. And thank you, Commissioner. And once again, thank you for agreeing to dialogue with me on the border issues regarding the fence. Thank you.

Mr. PRICE. Thank you. Mr. Farr.

US–VISIT PROGRAM

Mr. FARR. Thank you, Mr. Chairman. I have got a lot of questions racing through my mind. I am sure I am not going to have time to get them all out, so I am just wondering if you could get me some information. I would be curious as we compare these borders if you could give the committee the manpower that we have on the Canadian border and the value of equipment and assets, total air, all the other radar, so on, all the other assets of equipment along the Canadian border versus along the Mexican border.

I want to go specifically to one thing that I am really concerned—the US–VISIT program. And I understand that under that the goal is to collect, store and share digital finger scans and digital photographs essentially for everybody coming in and out of the United States?

Mr. MOCNY. That is correct. Foreign nationals coming into the United States.

Mr. FARR. But the goal is to sort of know where the bad guys are, but it is going to happen for every tourist coming in? So they

suspect that everybody who tours the United States is a potential threat?

Mr. MOCNY. Well, the goal really is to identify people who they really are, and we want to make sure that the people who are showing up at the ports of entry are in fact the rightful holders of that visa. So the process starts with the State Department when they take the initial fingerprints of the individual.

Mr. FARR. So every consulate, American consulate abroad who issues those visas will have the equipment for digital photography and digital fingerprinting?

Mr. MOCNY. They do now.

Mr. FARR. They do now?

Mr. MOCNY. Uh-huh.

Mr. FARR. And so how do you collect that on the port of entry?

Mr. MOCNY. Well, it is the same way they collect it at the consulates overseas.

Mr. FARR. I mean, how do you verify it at the port of entry?

Mr. MOCNY. What happens simply is when the person gets a visa, they are taking 10 finger scans now. We are transitioning from a two-finger scan process to a 10-finger scan process, and so those 10 finger scans and the photograph are taken at the consulate and embassies overseas. That is married then to the visa that they are given.

When that individual shows up at a port of entry, then a verification of those prints, and sometimes it is just the slap of one hand now at those locations where we have the temperant device, or it may be still—again, we are in a transition phase—it may be the two-finger scans.

Mr. FARR. So every single passenger (presuming they are all carrying visas) will have to do that?

Mr. MOCNY. Any foreign national carrying a visa or coming under the visa waiver program. And there are slight exceptions such as diplomats do not go through the process.

Mr. FARR. And then I am just curious from a tourism standpoint, how long does it take to process an A–380 with 500 passengers coming out?

Mr. MOCNY. Well, no longer than it did last year or, excuse me, no longer than it took before we had the biometrics. We have been able to incorporate into the inspection process the process of taking the finger scans and the photographs so that you have basically no wait time increase based on the biometrics. You have an increase in security but without any impact on the facilitation.

Mr. FARR. And what about those places where we only have a few consulates, like Brazil? It would be like being a resident of Los Angeles and having to go to Chicago to get your visa.

Mr. MOCNY. Yes. I know the State Department is looking at ways we can facilitate that. They are looking at pilots where they can perhaps use video conferencing to take the biometrics such as that, but they are conscious of that issue and I think they are trying to find steps to make sure that when we still need the person to come into a consulate in person or at least be interviewed by the consulate in person that we have to get their biometrics, so they are trying to find new technology that might allow for that to happen in more remote locations.

Mr. FARR. And how much additional workload do you think you are going to have now that you are going to be detect overstays?

Mr. MOCNY. Well, there is an impact to ICE, no doubt about it. When we send the 250 cases to ICE every week, they have to prioritize those cases and they have to go over the most egregious of those who are overstaying. The fact of the matter is people do come here and will violate their visa, but we are now in a better position to identify who those are and ICE now has with increased resources been able to go out and make arrests and remove people who are overstaying their visas.

Mr. FARR. I would be interested in that array of who those people are. I mean, how many are students?

Mr. MOCNY. I am sure we can get that to you, sir.

Mr. FARR. Okay. When do you think all this is going to be in place so it will be seamless?

Mr. MOCNY. Well, we certainly have the——

Mr. FARR. Your testimony is that it is all sort of a work in progress.

Mr. MOCNY. Certainly. Well, we have the entry in place, and we are now again transitioning from a two-finger scan process to a 10-finger scan process. Our next challenge is to complete the exit, and so our plans are through 2009 to implement portions of the exits for air and sea but also to begin looking at how we might tackle that at the land border ports of entry.

Mr. FARR. And how many ports of entry will you have them operational in?

Mr. MOCNY. Well, we do have biographic exit right now, so every port of entry, every air and sea port of entry where people depart from the airlines, and this is something that CBP monitors quite vigorously, people have to, the airlines have to provide electronic manifests of those individuals departing the U.S. So we have a biographic record of their exit. What we are working on now is a biometric record of that exit, and that is working with the airlines and the cruise lines.

Mr. FARR. And can you make that? Because you indicate in your testimony there you are getting an $85 million decrease in your budget.

Mr. MOCNY. The portion of the budget required for the exit is well-funded. The reduction there has to do with having completed the interoperability issues with the FBI and the completion of deployment of temperant devices. So we asked for the money that we required to move to temperant and to interoperability with the FBI. That will be concluded in large part by 2008, and so we will be able to move now to the exit portion.

Mr. FARR. Thank you. My last question is to the GAO about whether they think that the exit program will be completed by 2009.

Mr. STANA. We have not seen the plan yet, so we do not have a basis to judge. Air exit pilots have not been very successful, but we do not know if they are going to go to a different mode of exit collecting data. They tried to use the voluntary kiosks, and I think

there was only about a 24 percent success rate, and the goal was 70 percent.

Land is a tough nut to crack, frankly, because right now the technology would permit a mirror image of entry to exit, which would cause all kinds of construction and technology upgrades and things like that. And frankly, from what we understand, it could take another five to 10 years before the technology is mature enough that you could have an exit capability that would capture the kinds of information to verify someone's exiting without inconveniencing or slowing down people trying to exit the country.

But as for the 2009 air plans, we would have to look at their plan before passing judgement. The tendency of the airlines has been to push their operations out. You can get your boarding pass online in your home. You do not have to contact the airlines anymore. And so if we are counting on the airlines to do something at the airports, that may be a challenge. They may balk at that. So we will just have to see what the plan is.

Mr. FARR. Well, we are also moving for perimeter security where you can have your baggage checked in before you even get to the airport.

Mr. STANA. Yes. It is going to be a challenge, particularly at land ports.

Mr. FARR. Well, I am concerned. Jon Porter and I are chairs of the Tourism Caucus, and there is a lot of pushback in the tourism community about the inconvenience that this going to cause. You know, members of Congress do not see it because we always get VIP status, particularly when we are going to another country. And we do not have to stand in those lines and go through all that stuff.

Mr. STANA. On the other hand, I would say that this is a system that is required by law, and estimates have it that about a third of the illegal alien population in the United States came through ports of entry on a visa and overstayed. So, if we are talking about a comprehensive method to address this issue, then some sort of an entry-exit system would seem to be a part of that.

Mr. MOCNY. If I could, we have been endorsed by the Discover America Partnership, a group I am sure you are well aware of. We work very closely with the travel and tourism industry, understanding that we have an economic security issue to worry about as well. So that is why we kind of do things in increments. We test to make sure we get it right. We have the 10 locations right now where we have the temperant devices. We are not going to move beyond the 10 until we get that procedure right so that there is not a major impact on operations for CBP. We are confident that we can do that, and then we will do a full deployment.

So between Discover America Partnership, TIA, Roger Dow, who we meet with on a regular basis, I think we are very well versed on what US–VISIT has done, and I think if you ask the travel and tourism industry, I think they will speak highly of what we have done to make sure that we are not kind of sacrificing our economic security on the altar of security.

Mr. FARR. Well, they are highly concerned. Airlines do not want that role, they are concerned that they will take on extra burden without being paid for it.

Mr. PRICE. Thank you. I appreciate the gentleman's line of questioning, and we will be asking Mr. Mocny and the GAO to elaborate some of these answers and to answer some additional queries about the process going forward for US–VISIT.

I want to just clear up something, Mr. Mocny, one of your answers to Mr. Farr. I understood you to be saying that you will complete the air-sea exit solution deployment in fiscal 2009 or that you anticipate being able to do that. Is that correct?

Mr. MOCNY. On the air-sea side, we are fairly confident that in working with the airlines and the cruise lines that we will have a solution, and our original goal was the December 2008 timeframe. We of course are having some administrative issues in getting an NPRM out, a notice of proposed rulemaking, so we will continue to work with OMB and with the airlines and cruise lines to make sure we have a solution that meets both of our operational needs, understanding that the airlines are kind of modifying their operations as well.

Mr. PRICE. Fairly confident, those are your words?

Mr. MOCNY. Fairly confident. I cannot sit here and commit to an absolute date. We had planned to have some movement on this in the December/January timeframe, and frankly, we are a bit behind on that. But I think once we have a rule out and once we get the airlines to comment on what role we want them to play in this that we will be able to move forward with this.

Mr. PRICE. We all understand how difficult that land exit solution is. I will remind you that in last year's appropriations bill as written by this committee, we asked for total candor on this. And we are not looking for deadlines that keep getting pushed out. We know it is a terribly difficult problem with a lot of potential complications, and we are not just looking for good news. We want an honest assessment of what is possible here, and as I read you today, you have been very cautious in what you have promised.

You are saying that you are going to have a land exit solution report by January of 2009, after which you will begin a planning process and incremental deployment. So that counts I think as caution. Would you venture to say, though, what kind of land border exit process you would expect to have in place let us say by the end of fiscal 2010?

Mr. MOCNY. Again, I think it is perhaps important to talk to kind of relate it to what we have been talking about so far with Project 28. We want to make sure that we get it right first. We have to make sure that we are getting the requirements down and that we are not just moving forward just to move forward. We want to make sure that we understand the environment that we are in at the land border, and there are some things that we can do.

And so I am sure the report will talk about perhaps the pieces of land border exit that we can bite off and chew rather easily, and that would be perhaps the pedestrian where you have the ability to have a controlled process by which people are leaving the U.S., walking through a turnstile, we are able to capture a biometric whether it be a fingerprint, face, iris, some type of biometric.

So there are some things I believe that we can do. I think it is fair to say that I cannot commit to a land border exit for vehicles traveling at 45 miles an hour driving into Canada or Mexico and

also then taking a biometric during that process. And so that is where we need technology to catch up to us.

What we plan to do in 2009 with the money that you will be hopefully providing to us is the planning exercises, engaging industry, making sure that we tell them what our requirements are much like we did with the temperant devices. And those did not exist a couple of years ago. We now have a device that we asked industry to engage us with, and they have kind of met our requirements. I am confident that the industry can come up with a solution. It may not be right away. It may take five years, as Mr. Stana talks about, but I believe there is a solution out there eventually.

What I would like to be able to do, though, is walk before we run and make sure that we cannot overcommit and put out in the areas where we can do it, whether it be a pedestrian, where buses arrive, where ferries arrives. We can begin that incremental process of improving the land border exit process and then work towards a solution, which of course the vast majority of which are vehicles crossing through.

Mr. PRICE. Thank you. Mr. Basham, we are aware of your time constraints, but please.

FINISHING COMMENTS

Mr. BASHAM. I just wanted to add some points to Mr. Rogers's question earlier about the infrastructure at the ports. This is critical as we move forward with the technology that we make sure we are building the kind of infrastructure that is going to give us that capability. It has to be a coordinated integrated effort and that this is a serious problem that we have to face.

Mr. PRICE. We do appreciate your time constraints. As we move on to these next steps of SBInet and the common operating picture, which of course includes a substantial appropriations request, $325 million for SBInet technology, nearly a 50 percent increase while we are dropping the fencing and technical infrastructure funding, as we move into this, Commissioner, I know you are trying very hard to learn the lessons of P–28. I assume that it is your intention to be certain that Border Patrol agents and the Border Patrol organization are involved at the outset and throughout the process to ensure that your requirements are fully met in developing the common operating picture and the ultimate SBInet solution.

Mr. BASHAM. Mr. Stana pointed out earlier that there were lessons learned, and we are learning as we go. And we do completely understand that the Border Patrol has to be engaged from the very beginning in providing those requirements that then is delivered to the program office so that we are building toward—my fear, and I think you and I have talked about this before in the past, I do not want to build something that a Border Patrol agent puts in the glovebox. We have wasted a lot of time. So it has to be something that adds value. SBInet is a tool of the Border Patrol. The Border Patrol is not a tool of SBInet. That is where we are going to.

Mr. PRICE. All right. Thank you. We will have some additional questions for Mr. Giddens and others about this program going forward, but we do need to wrap up today.

Mr. Rogers, do you have any parting questions?

Mr. ROGERS. No questions. I will be really brief. I got to thinking after I made a comment earlier this morning about the Cutter and the Mona Pass, the fingerprint IDENT check against the records, and I said there was a 10-point check. It is a two-point check. But that gets us about 90, 95 percent there, does not it?

Mr. MOCNY. We are still catching people with that.

Mr. ROGERS. Yes. Well, thank you for your testimony and more importantly, thank you for your work. It is a tough, tough job we have given to you, the country has given to you in these chores that you have been assigned to, and do not mistake our questioning for being nonsupportive. We are very supportive of what you are doing. We want to try to help you achieve the goals that the country wants for you and us, and we wish you good luck.

Mr. PRICE. Let me thank you as well and express the hope that you have found this exchange useful this morning, indicative of concerns of a wide range of committee members and of the kind of discussions we are going to want to have going forward about the budget, but we are appreciative of all you do and very appreciative of your taking the time to come together here this morning. It has been a very helpful session for us, and we are grateful.

Mr. BASHAM. Thank you, Mr. Chairman.

QUESTIONS FOR THE RECORD SUBMITTED BY

CHAIRMAN DAVID PRICE

U.S. Customs and Border Protection

Management

Question: Please list all CBP political appointee and Senior Executive Service (SES) employees who received bonuses in 2007 by position, office, and bonus amount.

ANSWER: Please see following table:

Title	Office	Bonus
Exec Dir, Mission Support	Air and Marine	$20,000
Deputy Assistant Commissioner	Air and Marine	$15,444
Chief, Border Patrol	Border Patrol	$33,036
Deputy Chief, Border Patrol	Border Patrol	$20,000
Exec Dir, Mission Support	Border Patrol	$16,605
Chief Patrol Agent (Del Rio)	Border Patrol	$14,200
Chief, Southwest Border Div	Border Patrol	$10,000
Chief Patrol Agent (Laredo)	Border Patrol	$8,000
Chief Patrol Agent (Tucson)	Border Patrol	$7,259
Chief Counsel	Chief Counsel	$23,000
Deputy Chief Counsel	Chief Counsel	$20,000
Assoc Chief Counsel (Southwest)	Chief Counsel	$18,000
Assoc Chief Counsel (New York)	Chief Counsel	$14,000
Assoc Chief Counsel (Southeast)	Chief Counsel	$13,000
Assoc Chief Counsel (Administration)	Chief Counsel	$12,000
Assoc Chief Counsel (Enforcement)	Chief Counsel	$10,000
Assoc Chief Counsel (Los Angeles)	Chief Counsel	$9,000
Commissioner	Commissioner	$33,600
Deputy Commissioner	Commissioner	$33,036
Exec Dir, Secure Border Initiative	Commissioner	$20,000
Assistant Commissioner	Field Operations	$31,000
Exec Dir, Traveler Sec & Facil	Field Operations	$20,000
Director, Field Ops (Buffalo)	Field Operations	$15,000
Director, Field Ops (New York)	Field Operations	$15,000
Dir, Container Security Initiative	Field Operations	$13,000
Director, Field Ops (Laredo)	Field Operations	$11,500
Exec Dir, Admis Reqs & Mig Ctl	Field Operations	$10,000
Exec Dir, Cargo & Convy Sec	Field Operations	$10,000
Area Director (Newark)	Field Operations	$9,300
Director, Field Ops (El Paso)	Field Operations	$9,300
Director, Field Ops (Houston)	Field Operations	$9,000
Director, Field Ops (Boston)	Field Operations	$9,000
Director, Field Ops (Los Angeles)	Field Operations	$7,500

Port Director (LAX)	Field Operations	$7,300
Port Director (LA/Long Beach)	Field Operations	$6,493
Director, Field Ops (Chicago)	Field Operations	$6,282
Assistant Commissioner	Finance	$16,500
Executive Director, Budget	Finance	$10,000
Chief Procurement Officer	Finance	$8,000
Assistant Commissioner	Human Resources	$16,000
Deputy Assistant Commissioner	Human Resources	$10,049
Director, Labor & Empl Rels	Human Resources	$7,761
Acting Assistant Commissioner	Information & Technology	$16,000
Exec Dir, Technology Ops	Information & Technology	$11,631
Exec Dir, Cargo Sys Prog Off	Information & Technology	$10,000
Exec Dir, Labs & Scientific Svcs	Information & Technology	$9,153
Assistant Commissioner	Internal Affairs	$16,000
Deputy Assistant Commissioner	Internal Affairs	$7,730
Exec Dir, Regs & Rulings	International Trade	$15,130
Exec Dir, Regulatory Audit	International Trade	$10,000
Asst Commissioner, Internat'l Trade	International Trade	$8,128
Assistant Commissioner	Training & Development	$7,500

Question: For non-SES employees, please list by office and pay grade level the number who received either a bonus or quality step increase (qsi) in 2007, the total bonus/qsi expenditures for the particular office and pay grade, and the total number of employees in the office and pay grade.

ANSWER: Please see following table.

OFFICE	GRADE	COUNT	AMT	On-Board By Grade	Total On-Board
ASSISTANT COMMISSIONER, CBP AIR & MARINE	04	4	1800	7	1339
	05	3	1780	4	
	06	5	3500	7	
	07	18	14715	26	
	09	10	9150	13	
	10	5	3470	11	
	11	33	24175	179	
	12	198	158727	292	
	13	393	418595	537	
	14	205	304235	223	
	15	43	88650	34	
OFFC OF INTELLIGENCE & OPERATIONS COORD	04	1	750	1	137
	05	1	750	4	
	09	1	1250	3	
	11	4	5400	6	
	12	14	21250	17	
	13	26	27371.13	31	
	14	50	86550	57	
	15	13	32105	15	
OFFC OF INTERNTL AFFAIRS & TRADE	05	3	558	4	170

RELATNS	09	5	3000	10	
	10	1	500	2	
	11	7	5808	10	
	12	10	6711.9	14	
	13	22	12250	31	
	14	63	57361	77	
	15	8	24800	9	
OFFICE OF BORDER PATROL	04	10	6285	35	16,218
	05	18	18364.2	1685	
	06	43	43219	75	
	07	132	142564.1	2307	
	08	18	16816	30	
	09	346	362507.42	1584	
	10	196	225712.6	338	
	11	2688	3285255.61	7049	
	12	1202	1832713.72	2216	
	13	464	869447.58	589	
	14	229	555669	245	
	15	44	162800	39	
OFFICE OF CONGRESSIONAL AFFAIRS	09	3	1900	2	15
	11	2	2000	1	
	12	4	3250	5	
	13	1	500	1	
	14	3	6600	4	
	15	2	5843	1	
OFFICE OF FIELD OPERATIONS	02	2	760	6	25,307
	03	5	2684	30	
	04	24	14649.79	62	
	05	133	91646.73	1280	
	06	42	31989.92	71	
	07	990	873555.45	3100	
	08	9	8106.5	12	
	09	998	1122179.94	1651	
	11	11010	15439611.7	14115	
	12	2606	4127558.28	2937	
	13	1349	2501832.54	1481	
	14	355	728127.53	411	
	15	120	340974	124	
OFFICE OF FINANCE	04	6	2162	8	716
	05	5	2925	9	
	06	3	1512	8	
	07	67	42965	84	
	08	4	2200	6	
	09	42	30539	69	
	11	44	27108	57	
	12	95	78200	134	
	13	138	154604	161	
	14	116	153204	111	

	15	64	140387	52	
OFFICE OF HUMAN RESOURCES MANAGEMENT	02	2	450	3	663
	04	4	1964.56	13	
	05	10	5322.92	35	
	06	4	2005.8	26	
	07	34	22896.91	87	
	08	12	9280.06	16	
	09	32	26778.28	50	
	11	30	22921	43	
	12	95	102868.11	123	
	13	123	153770.25	142	
	14	87	141323.17	92	
	15	35	82142	24	
OFFICE OF INFORMATION TECHNOLOGY	01	1	250	9	1,207
	02	1	250	13	
	04	2	300	19	
	05	3	1230	6	
	07	14	10560	25	
	08	1	1000	1	
	09	14	9707.35	26	
	11	47	53960	115	
	12	244	287200	380	
	13	203	284594	319	
	14	185	330310	196	
	15	78	196650	78	
OFFICE OF INTERNAL AFFAIRS	04	2	1800	13	470
	05	5	2500	5	
	06	2	1500	4	
	07	7	7800	14	
	08	1	1200	3	
	09	10	11750	15	
	11	5	4200	18	
	12	26	28500	86	
	13	77	103549	184	
	14	73	119650	101	
	15	23	66200	25	
OFFICE OF INTERNATIONAL TRADE	03	1	250	2	834
	04	4	1000	7	
	05	1	400	2	
	07	5	2100	36	
	08	7	5750	10	
	09	18	16500	42	
	11	24	25700	47	
	12	74	112050	162	
	13	155	271350	277	
	14	137	343100	195	
	15	45	135050	48	
OFFICE OF PUBLIC AFFAIRS	05	1	500	2	52

	09	1	750	3	
	11	6	4750	6	
	12	4	3000	5	
	13	9	7750	12	
	14	17	19000	15	
	15	6	11834	6	
OFFICE OF THE CHIEF COUNSEL	03	2	505	3	267
	04	1	600	1	
	05	1	900	3	
	06	1	750	5	
	07	4	3000	11	
	08	5	4050	6	
	09	5	3450	9	
	11	13	13644	15	
	12	14	14700	39	
	13	28	30900	42	
	14	61	77192	74	
	15	47	68200	47	
OFFICE OF THE COMMISSIONER	05	3	1465.86	3	199
	07	7	5923.92	8	
	09	7	10059.68	17	
	11	5	3882.34	11	
	12	11	13862.94	16	
	13	35	37942.01	40	
	14	48	84312.61	60	
	15	27	69581	33	
OFFICE OF TRAINING & DEVELOPMENT	02	6	1694	2	639
	03	6	1584	5	
	04	4	1043	4	
	05	1	265	1	
	06	12	4890	14	
	07	14	6807	12	
	08	3	1573	2	
	09	55	26042	42	
	10	2	900	1	
	11	25	16987	26	
	12	43	47709.89	160	
	13	252	233104.76	273	
	14	109	171392.49	84	
	15	14	35813.33	12	

Question: Please provide a table showing how much is requested in the 2009 budget for bonuses for CBP employees who are political appointees, Senior Executive Service, and non-SES.

ANSWER: The amount requested in the 2009 budget for awards is based on the FY 2008 awards calculation. CBP calculates the non-Senior Executive Service (SES) awards as one percent of the salary costs of current on-board employees as of FY 2008 Pay Period 01. The FY 2009 award projections are based on the approximate rate of increase as was calculated between FY 2007 and FY 2008.

	FY 2008	FY 2009
Non-SES	$30, 502,372	$35,077,728
Senior Executive Service	811,978	933,775
Total	31,314,350	36,011,503

Question: Please provide for the record a table that shows all funds expended by CBP political appointees for travel in 2007. Include name of individual traveling, purpose of travel, location(s) visited, and total cost.

ANSWER: Please see following table.

Purpose of Travel	TOTAL COST for TRIP
TOUR PORT OF MIAMI/KEY WEST	$1,231.92
TO ATTEND MEETINGS/TOUR IN LONDON; ATTEND HIGH LEVEL STRATEGIC GROUP (HLSG) MEETING IN BRUSSELS	$6,723.55
SENTRI IN LAREDO, ACE CONFERENCE IN TUCSON, PORT TOUR IN LA	$1,566.98
ATTEND COAC MEETING	$217.60
TO SPEAK AT CONECT CONFERENCE IN NEW YORK	$894.50
TO SPEAK AT USA-ITA CONF IN BOSTON, ATTEND DOJ CONFERENCE IN ASHEVILLE, NORTH CAROLINA	$174.98
TO ATTEND MEETINGS IN PAKISTAN AND ATTEND WCO MEETING IN CHENNAI, INDIA	$11,302.99
MEETING AT FLETC; WHTI ANNOUNCEMENT IN MIAMI	$1,143.11
ACCOMPANY DEPUTY SECRETARY JACKSON ON SOUTHWEST BORDER TOUR, TX, NM, AZ, CA	$981.35
CONGRESSIONAL DELEGATION TRIP TO TUSCON	$1,439.38
TO ATTEND CBP LEADERSHIP RETREAT - JACKSONVILLE, FL	$848.30
A&M GRADUATION AND MEETINGS WITH MEXICAN OFFICIALS	$2,691.24
MEDIA EVENTS, SECTOR CHIEF MEETING AND EPIC TOUR	$735.05
BROWNSVILLE SENTRI LANE OPENING	$876.29
OVERVIEW OF DETROIT BP AND OFO FACILITIES	$607.80
CBP-CBSA BILATERAL MEETING AND SBACC	$2,124.50
MEET WITH PORT DIRECTOR AND DIRECTOR OF FIELD OPERATIONS	$229.30
MEET WITH CBP PERSONNEL	$1,744.95
MEET WITH CHINEESE CUSTOMS AGENCIES	$9,404.02
ATTEND WCO POLICY COMMISSION MEETINGS IN BRUSSELS	$7,897.20
TOUR OF PORT OF OAKLAND AND SAN DIEGO CHANGE OF COMMAND CEREMONY	$1,485.41
SIGNING WITH MEXICO AND S1 EVENTS	$812.40
OCC CONFERENCE AT ACCOMPANY S2 TO SOUTHERN BORDER	$1,628.20
MEET WITH AMO OFFICIALS IN EL PASO/ALAMOGORDO, NEW MEXICO	$863.10
TOTAL	**$57,624.12**
TRIP TO MIAMI	$1,043.00
TO ATTEND JOINT INTELLIGENCE BRIEFING AND UAS ROLL OUT	$1,183.07
PORT ORIENTATION IN TUCSON/SAN DIEGO	$1,228.03
TO ATTEND THE CBP LEADERSHIP CONF.	$1,136.27
INTELLIGENCE PILOT	$1,427.42
INTELLIGENCE BRIEFINGS	$987.95
SBI INTELLIGENCE AND OPERATIONS COORDINATION WORKING GROUP MTGS	$1,941.15
SBI	$1,201.70

JOINT TERRORISM TASK FORCE CONFERENCE	$1,270.91
INTEL PILOT BRIEFINGS, AERIAL TOUR W/S2&C1	$884.86
TOTAL	**12,304.36**
WEAPONS OF MASS EFFECT TRAINING COURSE	$995.15
US JAPAN AUSTRALIA TRI LATERAL COUNTER TERRORISM MTG	$10,649.37
PANDEMIC INFLUENZA TABLETOP DEVELOPMENT	$965.09
DETECTING DECEPTION AND ELICITING RESPONSE (DDER) COACHES TRAINING	$1,649.92
TRI LATERAL TALKS, CT	$12,615.49
TOTAL	**$26,875.02**
RETREAT	$436.00
CONGRESSIONAL DELEGATION TO TUCSON SECTOR	$1,356.09
OBSERVE THE WEAPONS OF MASS EFFECT TRAINING PILOT	$1,493.06
CONGRESSIONAL STAFF DELEGATION TO TUCSON SECTOR	$1,700.28
CONGRESSIONAL HEARING	$671.55
CONGRESSIONAL DELEGATION	$3,193.78
TEXAS OBP FENCE WORKSHOP	$898.50
YUMA BORDER FENCE WORKSHOP	$1,708.80
TEXAS MOBILE WORKSHOP	$1,270.40
NY STATE LEGISLATURE	$749.30
CONGRESSIONAL DELEGATION TO LAREDO, TX	$920.05
TOTAL	**$14,397.81**
ASSIST WITH MEDIA COVERAGE OF TESTING FOR FENCE LAV, COLLEGE STATION, TX	$934.81
INTERNATIONAL AIR TRANSPORT CONFERENCE	$1,151.35
TOTAL	**$2,086.16**
SW BORDER TOUR	$1,859.75
TOTAL	**$1,859.75**
COMMISSIONER TRIP	$1,012.08
STAFF RETREAT	$618.38
CONGRESSIONAL DELEGATION SW BORDER & LA/LB	$2,276.81
C1 LEADERSHIP RETREAT	$468.90
FIELD HEARING	$670.36
TRIP TO YUMA	$541.39
BRIEFING IN USVI	$1,346.18
TO ACCOMPANY COMMISSIONER	$605.80
CHIEFS CONFERENCE	$1,333.21
CONGRESSIONAL DELEGATION FOR HOUSE TO SW TX	$1,450.20
FIELD HEARING	$1,024.54
CONGRESSIONAL DELEGATION	$1,879.70
ESCORT/FACILITATE CONG. STAFF DELEGATION	$599.50
TOTAL	**$13,827.05**
COAC MEETING	$1,882.44
MEET CUSTOMS OFFICIALS IN DUBAI, ISLAMABAD AND CHENNAI AND ATTEND THE WCO POLICY COMM. MTG	$11,097.62
COAC MEETING AND CBP HOUSTON PORT TOUR	$1,831.94
MEETING WITH CANADIAN CUSTOMS AND INT'L COMPLIANCE MTG IN CHICAGO	$2,240.86
SENIOR LEADERSHIP RETREAT	$1,564.47
TRAVEL WITH C1 TO VISIT THE SOUTHERN BORDER	$1,966.04
ATTEND GLOBAL FORUM CONFERENCE	$8,235.79

CONECT CONFERENCE	$986.40
MEET WITH FOREIGN CUSTOMS OFFICIALS	$9,680.22
PORT QASIM OPENING AND MEG WITH INDIAN DELEGATION PLUS LATIN AMERICAN SWING.	$19,373.50
SBACC CONFERENCE IN CANADA	$2,109.58
NAFTZ 21ST ANNUAL SPRING SEMINAR, ATLANTA, GA	$1,125.79
TO MEET WITH MEXICAN OFFICIALS AND DANAHER OF STATE DEPT.	$2,146.50
TO MEET WITH THE CHINESE CUSTOMS DELEGATION	$9,741.12
AIR NEXUS CEREMONY WITH MINISTER DAY OF CANADA	$1,766.32
JIATF WEST LAW ENFORCEMENT CONFERENCE HAWAII 6-12; BILATERAL SIGNING, MEXICO 12-14	$4,423.97
KUWAIT: TOUR PORT & IRAQI BORDER CROSSINGS AT: ABTC SIGN CEREMONY, MTGS ON TRADE, CTPAT	$19,245.27
TOTAL	**$99,417.83**
STATE VISIT TO NORTHERN BORDER	$1,294.27
TOURS/MEETINGS IN LA/LONG BEACH, CA TUCSON, AX & SAN DIEGO, CA	$1,941.87
TOTAL	**$3,236.14**
TOUR OF MIAMI/KEY WEST PORTS	$1,250.92
SENTRI IN LAREDO, ACE CONFERENCE IN TUCSON, PORT TOUR IN LA	$2,022.86
ACCOMPANY COMMISSIONER TO COAC MEETING	$235.60
ACCOMPANY COMMISSIONER TO NY & BOSTON FOR USA-ITA AND CONECT SPEECHES	$874.97
WHTI ANNOUNCEMENT IN MIAMI, ACCOMPANY COMMISSIONER	$1,161.71
ACCOMPANY DEPUTY SECRETARY ON TOUR-SW BORDER TX, AZ, NM, CA	$1,000.35
CONGRESSIONAL DELEGATION TRIP TO TUCSON	$1,439.38
TO ATTEND CBP LEADERSHIP RETREAT	$969.90
TO ACCOMPANY COMMISSIONER TO MEETING WITH MEXICAN OFFICIALS	$1,602.82
TO ACCOMPANY COMMISSIONER ON POTUS EVENT	$635.02
TO ACCOMPANY COMMISSIONER ON OVERVIEW OF DETROIT BORDER PATROL AND OFO SITES	$627.80
CBP-CBSA BI-LATERAL MEETING AND SBACC	$2,124.50
ACCOMPANY COMMISSIONER TO MEET WITH CHINESE CUSTOMS AGENCIES	$9,416.83
TOUR OF PORT OF OAKLAND AND CHANGE OF COMMAND CEREMONY-SAN DIEGO	$1,321.56
SIGNING WITH MEXICO AND S1 EVENTS	$1,433.16
TOTAL	**$26,117.38**
VISIT PORTS AND MEET WITH STAFF MEMBERS	$1,673.47
ATTENDING MEETINGS AND TOUR BORDER	$1,754.28
TRAINING; TOUR OF BORDER	$1,809.14
TOTAL	**$5,236.89**
TOUR OF MIAMI PORTS	1,119.15
ACCOMPANY COMMISSIONER TO SENTRI OPENING AND ACE CONFERENCE	$1,524.98
EPIC MEETING	$980.96
CBP LEADERSHIP RETREAT	$940.90
ACCOMPANY COMMISSIONER TO MEETINGS WITH MEXICAN OFFICIALS	$1,630.72
ACCOMPANY COMMISSIONER TO MEDIA EVENT, SECTOR CHIEF MEETING AND EPIC TOUR	$1,405.35
ACCOMPANY COMMISSIONER TO POTUS EVENT	$1,167.84
IOCC MEETINGS	$1,074.13
FUNERAL SERVICE FOR JENNIFER DUNN - AGENCY REPRESENTATION	$1,065.20
TOTAL	**$10,909.23**

Question: Please list the number, by office and pay grade level, of all CBP employees hired non-competitively in fiscal years 2002, 2003, 2004, 2005, 2006, and 2007 and to date in 2008.

ANSWER: Noncompetitive hiring appointments are appointments that can be made without following competitive examining procedures. They do not require "public notice" as defined in the competitive service. Nevertheless, these positions are still subject to the merit system principles. There are numerous noncompetitive hiring authorities that CBP utilizes to streamline hiring, meet agency needs, and support public policy. Examples of such authorities include the Federal Career Intern Program (FCIP), Veterans Readjustment Act Appointment, Presidential Management Fellows Program, and the Student Career Experience Program. Noncompetitive appointments can also be made by way of lateral reassignment. A later reassignment is noncompetitive when the employee has already competed for and currently holds, or has held, an equivalent position to the one being filled. In such cases, the employee is considered a noncompetitive candidate/referral and a second competition is not required.

FY	Office	Grade	Count	Office Total
FY 2002	OFFC OF INTERNTL AFFAIRS & TRADE RELATNS	01	1	
		02	1	
		03	3	
		04	9	
		05	3	17
FY 2002	OFFICE OF FIELD OPERATIONS	01	20	
		02	9	
		03	24	
		04	50	
		05	261	
		06	1	
		07	155	
		08	2	
		11	2	524
FY 2002	OFFICE OF FINANCE	01	6	
		02	6	
		03	12	
		04	13	
		05	1	38
FY 2002	OFFICE OF HUMAN RESOURCES MANAGEMENT	01	1	
		03	1	
		04	20	
		05	2	24
FY 2002	OFFICE OF INFORMATION & TECHNOLOGY	01	8	
		02	3	
		03	13	
		04	14	
		07	1	39
FY 2002	OFFICE OF INTERNAL AFFAIRS	02	1	
		03	1	2
FY 2002	OFFICE OF INVESTIGATIONS	01	6	
		02	5	

		03	7	
		04	10	
		05	114	
		06	2	
		07	286	
		09	3	
		11	4	439
		12	1	
		15	1	
FY 2002	OFFICE OF PUBLIC AFFAIRS	04	1	1
FY 2002	OFFICE OF REGULATIONS & RULINGS	01	3	
		04	1	
		07	6	
		11	5	
		12	1	16
FY 2002	OFFICE OF STRATEGIC TRADE	01	2	
		03	1	
		04	1	
		05	1	
		07	22	27
FY 2002	OFFICE OF THE CHIEF COUNSEL	01	3	
		07	3	
		09	1	
		11	5	
		12	4	
		14	1	17
FY 2002	OFFICE OF THE COMMISSIONER	01	3	
		02	1	
		03	2	
		04	2	
		14	1	
		15	2	11
FY 2002	OFFICE OF TRAINING & DEVELOPMENT	01	2	
		03	6	
		05	1	
		11	1	
		12	2	
		13	15	27
FY 2002 TOTAL				**1,182**
FY 2003	ANIMAL & PLANT HEALTH INSPECTION SERVICE	01	2	
		02	3	
		03	22	
		04	16	
		05	11	54
FY 2003	OFFC OF INTERNTL AFFAIRS & TRADE RELATNS	02	1	
		03	1	
		04	4	
		05	2	8

FY 2003	OFFICE OF CONGRESSIONAL AFFAIRS	04	1	1
FY 2003	OFFICE OF FIELD OPERATIONS	01	8	
		02	10	
		03	15	
		04	28	
		05	468	
		06	1	
		07	339	
		09	1	870
FY 2003	OFFICE OF FINANCE	01	5	
		02	1	
		03	7	
		04	23	
		09	4	40
FY 2003	OFFICE OF HUMAN RESOURCES MANAGEMENT	02	4	
		03	4	
		04	1	
		05	1	10
FY 2003	OFFICE OF INFORMATION & TECHNOLOGY	01	3	
		02	2	
		03	8	
		04	8	
		06	1	
		09	1	
		11	1	24
FY 2003	OFFICE OF INTERNAL AFFAIRS	01	3	
		04	1	4
FY 2003	OFFICE OF INVESTIGATIONS	01	4	
		02	1	
		03	6	
		04	11	
		05	51	
		07	191	
		09	4	
		11	16	284
FY 2003	OFFICE OF PUBLIC AFFAIRS	01	1	
		04	1	2
FY 2003	OFFICE OF REGULATIONS & RULINGS	02	1	
		03	1	
		05	1	
		11	1	
		12	1	
		13	1	6
FY 2003	OFFICE OF STRATEGIC TRADE	01	3	
		07	14	17
FY 2003	OFFICE OF THE CHIEF COUNSEL	01	2	
		07	1	
		11	8	

		12	9	
		13	2	25
		14	3	
FY 2003	OFFICE OF THE COMMISSIONER	01	5	
		03	3	
		04	1	
		09	1	10
FY 2003	OFFICE OF TRAINING & DEVELOPMENT	01	3	
		02	1	
		03	5	
		04	2	
		13	1	12
FY 2003 TOTAL				**1,367**
FY2004	OFC OF CONGRESSIONAL AFFAIRS	04	1	1
FY2004	OFC OF INTERNATIONAL AFFAIRS AND TRADE RELATNS	02	1	
		04	2	
		15	1	4
FY2004	OFC OF REGULATIONS & RULINGS	11	2	
		12	1	3
FY2004	OFFICE OF BORDER PATROL	01	2	
		02	3	
		03	2	
		04	9	
		05	39	
		06	1	
		07	18	
		08	1	
		10	2	77
FY2004	OFFICE OF FIELD OPERATIONS	01	3	
		02	5	
		03	12	
		04	13	
		05	614	
		06	1	
		07	657	1,305

FY2004	OFFICE OF FINANCE (CFO)	02	2	
		03	3	
		04	6	
		05	1	
		09	1	13
FY2004	OFFICE OF INFORMATION & TECH	04	3	
		09	4	
		11	1	
		13	1	
		14	1	10
FY2004	OFFICE OF INTERNAL AFFAIRS	04	1	1
FY2004	OFFICE OF PUBLIC AFFAIRS	15	1	1
FY2004	OFFICE OF STRATEGIC TRADE	05	1	
		07	6	
		09	2	9
FY2004	OFFICE OF THE CHIEF COUNSEL	02	4	
		04	1	
		07	3	
		11	11	
		12	13	
		13	4	
		14	3	39
FY2004	OFFICE OF THE COMMISSIONER	01	2	
		02	2	
		03	1	
		04	1	
		05	1	
		11	1	
		13	2	
		14	1	
		15	1	12
FY2004	OFFICE OF TRAINING AND DEVELOPMENT	03	1	
		07	1	
		09	1	
		12	3	
		13	3	9
FY 2004 TOTAL				**1,484**
FY2005	DIRECTOR, AIR AND MARINE OPERATIONS	11	15	15
FY2005	OFC OF CONGRESSIONAL AFFAIRS	13	1	
		15	1	2
FY2005	OFC OF INTERNATIONAL AFFAIRS AND TRADE RELATNS	02	5	
		03	5	
		04	2	
		05	1	13
FY2005	OFC OF REGULATIONS & RULINGS	13	1	1
FY2005	OFFICE OF BORDER PATROL	05	518	
		07	199	717

FY2005	OFFICE OF FIELD OPERATIONS	02	1	
		04	3	
		05	578	
		07	908	
		09	113	
		11	3	1,606
FY2005	OFFICE OF FINANCE (CFO)	01	1	
		02	6	
		03	7	
		04	12	
		07	1	
		09	1	28
FY2005	OFFICE OF HUMAN RESOURCES MGMT	01	2	
		02	5	
		03	12	
		04	19	
		05	9	
		09	1	
		11	1	
		12	3	52
FY2005	OFFICE OF INFORMATION & TECH	01	2	
		02	1	
		03	4	
		04	1	
		07	1	
		09	2	
		11	2	
		14	1	14
FY2005	OFFICE OF PUBLIC AFFAIRS	13	1	1
FY2005	OFFICE OF STRATEGIC TRADE	03	1	
		05	1	
		07	18	
		12	1	21
FY2005	OFFICE OF THE CHIEF COUNSEL	07	2	
		11	2	
		12	10	
		13	4	
		14	2	20
FY2005	OFFICE OF THE COMMISSIONER	02	2	
		03	1	
		05	1	
		09	1	
		14	2	
		15	1	8
FY2005	OFFICE OF TRAINING AND DEVELOPMENT	02	3	
		12	1	4
FY 2005 TOTAL				**2,502**
FY2006	ASST COMMISSIONER, CBP AIR AND MARINE	11	2	2

FY2006	OFC OF CONGRESSIONAL AFFAIRS	04	1	
		11	1	2
FY2006	OFC OF INTERNATIONAL AFFAIRS AND TRADE RELATNS	01	1	
		02	8	
		03	6	
		04	1	
		07	3	19
FY2006	OFC OF REGULATIONS & RULINGS	02	2	
		03	2	
		04	1	
		07	5	
		11	4	
		12	7	21
FY2006	OFFICE OF BORDER PATROL	01	2	
		02	9	
		04	8	
		05	1355	
		07	478	1,852
FY2006	OFFICE OF FIELD OPERATIONS	02	1	
		03	5	
		04	4	
		05	640	
		07	861	
		09	92	
		11	1	1,604
FY2006	OFFICE OF FINANCE (CFO)	01	3	
		02	5	
		03	6	
		04	5	19
FY2006	OFFICE OF HUMAN RESOURCES MGMT	01	2	
		02	3	
		03	6	
		04	7	
		05	1	
		09	1	
		15	1	21
FY2006	OFFICE OF INFORMATION & TECH	01	2	
		02	2	
		03	4	
		04	9	17
FY2006	OFFICE OF INFORMATION TECHNOLOGY	01	4	
		02	1	
		03	2	
		04	1	
		09	1	9
FY2006	OFFICE OF INTERNAL AFFAIRS	03	1	
		04	1	2
FY2006	OFFICE OF PUBLIC AFFAIRS	13	1	1

FY2006	OFFICE OF STRATEGIC TRADE	07	9	
		09	4	13
FY2006	OFFICE OF THE CHIEF COUNSEL	02	2	
		07	3	
		11	7	
		12	14	
		13	3	29
FY2006	OFFICE OF THE COMMISSIONER	03	1	
		04	3	
		11	1	
		15	2	7
FY2006	OFFICE OF TRAINING AND DEVELOPMENT	02	7	
		03	1	
		11	1	9
FY 2006 TOTAL				**3,627**
FY2007	ASST COMMISSIONER, CBP AIR AND MARINE	11	10	
		13	1	11
FY2007	OFC OF CONGRESSIONAL AFFAIRS	04	1	1
FY2007	OFC OF INTERNATIONAL AFFAIRS AND TRADE RELATNS	02	2	
		03	3	
		04	6	
		05	1	
		09	1	13
FY2007	OFFICE OF BORDER PATROL	02	8	
		03	1	
		04	7	
		05	2923	
		07	1023	
		09	14	
		12	34	
		14	7	
		15	1	4,018
FY2007	OFFICE OF FIELD OPERATIONS	02	1	
		03	3	
		04	14	
		05	1101	
		07	1297	
		09	88	
		15	2	2,506
FY2007	OFFICE OF FINANCE (CFO)	03	6	
		04	2	
		05	1	
		09	3	12

FY2007	OFFICE OF HUMAN RESOURCES MGMT	02	2	
		03	2	
		04	4	
		05	3	
		07	10	
		09	2	
		11	1	
		12	1	
		15	2	27
FY2007	OFFICE OF INFORMATION TECHNOLOGY	01	8	
		02	8	
		03	4	
		04	6	
		05	1	
		09	2	
		12	1	
		14	1	31
FY2007	OFFICE OF INTERNAL AFFAIRS	04	6	
		07	2	
		11	7	
		12	46	
		13	95	
		14	8	
		15	1	165
FY2007	OFFICE OF INTERNATIONAL TRADE	07	25	
		09	9	
		11	6	
		12	1	
		13	1	42
FY2007	OFFICE OF PUBLIC AFFAIRS	14	1	1
FY2007	OFFICE OF THE CHIEF COUNSEL	02	1	
		05	1	
		07	3	
		09	1	
		11	10	
		12	18	
		13	8	
		14	1	
		15	1	44
FY2007	OFFICE OF THE COMMISSIONER	03	3	
		04	3	
		05	1	
		09	4	
		11	1	
		14	2	14

FY2007	OFFICE OF TRAINING AND DEVELOPMENT	02	2	
		12	18	
		13	3	23
FY 2007 TOTAL				**6,908**
FY2008	ASST COMMISSIONER, CBP AIR AND MARINE	02	2	
		04	1	
		11	4	7
FY2008	OFC OF CONGRESSIONAL AFFAIRS	05	1	
		09	1	2
FY2008	OFC OF INTERNATIONAL AFFAIRS AND TRADE RELATNS	04	1	
		07	1	
		09	1	3
FY2008	OFFICE OF BORDER PATROL	01	2	
		02	3	
		03	1	
		04	4	
		05	1243	
		07	267	
		09	32	
		10	1	
		12	4	
		14	2	1,559
FY2008	OFFICE OF FIELD OPERATIONS	02	1	
		03	8	
		04	6	
		05	580	
		07	583	
		09	25	
		11	1	1,204
FY2008	OFFICE OF FINANCE (CFO)	02	2	
		09	5	7
FY2008	OFFICE OF HUMAN RESOURCES MANAGEMENT	05	1	
		07	2	
		09	1	
		15	1	5
FY2008	OFFICE OF HUMAN RESOURCES MGMT	06	1	
		09	3	4
FY2008	OFFICE OF INFORMATION TECHNOLOGY	01	1	
		02	1	
		09	2	
		13	3	7
FY2008	OFFC OF INTELLIGENCE & OPERATIONS COORDINATION	07	1	
		09	1	
		11	1	3

FY2008	OFFICE OF INTERNAL AFFAIRS	04	5	
		07	2	
		09	1	
		11	2	
		12	10	
		13	15	
		14	8	
		15	1	44
FY2008	OFFICE OF INTERNATIONAL TRADE	07	2	
		09	3	
		11	3	
		12	1	
		13	1	10
FY2008	OFFICE OF THE CHIEF COUNSEL	11	2	
		12	7	
		13	3	
		15	1	13
FY2008	OFFICE OF THE COMMISSIONER	07	1	
		09	7	
		11	2	
		15	1	11
FY2008	OFFICE OF TRAINING AND DEVELOPMENT	02	1	
		03	1	
		07	1	
		09	1	
		11	1	
		12	8	
		13	6	19
FY 2008 TOTAL as of 3/18/2008				**2,898**

Contracts

Question: Please provide a list of sole source contracts executed by CBP in 2007. Organize by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and reason for sole-source.

ANSWER: Please see following table.

Contractor Name	Purpose	Dollar Award	Full Performance Value	Contract Start Date	Contract End Date	Reason for Sole Source
1421906 ONTARIO INCORPORATED	Fabric Mural	$48,108.00	$48,108.00	11/15/2006	12/01/2006	ONLY ONE SOURCE - OTHER
24SEVEN COP2COP NEWSPAPER	Full Page advertisement 1 year	$6,000.00	$6,000.00	08/30/2007	07/31/2008	ONLY ONE SOURCE - OTHER
401 HOTEL LIMITED PARTNERSHIP (8144)	HRM Job Fair for Auditors	$4,000.00	$4,000.00	07/16/2007	09/30/2007	ONLY ONE SOURCE - OTHER

AA ACTION PLUMBING OF YUMA INCORPORATED	BP, REPAIR WATER LEAK	$7,717.50	$7,717.50	11/20/2006	01/09/2007	URGENCY
ACCESS LOGIC, INC	Inspection	$6,370.35	$12,217.18	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
ACCUSCRIPT INCORPORATED	Court Reporting Services	$5,225.00	$5,225.00	12/11/2006	12/15/2006	ONLY ONE SOURCE - OTHER
ACE ELECTRIC INCORPORATED	Debris removal	$7,500.00	$7,500.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
ACR ELECTRONICS INC	Distress marker lights	$17,850.00	$17,850.00	08/24/2007	12/31/2007	ONLY ONE SOURCE - OTHER
ACTION EXTERMINATING	Cleaning and Sanitization of AC Units	$15,500.00	$15,500.00	10/24/2006	09/30/2007	ONLY ONE SOURCE - OTHER
ACTION SPORTS IMAGE LLC	Die Cast Border Patrol Car	$25,000.00	$25,000.00	08/20/2007	09/28/2007	ONLY ONE SOURCE - OTHER
ADVANCE OFFICE ELECTRONICS CTR INC	Sharp 45020488	$15,103.20	$15,103.20	01/17/2007	01/17/2007	ONLY ONE SOURCE - OTHER
ADVANCED COMPOSITE STRUCTURE INC	500P2100-301 MR Blade Repair SN C175	$8,585.00	$8,585.00	02/12/2007	04/26/2007	ONLY ONE SOURCE - OTHER
ADVANCED COMPOSITE STRUCTURE INC	Repair Abrasion Strips 369D21102-523	$12,000.00	$12,000.00	07/19/2007	09/19/2007	ONLY ONE SOURCE - OTHER
ADVANCED COMPOSITE STRUCTURE INC	Repair Abrasion Strips 369D21102-523	$12,000.00	$12,000.00	07/19/2007	09/19/2007	ONLY ONE SOURCE - OTHER
ADVANCED COMPOSITE STRUCTURE INC	500P2300-503 M/R Blade SN: U068	$14,106.48	$14,106.48	08/07/2007	10/09/2007	ONLY ONE SOURCE - OTHER
ADVANCED COMPOSITE STRUCTURE INC	SN: 009999-3043	$18,141.50	$18,141.50	01/26/2007	03/30/2007	ONLY ONE SOURCE - OTHER
ADVANCED MEASUREMENT TECHNOLOGY	DETECTIVE EX OPT-3 transport case	$16,713.00	$16,713.00	09/15/2007	10/19/2007	UNIQUE SOURCE
AERIAL MACHINE & TOOL CORP	Platform, signal / survival kit	$20,685.00	$20,685.00	04/04/2007	08/01/2007	ONLY ONE SOURCE - OTHER
AERO PRODUCTS COMPONENT SVCS INC	Fast Rope Kit	$63,971.60	$63,971.60	08/23/2007	08/31/2007	ONLY ONE SOURCE - OTHER
AEROMETALS INC	T/R Control Assy AM369H1800-501 uncert	$18,250.00	$18,250.00	04/06/2007	07/06/2007	ONLY ONE SOURCE - OTHER
AGILENT TECHNOLOGIES	Main PCA	$7,736.00	$7,736.00	09/25/2007	10/31/2007	UNIQUE SOURCE
AGILENT TECHNOLOGIES INCORPORATED	repair gs/ms instrument	$6,350.00	$6,350.00	11/01/2006	11/06/2006	ONLY ONE SOURCE - OTHER
AIRPORT PARK N BARK LIMITED LIABILITY COMPANY	Kenneling	$16,000.00	$16,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
ALBANY PARKING AUTHORITY	Albany Parking Authority Seven (7) Space	$10,710.00	$10,710.00	10/01/2006	09/30/2007	AUTHORIZED BY STATUTE
ALERUS CENTER	12 x 12 and 5 x 13 Advertising	$15,000.00	$75,000.00	10/01/2007	09/30/2012	ONLY ONE SOURCE - OTHER
ALEUT GLOBAL SOLUTIONS LLC	Custodial Service	$53,598.72	$53,598.72	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER

ALL ANIMAL HOSPITAL	Animal Services	$13,000.00	$13,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
ALL LANGUAGE ALLIANCE INC	Translator Services for PowerPoint Pres.	$3,700.00	$3,700.00	06/06/2007	06/15/2007	ONLY ONE SOURCE - OTHER
ALL PRESTIGE MANAGEMENT CORP	Janitorial Services	$6,183.00	$6,183.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
AMERICAN ASSN FOR LABORATORY	Assessment Fee Springfield Lab	$62,395.00	$62,395.00	02/28/2007	02/27/2009	ONLY ONE SOURCE - OTHER
AMERICAN BANK NOTE HOLOGRAPHICS	Security Laminate Pouches	$20,000.00	$20,000.00	01/18/2007	03/30/2007	ONLY ONE SOURCE - OTHER
AMERICAN BANK NOTE HOLOGRAPHICS	Security Laminate	$30,000.00	$30,000.00	06/27/2007	07/31/2007	ONLY ONE SOURCE - OTHER
AMERICAN BANK NOTE HOLOGRAPHICS	Security Laminate	$30,000.00	$30,000.00	09/13/2007	12/14/2007	ONLY ONE SOURCE - OTHER
AMERICAN TELECOM SOLUTIONS LLC	American Telecom Solutions	$9,920.56	$9,920.56	09/26/2007	10/26/2007	FOLLOW-ON CONTRACT
ANCHOR'S AWAY MARINA CORP	DOCK SPACE	$3,600.00	$3,600.00	05/01/2007	09/30/2007	ONLY ONE SOURCE - OTHER
ANGIE MILLER	Janitorial/Grounds-Pinecreek	$9,000.00	$9,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
ANIMAL HOSPITAL OF ROCKY HILL	Kenneling of K-9 - Hartford, CT	$4,876.00	$4,876.00	03/01/2007	09/30/2007	ONLY ONE SOURCE - OTHER
ANN GOSLINE	Arbitrator: Ann Gosline	$3,500.00	$3,500.00	04/18/2007	09/28/2007	SIMPLIFIED ACQUISITION PROCEDURES - NON-COMPETITIVE
APICAL INDUSTRIES INC	Repair & recert Float Kit for OH6	$11,080.00	$11,080.00	07/23/2007	08/31/2007	ONLY ONE SOURCE - OTHER
APOGEN TECHNOLOGIES INC	Cabling - Stennis	$1,532,973.45	$1,532,973.45	06/27/2007	07/17/2007	URGENCY
APPTIS INC	Visio Pro 2007 - Licenses	$4,126.85	$4,126.85	03/19/2007	04/20/2007	FOLLOW-ON CONTRACT
APPTIS INC	Dell OptiPlex620D Small Desktop	$6,352.00	$6,352.00	01/17/2007	02/23/2007	ONLY ONE SOURCE - OTHER
APPTIS INC	CLIN 5105XX HP LASER JET P3005DN PRINTE	$41,366.00	$41,366.00	03/01/2007	03/30/2007	UNIQUE SOURCE
APPTIS INC	CLIN: 1013DE.1 (Dell Optiplex 745 Desktop	$295,456.00	$295,456.00	03/15/2007	04/16/2007	FOLLOW-ON CONTRACT
A-PROFESSIONAL LOCKS INC	DSX 1042PKG one additional card reader	$4,957.00	$4,957.00	01/30/2007	03/05/2007	ONLY ONE SOURCE - OTHER
ARBEE ASSOC	Reconfiguration Services	$65,000.00	$65,000.00	08/20/2007	12/31/2007	ONLY ONE SOURCE - OTHER
ARBEE ASSOC	Arbee Proposal - Project # 500290	$90,399.25	$90,399.25	12/01/2006	09/30/2007	FOLLOW-ON CONTRACT
ARINC INC	Avinet - CLIN 001	$238,600.00	$238,600.00	02/21/2007	09/30/2007	ONLY ONE SOURCE - OTHER
ARIZONA DEPT OF PUBLIC SAFETY	Circuit # 10UGDA185062-Tucson	$6,148.89	$6,148.89	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER

ARLINGTON HOTEL OPERATOR LIMITED LIABILITY COMPANY	TSN Conference Dec 11-13/06	$46,156.00	$46,156.00	12/11/2006	12/13/2006	ONLY ONE SOURCE - OTHER
ARMY TIMES PUBLISHING CO	BP, AD FOR 8/20, 27, 9/3,10/07	$14,813.08	$14,813.08	08/06/2007	09/10/2007	UNIQUE SOURCE
AROOSTOOK VETERINARY SERVICES	Canine care and Kenneling	$4,518.00	$4,518.00	01/23/2007	09/30/2007	ONLY ONE SOURCE - OTHER
ASP INC	Asp Red Radio(Item#07394)	$31,200.00	$31,200.00	02/26/2007	03/16/2007	ONLY ONE SOURCE - OTHER
ASP INC	Red Guns H&KP2000 (weighted)	$46,800.00	$46,800.00	09/17/2007	12/14/2007	ONLY ONE SOURCE - OTHER
ASPG	Help Key Maint	$14,252.90	$14,252.90	02/20/2007	03/31/2008	ONLY ONE SOURCE - OTHER
ASSURANCE HOME IMPROVEMENT	repairs for mold abatement	$4,278.00	$4,278.00	02/02/2007	02/22/2007	ONLY ONE SOURCE - OTHER
ATHLETICS INVESTMENT GROUP LIMITED LIABILITY COMPANY	Recruitment Advertisement w/Oakland A's	$105,000.00	$105,000.00	08/01/2007	09/30/2007	ONLY ONE SOURCE - OTHER
AUTOMOTIVE RENTALS INC (ARI) FLEET	Vehicle Tech Support	$21,956.80	$21,956.80	07/01/2007	06/30/2008	ONLY ONE SOURCE - OTHER
AVAYA FINANCIAL SERVICES	DGL Lease of Merlin legend system	$16,539.60	$16,539.60	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
AVITECTURE INCORPORATED	Platinum Performance Plan	$23,923.00	$23,923.00	12/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
AWARE INC	CaptureSuite Runtime Software License	$46,342.50	$46,342.50	09/11/2007	09/10/2008	ONLY ONE SOURCE - OTHER
BAE SYSTEMS APPLIED TECHONOLGI	BAE	$15,155.44	$457,751.44	01/01/2007	01/31/2007	ONLY ONE SOURCE - OTHER
BARTEL COMMUNICATIONS INC	Telephone Maintenance	$6,420.00	$6,420.00	08/01/2007	07/31/2008	ONLY ONE SOURCE - OTHER
BERNEY ELIZABETH G.	Trainer	$39,940.00	$39,940.00	07/19/2007	08/24/2007	ONLY ONE SOURCE - OTHER
BERRYHILL ANIMAL HOSPITAL	Kenneling and Veterinarian Services	$11,000.00	$11,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
BEST FRIENDS PET CARE INC	Best Friends Kennel	$75,400.00	$75,400.00	10/01/2006	12/31/2006	ONLY ONE SOURCE - OTHER
BEST MADE DESIGNS LLC	CBP Protective Plate Vests	$9,920.00	$9,920.00	09/23/2007	11/30/2007	ONLY ONE SOURCE - OTHER
BLAINE BAY REFUSE INCORPORATED	Disposal of seized items.	$4,200.00	$4,200.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
BOOTH PRODUCTION SERVICES INCORPORATED	Installation & Dismantling Booth	$3,598.91	$3,598.91	12/13/2006	12/15/2006	ONLY ONE SOURCE - OTHER
BOSTON PROPERTIES INCORPORATED (2660)	DAO CONFERENCE 01/23-25/2007	$21,573.75	$21,573.75	01/23/2007	01/25/2007	ONLY ONE SOURCE - OTHER
BRIDGE APPLETON HOTEL	2 Rms for 1 Nt July 21	$12,833.00	$12,833.00	07/21/2007	07/30/2007	ONLY ONE SOURCE - OTHER
BRINK'S INCORPORATED	ARMORED CAR SERVICE	$16,866.72	$17,616.72	09/18/2006	09/30/2007	URGENCY

BRIX CORP	SelfridgeMI Repl&Install New Windows	$34,204.00	$34,204.00	09/19/2007	10/31/2007	AUTHORIZED BY STATUTE
BROOKS RANGE CONTRACT SERVICES INCORPORATED	CUSTODIAL SVCS. SOUTHBOUND CANOPY	$9,053.88	$9,053.88	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
BROWNELLS INC	Items for FMAT Tool Kits	$6,165.95	$6,165.95	09/12/2007	12/14/2007	ONLY ONE SOURCE - OTHER
BRUCE FOX INC	Bldg Signage	$22,487.99	$22,487.99	07/30/2007	08/30/2007	ONLY ONE SOURCE - OTHER
BRUMLEY & BRUMLEY INC	Overhead Crande PMI	$12,500.00	$12,500.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
BUFFALO DRILLING COMPANY INCORPORATED	Move & Store Tower and shed	$23,330.00	$23,330.00	10/16/2006	10/15/2007	URGENCY
BUSINESS ENVIRONMENTS	dismantle and move workstation furniture	$9,685.00	$9,685.00	08/20/2007	09/20/2007	ONLY ONE SOURCE - OTHER
BUSY BEE CLEANING SERVICE	Janitorial Services	$12,832.44	$12,832.44	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
CANINE CONCEPTS INC	Female GS Dog Cindy vom Haus Lohre	$9,400.00	$9,400.00	09/26/2007	10/11/2007	ONLY ONE SOURCE - OTHER
CAPGEMENI GOVERNMENT SOLUTIONS	Consultants - support services	$455,154.92	$455,154.92	04/30/2007	03/31/2008	ONLY ONE SOURCE - OTHER
CAPITAL CLEANING CONTR INC	07 Janitorial Svcs SCC MiamiFL	$10,740.00	$10,740.00	10/01/2006	09/30/2007	FOLLOW-ON CONTRACT
CARIBBEAN CONTROLS GROUP INC	Overhead hoist replacement & installatio	$38,000.00	$38,000.00	05/30/2007	07/23/2007	AUTHORIZED BY STATUTE
CARIBBEAN CUSTOMS LAW ENF. COUNCIL	Annual Software Licence Fee	$7,000.00	$7,000.00	09/19/2007	09/18/2008	ONLY ONE SOURCE - OTHER
CAROLINA BUSINESS INTERIORS	Reconfigure, relocate and install workst	$12,976.00	$12,976.00	01/30/2007	02/09/2007	ONLY ONE SOURCE - OTHER
CARON PRODUCTS & SERVICE INC	6030 Environmental Chamber	$50,566.00	$50,566.00	09/11/2007	11/16/2007	UNIQUE SOURCE
CARON PRODUCTS AND SERVICES INCORPORATED	Repair Caron Units	$5,000.00	$5,000.00	11/16/2006	12/15/2006	ONLY ONE SOURCE - OTHER
CATHOLIC CHARITIES OF THE DIOCESE OF SAN DIEGO	Board, lodging Females	$5,000.00	$5,000.00	12/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
CATHOLIC CHARITIES OF THE DIOCESE OF SAN DIEGO	Housing of Undocumented Aliens	$41,000.00	$217,004.00	10/01/2006	09/30/2011	ONLY ONE SOURCE - OTHER
CCC GROUP INC	Retrofit & Installation of Loriscopes	$77,850.00	$77,850.00	09/11/2007	12/28/2007	ONLY ONE SOURCE - OTHER
CDG DISPLAYS INC	Fabric Mural	$28,779.00	$28,779.00	09/24/2007	10/24/2007	STANDARDIZATION
CELEBRITY KENNELS	Kenneling	$35,000.00	$35,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
CENTECH GROUP INC	CERTS TRAINING	$56,000.00	$56,000.00	03/13/2007	03/12/2008	ONLY ONE SOURCE - OTHER
CENTECH GROUP INC	Director's Special Project Team	$71,744.80	$71,744.80	03/23/2007	03/22/2008	ONLY ONE SOURCE - OTHER

CENTECH GROUP INC	Cross Training	$99,966.61	$99,966.61	05/08/2007	05/07/2008	ONLY ONE SOURCE - OTHER
CENTECH GROUP INC	NCIC/NLETS Training	$124,942.17	$124,942.17	05/08/2007	05/07/2008	ONLY ONE SOURCE - OTHER
CENTECH GROUP INC	Computer Security Team	$135,494.40	$135,494.40	03/13/2007	03/12/2008	ONLY ONE SOURCE - OTHER
CENTECH GROUP INC	CERTS FY07 Training	$156,698.96	$156,698.96	06/07/2007	06/06/2008	ONLY ONE SOURCE - OTHER
CENTECH GROUP INC	ETC Field Training Services	$193,889.60	$193,889.60	06/08/2007	06/07/2008	ONLY ONE SOURCE - OTHER
CENTECH GROUP INC	Pride FY07 Training	$199,580.02	$199,580.02	06/14/2007	06/13/2008	ONLY ONE SOURCE - OTHER
CENTECH GROUP INC	SFI Training for Targeting Team	$231,502.36	$231,502.36	06/15/2007	06/14/2008	ONLY ONE SOURCE - OTHER
CENTECH GROUP INC	TPSD labor rates	$476,130.41	$476,130.41	06/01/2007	08/31/2007	ONLY ONE SOURCE - OTHER
CENTECH GROUP INC	Field Training Team	$844,084.00	$844,084.00	05/25/2007	05/24/2008	ONLY ONE SOURCE - OTHER
CENTRAL DISPATCH INC	Fire Alarm Monitoring - FMS, ELE, & VMG	$1,080.00	$6,426.00	02/01/2007	09/30/2010	ONLY ONE SOURCE - OTHER
CERTIFION CORPORATION	RENEWAL FOR ENTERSECT POLICE ONLINE ANNL	$3,300.00	$3,300.00	11/01/2006	09/30/2011	ONLY ONE SOURCE - OTHER
CHADWICK-HELMUTH A BUSINESS	Repair for 8500C+ control box & FasTrak	$4,658.10	$4,658.10	01/31/2007	03/30/2007	ONLY ONE SOURCE - OTHER
CHADWICK-HELMUTH A BUSINESS	8500C+ Chadwick Balancer SN2214	$5,558.70	$5,558.70	02/23/2007	03/30/2007	ONLY ONE SOURCE - OTHER
CHAMPLAIN VETERINARY CLINIC	Kenneling & Vet Services for 2 dogs	$10,000.00	$10,000.00	12/01/2006	11/30/2007	UNIQUE SOURCE
CHESAPEAKE SYSTEMS INC	HD Edit Workstations	$149,215.00	$149,215.00	09/19/2007	10/19/2007	ONLY ONE SOURCE - OTHER
CHICAGO SOFT LTD	MVS Quick Ref SW Maint	$36,602.00	$76,865.00	03/13/2007	03/31/2007	ONLY ONE SOURCE - OTHER
CHOICEPOINT GOVERNMENT SERVICE	FlexFoundation Software Maintenance	$153,950.00	$153,950.00	05/01/2005	04/30/2008	AUTHORIZED BY STATUTE
CITIZEN ADVOCATES INCORPORATED	Churubusco Janitorial Services	$6,864.00	$6,864.00	10/02/2006	03/31/2007	FOLLOW-ON CONTRACT
CITY OF DULUTH (5105)	Parking	$5,040.00	$5,040.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
CITY OF LONG BEACH	destruction of narcotics	$75,000.00	$75,000.00	07/01/2007	06/30/2008	ONLY ONE SOURCE - OTHER
CITY OF MIDLAND (0608)	City of Midland Lease SR 75/63.402	$23,619.12	$23,619.12	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
CLARA LINDA BERG	Morgan-Custodial Service	$23,175.02	$23,175.02	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
CLASSIFIED DOMESTIC CONTRACTOR	REPAIR THE PUBLIC ADDRESS SYSTEM	$9,450.00	$9,450.00	09/07/2007	10/26/2007	AUTHORIZED BY STATUTE

CLASSIFIED DOMESTIC CONTRACTOR	Trenton BPS Mold Abatement and Repair	$13,220.00	$13,220.00	01/16/2007	01/22/2007	URGENCY
CLASSIFIED FOREIGN CONTRACTOR	NARCOTICS DESTRUCTION SERVICES	$3,129.70	$3,129.70	11/28/2006	09/30/2007	UNIQUE SOURCE
CLASSIFIED FOREIGN CONTRACTOR	PIRS software development	$89,683.00	$89,683.00	09/28/2007	09/30/2008	STANDARDIZATION
CLAUDIA L S CACHU	Intrl - El Cajon Border Patrol Station	$153,563.00	$303,584.00	10/01/2006	09/30/2008	ONLY ONE SOURCE - OTHER
CLEAN MASTER SERVICES INC	Janitorial Jacksonville FL	$11,200.00	$11,200.00	12/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
CLEAR CHANNEL RADIO (2883)	Clear Channel Radio Advertising	$208,095.00	$208,095.00	07/26/2007	09/30/2007	ONLY ONE SOURCE - OTHER
CLEVELAND INDIANS BASEBALL CO LP	RECRUITING AD	$7,500.00	$7,500.00	07/17/2007	08/31/2007	ONLY ONE SOURCE - OTHER
CMC ELECTRONICS INC.	CMC - Navigational Database	$37,128.00	$193,363.00	01/19/2006	01/23/2011	ONLY ONE SOURCE - OTHER
COLONIAL PARKING	Parking for 1400L street	$99,997.20	$99,997.20	03/01/2007	02/28/2008	FOLLOW-ON CONTRACT
COLONIAL PARKING INCORPORATED (5818)	Parking	$231,500.00	$231,500.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
COMBINED SYSTEMS INC	12-ga Flare-Bang Warning Rounds	$39,000.00	$39,000.00	06/11/2007	07/13/2007	ONLY ONE SOURCE - OTHER
COMTRAIN LLC	Basic Tower Climbing Safety & Rescue Trn	$25,610.00	$25,610.00	06/08/2007	07/31/2007	ONLY ONE SOURCE - OTHER
CONFERENCE SYSTEMS INC	INA1Interpretation EquipmentRental	$9,349.00	$9,349.00	02/05/2007	02/28/2007	STANDARDIZATION
CONLON COACHING AND CONSULTING	SPEAKER/FACILITATOR FEE	$4,265.50	$4,265.50	01/23/2007	01/25/2007	ONLY ONE SOURCE - OTHER
CONSOLIDATED TRAILERS, INC.	Containers	$0.00	$500,000.00	09/30/2007	09/29/2008	ONLY ONE SOURCE - OTHER
CONSTRUCTION MANAGEMENT CONCEPTS	Lockerroom buildout	$11,160.00	$11,160.00	08/24/2006	09/24/2006	ONLY ONE SOURCE - OTHER
CONSTRUCTION MANAGEMENT CONCEPTS	Renovations	$93,693.00	$93,693.00	08/06/2007	10/06/2007	ONLY ONE SOURCE - OTHER
CORDA TECHNOLOGIES, INC	Corda 7 Enterprise - Software	$19,931.73	$19,931.73	12/12/2006	12/11/2007	SIMPLIFIED ACQUISITION PROCEDURES - NON-COMPETITIVE
CORPORATE EXECUTIVE BOARD	STP Membership fee - Info Risk Exec	$27,450.00	$27,450.00	09/07/2007	09/06/2008	AUTHORIZED BY STATUTE
CORPORATE EXECUTIVE BOARD	Subscription-Applications Executive Coun	$42,300.00	$42,300.00	01/31/2007	01/30/2008	ONLY ONE SOURCE - OTHER
CORPORATE EXECUTIVE BOARD	Enterprise Architecture Executive Board	$117,300.00	$117,300.00	12/15/2006	12/30/2007	ONLY ONE SOURCE - OTHER
COUNTY OF TAYLOR (1173)	ABT DETENTION SERVICE FOR ALIENS	$8,400.00	$8,400.00	10/01/2006	09/30/2011	ONLY ONE SOURCE - OTHER
COVADONGA PARKING ASSOCIATES INC	PARKING MONTHLY FEE	$7,020.00	$7,020.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER

CPM GENERAL CONTRACTORS	Construction of Housing for Generator	$20,000.00	$20,000.00	08/17/2007	09/30/2007	URGENCY
CREW TRAINING INTL INC	Human Factor Needs Assessment Report	$76,800.00	$76,800.00	09/24/2007	11/30/2007	ONLY ONE SOURCE - OTHER
CUPP AUTO SALES LLC	training aid scrap vehicles	$10,764.00	$10,764.00	04/17/2007	04/15/2008	ONLY ONE SOURCE - OTHER
CYBERSOURCE CORP	Maintenance Renewal	$17,180.00	$17,180.00	10/01/2006	09/30/2007	NATIONAL SECURITY
CYBERSOURCE CORP	software maintenance for ECS Program	$17,180.00	$17,180.00	09/30/2007	09/29/2008	UNIQUE SOURCE
CYRACOM INTERNATIONAL INC	Translation Services	$26,537.18	$26,537.18	10/01/2006	12/20/2006	ONLY ONE SOURCE - OTHER
DALLAS COWBOYS FOOTBALL CLUB LTD	Sponsorship with the Dallas Cowboys	$150,000.00	$150,000.00	08/17/2007	12/31/2007	ONLY ONE SOURCE - OTHER
DARTFISH USA LTD	Dartfish TEAM PRO Motion Analysis So	$6,070.00	$6,070.00	04/30/2007	05/31/2009	ONLY ONE SOURCE - OTHER
DATA INTERCHANGE STANDARDS	ACSX12 Annual Dues (12 Month Membership)	$4,010.00	$4,010.00	09/01/2007	08/31/2008	ONLY ONE SOURCE - OTHER
DAVIS, MORRIS E.	Arbitrator SD2006-0411	$3,500.00	$3,500.00	06/01/2007	09/30/2007	ONLY ONE SOURCE - OTHER
DAY WIRELESS SYSTEMS	1/2" N Male Connector	$9,184.77	$9,184.77	07/31/2007	09/30/2007	ONLY ONE SOURCE - OTHER
DAY WIRELESS SYSTEMS	3 ft Stand off mounts	$49,762.10	$49,762.10	08/15/2007	09/30/2007	ONLY ONE SOURCE - OTHER
DECATUR RADAR	BP, SERVICE/INSTALL COMMUNICATIONS MOBIL	$24,998.00	$24,998.00	07/11/2007	08/09/2007	ONLY ONE SOURCE - OTHER
DEFENSE TECHNOLOGY CORPORATION OF AMERICA	3027 DRAG STABILIZED BEAN BAG 12 GA	$76,622.27	$76,622.27	07/19/2007	08/31/2007	ONLY ONE SOURCE - OTHER
DELL MARKETING L P	Maintenance Dell/EMC CX200	$19,660.04	$19,660.04	09/26/2007	09/25/2008	ONLY ONE SOURCE - OTHER
DELTEK SYSTEMS INCORPORATED	Project Connect - Concurrent User License	$6,610.00	$6,610.00	11/15/2006	11/30/2006	ONLY ONE SOURCE - OTHER
DETROIT TIGERS INC	recruiting advertisement	$13,000.00	$13,000.00	08/31/2007	09/30/2007	ONLY ONE SOURCE - OTHER
DETROIT TIGERS INC.	Program Advertising	$5,000.00	$5,000.00	08/17/2007	10/26/2007	ONLY ONE SOURCE - OTHER
DEWEY PUBLICATIONS INC	MSPB Book Only	$65,611.35	$65,611.35	08/03/2007	08/03/2008	UNIQUE SOURCE
DIANE E CONLOGUE	07 Janitorial Service Monticello, ME	$4,800.00	$4,800.00	12/01/2006	11/30/2007	FOLLOW-ON CONTRACT
DIANE E CONLOGUE	07 Janitorial service - Bridgewater, ME	$8,400.00	$8,400.00	12/01/2006	11/30/2007	FOLLOW-ON CONTRACT
DIGATRON INC	16-Channek /ADVAR Gold 4TB	$56,201.60	$56,201.60	09/07/2007	09/30/2007	ONLY ONE SOURCE - OTHER
DIGGING & RIGGING INC.	Crane Service	$9,166.56	$9,166.56	03/19/2007	03/21/2007	URGENCY
DIRECTV INCORPORATED (1465)	Satellite TV Service for Tucson Sector	$7,651.20	$7,651.20	12/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER

DONNA M STONE	3011 Janitorial/Grounds	$12,600.00	$12,600.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
DOUBLETREE CORPORATION (6433)	Conference Fee	$5,189.00	$5,189.00	12/04/2006	12/07/2006	ONLY ONE SOURCE - OTHER
DOUBLETREE HOTEL BETHESDA	Conference Room Meeting Package	$8,910.00	$8,910.00	05/15/2007	05/17/2007	ONLY ONE SOURCE - OTHER
DOUBLETREE INC. OF CALIFORNIA	HRM Testing in San Diego	$5,030.00	$5,030.00	08/03/2007	08/04/2007	ONLY ONE SOURCE - OTHER
DR MILDEN J FOX JR	Arbitration	$4,700.00	$4,700.00	08/23/2007	08/23/2007	AUTHORIZED BY STATUTE
DTEL COMMUNICATIONS INCORPORATED (6859)	BROWNSVILLE STATIO TELEPHONE MAINTENANCE	$4,824.00	$4,824.00	01/01/2007	09/30/2007	ONLY ONE SOURCE - OTHER
EDGE AND TINNEY ARCHITECTS INC	Detroit A&E Design Fee and Enviro Assess	$800,000.00	$800,000.00	09/23/2007	04/01/2008	ONLY ONE SOURCE - OTHER
EFIX IMAGE	Maintenance agreement for 12 copiers	$16,587.00	$16,587.00	10/01/2006	09/30/2007	FOLLOW-ON CONTRACT
EG&G TECHNICAL SERVICES, INC.	CBP - Appropriations - Bridge Contract	$2,700,000.00	$2,700,000.00	10/01/2006	12/31/2006	ONLY ONE SOURCE - OTHER
ELIZABETH G BERNEY	Management Retreat	$13,660.00	$13,660.00	09/18/2007	09/19/2007	ONLY ONE SOURCE - OTHER
EMBASSY SUITES	BP Testing in San Juan	$5,335.00	$5,335.00	07/06/2007	07/22/2007	ONLY ONE SOURCE - OTHER
EMBASSY SUITES	06/26 & 06/27 Conference Room	$7,442.00	$7,442.00	06/25/2007	06/29/2007	ONLY ONE SOURCE - OTHER
EMBASSY SUITES TUCSON	HRM Testing, Tucson	$5,520.00	$5,520.00	08/09/2007	08/10/2007	ONLY ONE SOURCE - OTHER
EMBASSY SUITES TUCSON	CBP Compressed Testing	$6,000.00	$6,000.00	05/10/2007	05/10/2007	ONLY ONE SOURCE - OTHER
EMBASSY SUITES TUCSON	HRM Testing, Tucson	$6,000.00	$6,000.00	08/22/2007	09/30/2007	ONLY ONE SOURCE - OTHER
EMBASSY SUITES TUCSON	BP Testing Facility	$9,480.00	$9,480.00	03/30/2007	04/19/2007	ONLY ONE SOURCE - OTHER
EMERGENCY RESPONSE INTERNATIONAL INCORPORATED	ERI - Survival Trng	$187,000.00	$187,000.00	09/28/2006	09/30/2007	ONLY ONE SOURCE - OTHER
EMPRESAS MUNICIPALES SAN JUAN	PARKING MONTHLY FEE (23) SPACES	$23,400.00	$23,400.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
ENERGY ABSORPTION SYSTEMS INC	Repair of Delineator Eqpt and Parts	$1,500.00	$8,000.00	10/01/2006	09/30/2011	ONLY ONE SOURCE - OTHER
ENGEL BALLISTIC RESEARCH INC	12-ga Frangible Safety Slug Ammo	$84,000.00	$84,000.00	06/04/2007	09/07/2007	ONLY ONE SOURCE - OTHER
ENN LEASING INC	BP Testing San Antonio	$3,084.00	$3,084.00	06/29/2007	06/30/2007	STANDARDIZATION
ENN LEASING INC	HRM, Recruitment Testing	$3,084.00	$3,084.00	07/13/2007	07/15/2007	SIMPLIFIED ACQUISITION PROCEDURES - NON-COMPETITIVE

ENN LEASING INC	HRM Testing in San Antonio	$3,290.00	$3,290.00	07/24/2007	09/30/2007	ONLY ONE SOURCE - OTHER
ENN LEASING INC	NR compressed testing effort	$4,320.00	$4,320.00	01/26/2007	01/28/2007	ONLY ONE SOURCE - OTHER
ENVISN INCORPORATED	Maintenance and Support for Univisn	$4,695.00	$4,695.00	10/05/2006	10/04/2007	FOLLOW-ON CONTRACT
EPCON INC	Electrical Work	$3,650.00	$3,650.00	09/17/2007	10/17/2007	ONLY ONE SOURCE - OTHER
EPCON INC	Provide and Install cabinets	$7,300.00	$7,300.00	06/18/2007	07/18/2007	ONLY ONE SOURCE - OTHER
EPCON INC	El Paso Air Branch Painting, Carpet , etc	$31,900.00	$31,900.00	03/29/2007	04/13/2007	AUTHORIZED BY STATUTE
EXCELLENT MAINTENANCE	Cleaning-Hawthorne	$5,950.00	$5,950.00	03/01/2007	09/30/2007	ONLY ONE SOURCE - OTHER
F AND W VENDING SERVICES	3015 Janitorial/grounds	$8,220.00	$8,220.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
F AND W VENDING SERVICES	3020 janitorial/grounds	$12,120.00	$12,120.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
FAIRCOUNT LLC	Advertisement	$9,310.00	$9,310.00	04/05/2007	09/30/2007	ONLY ONE SOURCE - OTHER
FAIRCOUNT LLC	Recruitment Ad w/Outdoor Channel Magazine	$12,950.00	$12,950.00	07/11/2007	12/31/2007	ONLY ONE SOURCE - OTHER
FARWEST PUMP COMPANY INCORPORATED (1534)	WELL REPAIR AT SASABE AZ HOUSING	$19,315.00	$19,315.00	01/11/2007	02/11/2007	ONLY ONE SOURCE - OTHER
FEDEX	Training-Dangerous Goods	$6,900.00	$6,900.00	01/23/2007	01/25/2007	ONLY ONE SOURCE - OTHER
FIRST AMERICAN CORELOGIC INC	Monthly Subscription	$4,500.00	$4,500.00	09/05/2007	09/05/2008	ONLY ONE SOURCE - OTHER
FIRST INDUSTRIAL REALTY TRUST INC	Short Term Space Rental	$264,218.88	$264,218.88	08/01/2007	07/31/2008	FOLLOW-ON CONTRACT
FIRST-LIGHT USA LLC	Liberator GP Flashlight	$139,841.00	$139,841.00	09/24/2007	11/15/2007	ONLY ONE SOURCE - OTHER
FL MOVERS	Pembroke Pines BPSQH Packing and Move	$10,000.00	$10,000.00	12/05/2006	12/05/2006	ONLY ONE SOURCE - OTHER
FLIR SYSTEMS INC	Repair U8500 FLIR Unit SN 8009	$3,569.00	$3,569.00	08/16/2007	09/28/2007	ONLY ONE SOURCE - OTHER
FLIR SYSTEMS INC	Repair U7500 FLIR Unit SN 5269	$5,372.00	$5,372.00	08/16/2007	09/28/2007	ONLY ONE SOURCE - OTHER
FLORIDA KENNELS OF BREVARD INCORPORATED	Boarding/Kenneling - CVL	$5,110.00	$5,110.00	10/31/2006	09/30/2007	ONLY ONE SOURCE - OTHER
FNH USA LLC	FN 303 Launcher 48001	$2,722,642.00	$2,722,642.00	09/28/2007	10/29/2007	STANDARDIZATION
FOSTER PRINTING SERVICE INC	POINTED WORKOUT Reprints	$4,525.00	$4,525.00	06/29/2007	07/13/2007	ONLY ONE SOURCE - OTHER
FOX 24 KPEJ	Recruitment Ads for BP Agents	$31,600.00	$31,600.00	07/01/2007	12/31/2007	ONLY ONE SOURCE - OTHER

FOX 25	Recruitment ad for Oct. 2007 OKC-TV	$54,500.00	$54,500.00	10/01/2007	12/31/2007	ONLY ONE SOURCE - OTHER
FRANZEN SECURITY PRODUCT INC	Weapon Lockbox	$167,500.00	$167,500.00	09/06/2007	12/21/2007	ONLY ONE SOURCE - OTHER
FREEDOM NEWSPAPERS OF SW AZ	Public Notice - Yuma Sun	$3,095.20	$3,095.20	07/11/2007	07/28/2007	ONLY ONE SOURCE - OTHER
FRONTLINE SYSTEMS LLC	QuitePro Single Motorola XTS Kit	$68,820.00	$68,820.00	09/13/2007	12/30/2007	ONLY ONE SOURCE - OTHER
GAFFANEYS OF MINOT INCORPORATED	Ambrose Copier/C1275105/SN4 5043811	$12,900.00	$12,900.00	10/01/2006	09/30/2007	FOLLOW-ON CONTRACT
GARDEN CITY HOTEL	Lite Refreshments w/ Services Charges	$22,008.00	$22,008.00	08/28/2007	08/30/2007	ONLY ONE SOURCE - OTHER
GAYLE SUTTON	Whitlash-Custodial Service	$11,412.50	$11,412.50	11/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
GAYLEN DOODY	07 Janitorial Services - Easton, ME	$4,500.00	$4,500.00	12/01/2006	11/30/2007	FOLLOW-ON CONTRACT
GEMINI TECHNOLOGIES INC.	Blackside40-THD Sound&Flash Suppressor	$8,060.00	$8,060.00	04/11/2007	05/16/2007	ONLY ONE SOURCE - OTHER
GIRARD CLEANING	Scobey-Custodial Service	$11,880.00	$11,880.00	12/15/2006	09/30/2007	ONLY ONE SOURCE - OTHER
GLOBAL OPERATIONS TEXAS LIMITED PARTNERSHIP	Copier Maintenance	$6,241.00	$6,241.00	01/01/2007	12/31/2007	ONLY ONE SOURCE - OTHER
GOOD WORKS INC	Janitorial Service	$3,840.00	$3,840.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
GOODWILL CONTRACTING SERVICES	Janitorial srvcs.	$4,059.00	$4,059.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
GOODWILL INDUSTRIES OF CENTRAL	Mailroom Services	$226,415.11	$226,415.11	05/01/2004	04/25/2009	PUBLIC INTEREST
GOODWORKS INC	LA5002 - JANITORIAL SVCS - FY 07	$7,176.93	$7,176.93	02/01/2007	09/30/2007	DIRECTED TO JWOD NONPROFIT AGENCY
GOODWORKS, INC.	LA 5002 - JANITORIAL Services FY07	$9,602.88	$9,602.88	10/01/2006	04/30/2007	DIRECTED TO JWOD NONPROFIT AGENCY
GOVERNMENT ACQUISITIONS INC	Fujitsu Part #PW0R1D11U	$64,643.57	$64,643.57	01/18/2007	02/23/2007	ONLY ONE SOURCE - OTHER
GOVERNMENT ACQUISITIONS INC	BO Dashboard Manager CPU	$275,208.71	$275,208.71	12/30/2006	12/30/2007	FOLLOW-ON CONTRACT
GOVERNMENT SERVICES IPT LLC	HFP3 Warehouse Design Funds	$529,000.00	$529,000.00	08/24/2007	12/31/2007	AUTHORIZED BY STATUTE
GOVERNMENT SERVICES IPT LLC	Harpers Ferry Phase III Infrastructure d	$792,092.00	$792,092.00	08/24/2007	12/31/2007	AUTHORIZED BY STATUTE
GRADUATE SCHOOL USDA	HR Training	$14,580.00	$14,580.00	10/15/2007	10/15/2007	ONLY ONE SOURCE - OTHER
GRAHAM RESEARCH CONSULTANTS, N.A.	Guest Speaker for FY07 DFO leadership Co	$4,500.00	$4,500.00	03/12/2007	05/08/2007	ONLY ONE SOURCE - OTHER
GRAND FORKS CO CORRECTIONAL CTR	estimated jail expenses	$12,752.00	$63,760.00	01/01/2007	09/30/2011	ONLY ONE SOURCE - OTHER

GRANDE GARBAGE COLLECTION COMPANY	GARBAGE COLLECTION - RGC STATION	$4,320.00	$21,600.00	10/01/2006	09/30/2011	ONLY ONE SOURCE - OTHER
GRANT THORNTON LLP	Contract Support	$1,104,199.00	$1,104,199.00	03/22/2007	12/31/2007	FOLLOW-ON CONTRACT
GREAT LAKES TOWER & ANTENNA CO	FAA TOWER INSPECTION LABOR	$4,704.00	$4,704.00	07/03/2007	08/03/2007	ONLY ONE SOURCE - OTHER
GREAT LAKES TOWER & ANTENNA CO	REMOVE 250FT TOWER	$25,000.00	$25,000.00	08/12/2007	09/12/2007	ONLY ONE SOURCE - OTHER
Gulf South Research Corp	SME's Environmental Planning	$1,034,927.16	$1,411,185.00	07/03/2007	07/02/2008	ONLY ONE SOURCE - OTHER
HAGEMEYER NORTH AMERICA INC.	Lion MT94 multithreat police ensemble	$17,516.08	$17,516.08	06/26/2007	07/27/2007	ONLY ONE SOURCE - OTHER
HALL COMMUNICATIONS INC	Border Patrol Recruiting Advertising	$4,662.00	$4,662.00	09/26/2007	12/30/2007	ONLY ONE SOURCE - OTHER
HALSEY & GRIFFITH	Aficio 180 s/r H1710300606	$4,065.00	$4,065.00	09/30/2007	09/30/2007	AUTHORIZED BY STATUTE
HARRIS CORP	MUX CARDS (Exchange)	$20,925.00	$20,925.00	05/17/2007	05/31/2007	URGENCY
HARTE-HANKS, INC.	TS Quality license	$309,456.00	$309,456.00	07/30/2007	07/29/2010	ONLY ONE SOURCE - OTHER
HAWAII DEPT OF AGRICULTURE	Kenneling for Honolulu Dogs	$32,850.00	$32,850.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
HAWAII MODULAR SPACE INCORPORATED	OFFICE TRAILER 10X32 AT PIER 1	$16,667.40	$16,667.40	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
HEARST ARGYLE SYNDICATION LLC	ADVERTISING SERVICES	$180,000.00	$180,000.00	08/07/2007	02/28/2008	ONLY ONE SOURCE - OTHER
HECKLER & KOCH DEFENSE INC	Prototype threaded Barrel (Item#234641)	$6,650.00	$6,650.00	03/14/2007	07/13/2007	ONLY ONE SOURCE - OTHER
HECKLER & KOCH DEFENSE INC	H&K P2000 SK Magazines P/N 207323	$17,850.00	$17,850.00	09/10/2007	06/30/2008	ONLY ONE SOURCE - OTHER
HECKLER & KOCH DEFENSE INC	Items for FMAT Tool Kit	$42,465.00	$42,465.00	09/13/2007	11/13/2007	ONLY ONE SOURCE - OTHER
HECKLER & KOCH DEFENSE INC	A&M/H&K P-2000 MAGAZINES P/N 217439	$46,200.00	$46,200.00	09/10/2007	03/31/2008	ONLY ONE SOURCE - OTHER
HECKLER & KOCH DEFENSE INC	FOA-H&K P-2000 MAGAZINES P/N 217439	$54,687.50	$54,687.50	09/10/2007	04/30/2008	ONLY ONE SOURCE - OTHER
HECKLER & KOCH DEFENSE INC	H&K P-2000 MAGAZINES	$55,000.00	$55,000.00	07/03/2007	10/31/2007	ONLY ONE SOURCE - OTHER
HECKLER & KOCH DEFENSE INC	H&K 14.5" 416 .223 CARBINE	$82,150.00	$82,150.00	03/08/2007	05/04/2007	URGENCY
HECKLER & KOCH DEFENSE INC	BPA-H&K P-2000 MAGAZINES P/N 217439	$113,750.00	$113,750.00	09/10/2007	05/31/2008	ONLY ONE SOURCE - OTHER
HECKLER & KOCH DEFENSE INC	H&K P-2000 MAGAZiINES	$114,400.00	$114,400.00	07/02/2007	09/28/2007	ONLY ONE SOURCE - OTHER
HECKLER & KOCH DEFENSE INC	P2000 .40 S&W Magazines	$352,000.00	$352,000.00	07/03/2007	11/23/2007	ONLY ONE SOURCE - OTHER
HECKLER & KOCH DEFENSE INC	P2000 MAGAZINES P/N 217439	$653,867.00	$653,867.00	09/10/2007	07/31/2008	ONLY ONE SOURCE - OTHER

HEI HOSPITALITY FUND HOLDINGS LP	OT Conference Room Rental	$20,152.55	$20,152.55	09/17/2007	09/20/2007	ONLY ONE SOURCE - OTHER
HELENS CLEANING SERVICE	07 Janitorial Service, Hamlin.ME	$4,200.00	$4,200.00	12/01/2006	11/30/2007	FOLLOW-ON CONTRACT
HELM INC	164-R9450 IDS Advantage package	$17,786.00	$17,786.00	09/28/2007	10/18/2007	ONLY ONE SOURCE - OTHER
HHC TRS MELROSE LLC	Confrence room for 2 days	$3,324.00	$3,324.00	02/21/2007	02/22/2007	ONLY ONE SOURCE - OTHER
HHC TRS MELROSE LLC	Meeting Room Rental	$32,307.58	$32,307.58	01/22/2007	02/01/2007	ONLY ONE SOURCE - OTHER
HILLTOP TRAILER SALES INCORPORATED	07Rental office at Ely Apr-Dec	$3,675.00	$3,675.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
HOFFARTH DONALD D	Janitorial/Grounds-Maida	$15,000.00	$15,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
HOLIDAY INN	Breaks	$4,797.90	$4,797.90	09/13/2007	10/25/2007	ONLY ONE SOURCE - OTHER
HOLIDAY INN CENTRAL	Lodging	$5,640.00	$5,640.00	01/29/2007	02/02/2007	ONLY ONE SOURCE - OTHER
HOLIDAY INN CENTRAL	Lodging	$16,920.00	$16,920.00	02/04/2007	02/10/2007	ONLY ONE SOURCE - OTHER
HOLIDAY INN EXPRESS HOTEL & SUITES	HRM Testing, McAllen	$3,460.00	$3,460.00	09/20/2007	09/22/2007	ONLY ONE SOURCE - OTHER
HOLIDAY INN EXPRESS HOTEL & SUITES	HRM Testing, McAllen, TX	$3,500.00	$3,500.00	08/22/2007	09/30/2007	ONLY ONE SOURCE - OTHER
HOLIDAY INN EXPRESS HOTEL & SUITES	HRM Testing, McAllen	$3,650.00	$3,650.00	09/06/2007	09/07/2007	ONLY ONE SOURCE - OTHER
HOLIDAY INN SELECT OF APPLETON	Room Rental	$12,833.00	$12,833.00	07/21/2007	07/30/2007	ONLY ONE SOURCE - OTHER
HOLT OF CALIFORNIA	Remote Touchscreen Control	$18,700.00	$18,700.00	08/26/2007	09/26/2007	ONLY ONE SOURCE - OTHER
HOST HOTELS & RESORTS LP	HRM Recruitment Hiring Event	$10,640.00	$10,640.00	09/10/2007	09/10/2007	ONLY ONE SOURCE - OTHER
HOST HOTELS & RESORTS LP	COP/C2I Requirements Workshop Conf Rooms	$6,651.61	$6,651.61	04/09/2007	05/31/2007	ONLY ONE SOURCE - OTHER
HOTEL OPERATIONS COMPANY INC.	HRM Testing in McAllen, TX	$3,650.00	$3,650.00	08/05/2007	08/06/2007	ONLY ONE SOURCE - OTHER
HOWARD O MILLS JR	Boathouse Lease	$12,162.33	$12,162.33	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
HSS INTERNATIONAL INC	BP, ADVANCE TRAINING IN TAC MED	$27,135.00	$27,135.00	09/03/2007	09/14/2007	ONLY ONE SOURCE - OTHER
HUITT-ZOLLARS INC	TUNNEL CAT AND A-E SERVICES	$180,076.86	$180,076.86	09/21/2007	09/21/2008	ONLY ONE SOURCE - OTHER
HUMAN PERFORMANCE SYSTEMS INC	Direct Threat Assessment	$16,205.00	$16,205.00	03/28/2007	06/11/2007	ONLY ONE SOURCE - OTHER

HYATT CORPORATION DEL	ACE xch.conf. Det 2-26-3-2/07	$73,810.00	$73,810.00	02/25/2007	03/01/2007	ONLY ONE SOURCE - OTHER
HYATT REGENCY CHESAPEAKE BAY	Conference Room	$7,385.40	$7,385.40	03/14/2007	03/15/2007	ONLY ONE SOURCE - OTHER
IACP	Conference Booth	$27,600.00	$27,600.00	09/18/2007	10/17/2007	ONLY ONE SOURCE - OTHER
IBM CORP	Lotus Maintenance Support - Base Year	$158,000.00	$322,320.00	11/23/2006	11/22/2008	ONLY ONE SOURCE - OTHER
IDENTIX INC	Scan Fingerprint System	$7,749.00	$7,749.00	08/24/2007	09/24/2007	PATENT/DATA RIGHTS
IMTECH CORP	System Software, Hardware & Tube upgrades	$166,739.75	$166,739.75	08/16/2007	09/30/2008	ONLY ONE SOURCE - OTHER
INDIO PONTIAC GMC BUICK INC	Parts & labor to replace engine	$4,630.26	$4,630.26	05/08/2007	09/30/2007	ONLY ONE SOURCE - OTHER
INDUSTRIAL CONTRACT SERVICES	GFK trenching and conduit	$3,125.00	$3,125.00	07/19/2007	08/19/2007	ONLY ONE SOURCE - OTHER
INGERSOLL-RAND CO	AIR COMPRESSORS - PMI	$5,200.00	$5,200.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
INGERSOLL-RAND CO	Repair Compressor	$10,966.61	$10,966.61	04/17/2007	05/17/2007	ONLY ONE SOURCE - OTHER
INNOSYS INC	License & Maintenance Service Renewal	$18,540.00	$18,540.00	09/28/2007	09/27/2008	FOLLOW-ON CONTRACT
INNOSYS INC	InnoSys Manager	$20,000.00	$20,000.00	05/21/2007	06/21/2007	AUTHORIZED BY STATUTE
INNOVATION DATA PROCESSING INC	FDR Maintenance	$31,100.00	$31,100.00	04/01/2007	03/31/2008	ONLY ONE SOURCE - OTHER
INNOVATION DATA PROCESSING INC	FDR/CPK/ABR/FDRI NSTANT SW Maint	$102,363.00	$102,363.00	04/09/2007	03/31/2008	ONLY ONE SOURCE - OTHER
INNOVATIVE RESPONSE TECH. INC.	X-bot enforcer system	$26,082.00	$26,082.00	09/06/2007	10/05/2007	ONLY ONE SOURCE - OTHER
INSTITUTE OF GLOBAL MGT	Targeting and information services	$493,260.00	$493,260.00	09/28/2007	09/27/2008	ONLY ONE SOURCE - OTHER
INSTRON CORP	UNIVERSAL TESTING SYSTEM.	$46,450.00	$46,450.00	08/27/2007	10/12/2007	UNIQUE SOURCE
INTERNATIONAL BONDED COURIERS	mail service	$20,000.00	$20,000.00	04/25/2006	09/30/2007	ONLY ONE SOURCE - OTHER
INTERNATIONAL BUSINESS MACHINE	IBM - WorkLenz support	$245,756.00	$245,756.00	05/16/2007	09/30/2007	ONLY ONE SOURCE - OTHER
INTERNATIONAL BUSINESS MACHINE	CS-Assessment Emerging Trends	$250,000.00	$250,000.00	09/27/2007	09/30/2008	ONLY ONE SOURCE - OTHER
INTERNATIONAL BUSINESS MACHINE	IBM Tivoli Software Maint	$278,892.20	$278,892.20	05/03/2007	04/30/2008	ONLY ONE SOURCE - OTHER
INTERNATIONAL BUSINESS MACHINE	IBM Total Storage SAN40M Cabinet w/EFCM	$507,523.27	$507,523.27	05/03/2007	05/04/2007	ONLY ONE SOURCE - OTHER
INTERNATIONAL BUSINESS MACHINE	Contract Support	$745,592.00	$745,592.00	09/22/2007	09/30/2008	ONLY ONE SOURCE - OTHER

INTERNATIONAL BUSINESS MACHINE	IBM Tivoli Access Mgr Lic 5.1 GOES	$1,036,930.00	$1,036,930.00	09/22/2007	09/30/2008	ONLY ONE SOURCE - OTHER
INTERNATIONAL BUSINESS MACHINE	Websphere Application Server SW	$9,561,468.00	$9,561,468.00	09/25/2007	09/30/2008	ONLY ONE SOURCE - OTHER
INTERNATIONAL BUSINESS MACHINE	Training	$15,616,815.24	$15,616,815.24	09/27/2007	09/30/2008	ONLY ONE SOURCE - OTHER
INTERNATIONAL BUSINESS MACHINES CORPORATION	WebSphere Application Server ND SW	$67,624.00	$67,624.00	08/14/2007	09/30/2008	ONLY ONE SOURCE - OTHER
INTERNATIONAL HOTELS GROUP	PD Conf	$5,020.29	$5,020.29	09/10/2007	09/14/2007	ONLY ONE SOURCE - OTHER
INTERNATIONAL SECURITY GROUP	Contractor as Validation Coordinator	$86,900.00	$86,900.00	11/20/2006	12/24/2007	URGENCY
INTERNATIONAL SPORTS PROPERTIES INC	2007 Houston Cougars Marketing Package	$24,000.00	$24,000.00	08/15/2007	11/30/2007	ONLY ONE SOURCE - OTHER
INTERSTATE POWER SYSTEMS	Electrical Connection for New Generator	$5,574.00	$5,574.00	09/18/2007	10/18/2007	ONLY ONE SOURCE - OTHER
IRA F JAFFE	Arbitrator's Fee	$2,600.00	$5,200.00	02/08/2007	02/08/2007	ONLY ONE SOURCE - OTHER
IRON MOUNTAIN	Iron Mt.	$10,000.00	$10,000.00	11/28/2006	09/30/2007	ONLY ONE SOURCE - OTHER
ISMAEL LARA	CBP Customs Emergency WO 07-0092	$3,269.00	$3,269.00	07/11/2007	08/11/2007	ONLY ONE SOURCE - OTHER
ISMAEL LARA	CBP Customs Emergency WO 07-0090	$3,392.00	$3,392.00	07/02/2007	08/02/2007	ONLY ONE SOURCE - OTHER
ISMAEL LARA	CBP Customs Emergency WO 07-0089	$4,509.00	$4,509.00	07/02/2007	08/02/2007	ONLY ONE SOURCE - OTHER
ISMAEL LARA	CBP Customs Emergency WO 07-0091	$7,064.00	$7,064.00	07/02/2007	08/02/2007	ONLY ONE SOURCE - OTHER
ISMAEL LARA	CBP Presidio BP Housing W.O. 07-0143	$8,285.00	$8,285.00	08/25/2007	09/25/2007	ONLY ONE SOURCE - OTHER
ISMAEL LARA	CBP Presidio BP Housing W.O. 07-0144	$11,938.00	$11,938.00	08/25/2007	09/25/2007	ONLY ONE SOURCE - OTHER
JACKSONVILLE SOUND AND COMMUNICATIONS INC	mon. inspection to security system	$7,758.00	$22,274,047.00	10/03/2006	09/30/2009	UNIQUE SOURCE
JACO GENERAL CONTRACTORS INC	Labor	$20,430.00	$20,430.00	08/27/2007	09/27/2007	ONLY ONE SOURCE - OTHER
JAMES MACKIE	EEO Investigation Services	$25,000.00	$25,000.00	08/31/2007	08/30/2008	ONLY ONE SOURCE - OTHER
JAY ROBINSON RACING LLC	NASCAR Recruiting Booths	$80,000.00	$80,000.00	06/01/2007	11/04/2007	ONLY ONE SOURCE - OTHER
JOHNNY BLUE INCORPORATED	Rental of portable toilets	$4,650.00	$4,650.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
JOHNS HOPKINS UNIVERSITY	Ag Inbond	$1,799,675.00	$10,400,452.00	09/28/2007	09/27/2012	MOBILIZATION . ESSENTIAL R&D

JONES, ROBERT L.	Temp Employee	$24,000.00	$24,000.00	03/12/2007	09/30/2007	ONLY ONE SOURCE - OTHER
JOSEPH A GENTILE	Arbitrator	$3,278.69	$3,278.69	08/20/2006	08/22/2006	ONLY ONE SOURCE - OTHER
JOSEPH F GENTILE	Arbitrator	$3,278.69	$3,278.69	08/31/2007	09/01/2007	ONLY ONE SOURCE - OTHER
JP INDUSTRIES INC	JANITORIAL SERVICES	$14,847.00	$14,847.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
KALTHIA CONSTRUCTION	HRM Testing in El Centro	$3,352.52	$3,352.52	09/06/2007	09/06/2007	ONLY ONE SOURCE - OTHER
KELLY JAMES F	INA GBSLE & EXBS SME/Train Coord	$72,000.00	$223,200.00	01/11/2007	01/10/2010	UNIQUE SOURCE
KELLY'S CLEANING SERVICE	Janitorial service for STX	$3,300.00	$3,300.00	10/01/2006	03/31/2007	UNIQUE SOURCE
KENCO OR LLC	Vehicle Light Bar and Siren	$8,849.76	$8,849.76	05/29/2007	06/15/2007	ONLY ONE SOURCE - OTHER
KEYENCE CORPORATION OF AMERICA	DIGITAL MICROSCOPE	$85,948.63	$85,948.63	08/21/2007	09/21/2007	UNIQUE SOURCE
KISCAL LLC	Adjunct Instructors BP K-9	$410,328.80	$410,328.80	09/28/2007	09/27/2008	UNIQUE SOURCE
KOLOB INCORPORATED	Disposal service for AMB/BWB	$25,320.00	$25,320.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
KOONS WENDY S	Janitorial/Grounds-Antler	$10,200.00	$10,200.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
KRAMM & ASSOCIATES INC	Deposition SD-2007-0121 5/2/07	$4,000.00	$4,000.00	04/17/2007	09/30/2007	ONLY ONE SOURCE - OTHER
KROESCHELL ENGINEERING COMPANY (3970)	SERVICE/MAINT. F/COND. UNIT	$6,000.00	$6,000.00	09/01/2007	08/31/2008	ONLY ONE SOURCE - OTHER
KYO-YA HOTELS & RESORTS LP	HRM Auditor Job Fair	$9,690.00	$9,690.00	07/27/2007	07/27/2007	ONLY ONE SOURCE - OTHER
L 3 COMMUNICATIONS TITAN CORPORATION (8754)	Contractor Support	$3,579,244.40	$3,579,244.40	11/21/2006	09/30/2009	UNIQUE SOURCE
L P PADRES	RECRUITMENT EVENT ONLINE ADVERTISING	$40,000.00	$40,000.00	08/07/2007	09/30/2007	ONLY ONE SOURCE - OTHER
L-3 COMMUNICATIONS CORP	STEFNBDT Office(ISDN/PSTN) Secure Termin	$64,365.00	$64,365.00	09/18/2007	06/30/2008	ONLY ONE SOURCE - OTHER
LAB SAFETY SUPPLY, INC.	PPE Equip - CIS	$47,000.00	$47,000.00	03/27/2007	11/02/2007	URGENCY
LAB SAFETY SUPPLY, INC.	PPE - Personal Protective Equip/Supplies	$2,162,103.00	$2,162,103.00	03/21/2007	11/30/2007	URGENCY
LAFAYETTE INSTRUMENT CO INC	Polygraph equipment	$137,198.75	$137,198.75	09/19/2007	10/19/2007	ONLY ONE SOURCE - OTHER
LAMAR MEDIA CORPORATION	ADVERTISING RECRUITMENT	$24,990.00	$24,990.00	09/19/2007	09/30/2008	ONLY ONE SOURCE - OTHER
LANAKILA REHABILITATION CENTER INCORPORATED	Continental Air Cargo Custodial Service	$14,586.48	$14,586.48	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER

LANCLOS AIR TRANSPORT	Messenger service STX/USCS	$18,200.04	$18,200.04	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
LANDAUER INCORPORATED	Radiation Monitoring	$13,000.00	$13,000.00	12/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
LANDMARK KENNELS	Kenneling for CBP Canines	$71,540.00	$71,540.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
LARGE ANIMAL VETERINARY ASSOC	Horse Veterinary Services	$20,600.00	$40,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
LAW ENFORCEMENT TARGETS INC	Stand and springs	$59,968.35	$59,968.35	09/22/2007	10/22/2007	STANDARDIZA TION
LAWN RANGER OF ST AUGUSTINE INCORPORATED THE	Groundskeeping/Lawn Maintenance Service	$17,000.00	$17,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
LEGG LONNIE L	Janitorial/Grounds-/Westhope	$9,600.00	$9,600.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
LEXIS-NEXIS	2006 CIS INDEX	$4,771.00	$4,771.00	01/01/2007	12/31/2007	ONLY ONE SOURCE - OTHER
LHO DALLAS ONE LESSEE LIMITED LIABILITY COMPANY	Seized Property Conference	$9,128.96	$9,128.96	05/21/2007	05/25/2007	ONLY ONE SOURCE - OTHER
LIEBERT CORP	UPS System	$54,286.00	$54,286.00	03/20/2007	05/07/2007	ONLY ONE SOURCE - OTHER
LIEBERT GLOBAL SERVICES INCORPORATED (8453)	power maintenance for main frame	$6,939.00	$6,939.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
LIFTECH HANDLING INCORPORATED	service forklift	$4,869.00	$4,869.00	10/26/2006	11/27/2006	ONLY ONE SOURCE - OTHER
LIPMAN & PLESUR, LLP	Private attorney	$4,000.00	$4,000.00	06/26/2007	05/30/2008	URGENCY
LISA WHITTIER	BP, DETENTION SERVICE	$99,000.00	$99,000.00	10/01/2006	10/03/2007	ONLY ONE SOURCE - OTHER
LOCKHEED MARTIN AIRCRAFT CTR	LM-PDM ESSI - AC 741,452,299, 431	$20,733,718.00	$20,733,718.00	11/22/2006	06/30/2008	ONLY ONE SOURCE - OTHER
LOGICUBE, INC.	CellDEK Cellphone w/1 yr. contract NY	$154,240.00	$154,240.00	04/11/2007	05/11/2007	ONLY ONE SOURCE - OTHER
LOMARS DOG HAVEN	kenneling	$40,300.00	$40,300.00	10/01/2006	09/30/2007	URGENCY
LOOMIS FARGO & CO	Armored Car Service for FY07	$4,989.60	$4,989.60	02/15/2007	09/30/2007	ONLY ONE SOURCE - OTHER
LTI LANGUAGE TESTING INTERNATIONAL	Foreign Language Testing	$91,200.00	$91,200.00	09/06/2007	09/05/2008	AUTHORIZED BY STATUTE
LUKAS MICROSCOPE SERVICES INC.	ZEISS AXIOSKOP40A POL MICROSCOPE& ACCESS	$74,959.30	$74,959.30	09/25/2007	10/31/2007	UNIQUE SOURCE
M DAVID VAUGHN ATTORNEY	Arbitration	$5,000.00	$5,000.00	10/03/2006	12/04/2006	ONLY ONE SOURCE - OTHER
MACE SECURITY INTERNATIONAL	Mace Pepper Gel (active)	$49,974.60	$49,974.60	09/29/2007	11/30/2007	STANDARDIZA TION
MACLEAN BUNNIE	Janitorial/Grounds-Sarles	$10,800.00	$10,800.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER

MACLEAN HARRY N.	Arbitration Case SD-2007-0041 5/18/07	$3,500.00	$3,500.00	05/14/2007	09/30/2007	ONLY ONE SOURCE - OTHER
MARINE CORPS ASSN	BP, LEATHERNECK MAGAZINE AD	$19,620.00	$19,620.00	09/04/2007	09/30/2008	ONLY ONE SOURCE - OTHER
MARINE EXCHANGE OF SAN FRANCIS	Ship Traffic Info - Acct 794859	$3,300.00	$3,300.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
MARIO RAMIREZ	CPB Customs Housing W.O. 07-0123	$4,864.00	$4,864.00	07/31/2007	08/31/2007	ONLY ONE SOURCE - OTHER
MARIO RAMIREZ	CPB Customs Housing W.O. 07-0124	$6,867.25	$6,867.25	08/01/2007	09/01/2007	ONLY ONE SOURCE - OTHER
MARITIME ASSOC OF THE PORT OF	Ship Arrival Reporting	$8,160.00	$8,160.00	10/01/2006	09/30/2007	AUTHORIZED BY STATUTE
MARRIOTT COLORADO SPRINGS	Field Readiness Coord. Event 7/16-19/07	$10,032.00	$10,032.00	07/16/2007	07/19/2007	ONLY ONE SOURCE - OTHER
MARSH CANADA LIMITED	Canadian Vehicle Insurance	$4,996.00	$4,996.00	07/05/2007	07/05/2008	ONLY ONE SOURCE - OTHER
MARSH CANADA LIMITED	Vehicle Insurance	$5,316.80	$5,316.80	11/01/2006	10/31/2007	ONLY ONE SOURCE - OTHER
MARTIN ELLENBERG ESQ	Arbitrator Martin Ellenberg	$6,052.25	$6,052.25	08/08/2006	01/24/2007	ONLY ONE SOURCE - OTHER
MARTIN WARREN INCORPORATED	Court Reporter Services	$3,600.00	$3,600.00	11/14/2006	11/15/2006	ONLY ONE SOURCE - OTHER
MARYLAND ECONOMIC DEVELOPMENT	2006 Leadership Conference	$169.44	$8,166.99	12/08/2006	03/20/2007	ONLY ONE SOURCE - OTHER
MATERIAL SALES INC.	Panels,PS Angle, Tube and Exp. Materials	$4,140.16	$4,140.16	08/31/2007	09/28/2007	ONLY ONE SOURCE - OTHER
MAVAGI ENTERPRISES INC	Renew custodial contract for San Antonio	$40,292.91	$40,292.91	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
MAYFLOWER PARK HOTEL INC	Mission Support Training Workshop	$11,483.86	$11,483.86	08/21/2007	08/23/2007	ONLY ONE SOURCE - OTHER
MCQUAY INTERNATIONAL	heat/ac	$13,012.96	$13,012.96	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
MEDTRONIC PHYSIO CONTROL CORP	Maintenance on AED Equipment	$4,300.00	$4,300.00	03/15/2007	03/14/2008	AUTHORIZED BY STATUTE
MEGGITT DEFENSE SYSTEMS CASWELL	maintenance	$6,408.00	$6,408.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
MEGGITT DEFENSE SYSTEMS CASWELL INC	Upgrade Indoor Firing Range	$4,895.00	$4,895.00	08/02/2007	09/02/2007	ONLY ONE SOURCE - OTHER
MEGGITT DEFENSE SYSTEMS CASWELL INC	range maintenance	$6,780.00	$6,780.00	09/01/2007	08/31/2008	ONLY ONE SOURCE - OTHER
MELLON BANK NA	Decal/Transponders	$812,392.46	$812,392.46	03/01/2007	08/31/2007	UNIQUE SOURCE
MELLON BANK NA	Application Processing	$3,600,000.00	$3,600,000.00	08/01/2007	07/31/2008	UNIQUE SOURCE
MELROSE HOTEL	Conference Room Rental w/20% Svc charge	$10,390.00	$10,390.00	02/26/2007	03/08/2007	ONLY ONE SOURCE - OTHER
MENCIA'S PARKING LOT	Parking @ Redhook	$11,120.00	$11,120.00	12/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER

MENDEZ BRUNNER BADILLO AND ASSOCIATES	A/E Services AQI Annex	$24,123.00	$24,123.00	06/25/2007	09/30/2007	FOLLOW-ON CONTRACT
MERIDIAN IMAGING SOLUTIONS INCORPORATED	Model NEC 721 Fax - SN- C471S61177	$9,161.04	$9,161.04	10/19/2006	09/30/2007	FOLLOW-ON CONTRACT
METRON-ATHENE INC	Athene SW Licenses for Linux	$9,735.00	$9,735.00	09/13/2007	09/12/2008	ONLY ONE SOURCE - OTHER
METRON-ATHENE INC	Athene Software Linux 8.1	$19,470.00	$19,470.00	09/28/2007	09/28/2008	ONLY ONE SOURCE - OTHER
MGE UPS SYSTEMS INC	BP. CORRECTIVE MAINTENANCE FOR THE UPS S	$4,586.17	$4,586.17	04/23/2007	09/30/2007	ONLY ONE SOURCE - OTHER
MIAMI DADE COUNTY	Janitorial Services Shed E Miami FL	$4,973.28	$4,973.28	10/01/2006	09/30/2007	FOLLOW-ON CONTRACT
MICHELLO INCORPORATED	Construction Maintenance	$2,000,000.00	$2,000,000.00	06/25/2007	06/25/2008	AUTHORIZED BY STATUTE
MICHIGAN STATE POLICE - DTATE OF MI	FY07 Estimated LEIN fees	$22,800.00	$22,800.00	10/01/2006	09/30/2011	ONLY ONE SOURCE - OTHER
MIDLAND SPORTS INC	Recruitment for Border Patrol Agents	$25,500.00	$25,500.00	09/24/2007	09/30/2008	ONLY ONE SOURCE - OTHER
MIDWEST TELEVISION INC.	RECRUITMENT EVENT 100.7 JACK FM	$56,388.00	$56,388.00	08/03/2007	12/31/2007	ONLY ONE SOURCE - OTHER
MILLENNIUM FIRE & SECURITY	Dedicated Micros 16 channel DVR 250 GB	$10,225.50	$10,225.50	08/31/2007	09/04/2007	STANDARDIZATION
MILT WRIGHT & ASSOCIATES, INC.	Worker's Comp Conf Speaker's Fee	$5,121.09	$5,121.09	07/24/2007	07/24/2007	ONLY ONE SOURCE - OTHER
MISCELLANEOUS FOREIGN CONTRACTORS	PD Office furniture	$4,873.14	$4,873.14	01/12/2007	01/12/2007	FOLLOW-ON CONTRACT
MISCELLANEOUS FOREIGN CONTRACTORS	PARKING RENTAL MONTHLY FEE	$8,400.00	$8,400.00	10/01/2006	09/30/2007	UNIQUE SOURCE
MISCELLANEOUS FOREIGN CONTRACTORS	VL712 MESH BACK CHAIR	$11,091.60	$11,091.60	09/01/2007	09/20/2007	ONLY ONE SOURCE - OTHER
MIXD GREENS INC	07 Grounds Maint Homestead FL	$22,980.00	$22,980.00	11/09/2006	09/30/2007	URGENCY
MOBILE MINI INC	MOBILE MINI OFFICES	$8,430.51	$8,430.51	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
MOBILE MINI INCORPORATED	Nogales two Storage Containers	$19,908.00	$19,908.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
MONITOR SECURITY AND CONTROL SYSTEMS INC	Vault Monitoring Services	$27,324.00	$27,324.00	11/28/2006	12/31/2007	ONLY ONE SOURCE - OTHER
MONITOR SECURITY CONTROL SYSTEMS	TEST & EVALUATE CCTV & SECURITY SYSTEM	$3,607.58	$3,607.58	06/15/2007	09/30/2007	ONLY ONE SOURCE - OTHER
MONITOR SECURITY CONTROL SYSTEMS	Open Eye Digital Video Recorder	$5,350.00	$5,350.00	08/24/2007	08/23/2008	ONLY ONE SOURCE - OTHER
MONITOR SECURITY CONTROL SYSTEMS	REPAIR/RE-INSTALL ALARM SYSTEM/CCTV	$8,937.54	$8,937.54	07/16/2007	09/30/2007	ONLY ONE SOURCE - OTHER
MONITOR SECURITY CONTROL SYSTEMS	Materials/Equip--CCTV	$51,707.42	$51,707.42	04/18/2007	06/19/2007	NATIONAL SECURITY
MONITRON INC	Encoder/Decorder Card	$8,110.00	$8,110.00	02/06/2007	04/06/2007	ONLY ONE SOURCE - OTHER

MONITRON INC	Training at Laredo Sector	$17,500.00	$17,500.00	08/31/2007	08/31/2008	ONLY ONE SOURCE - OTHER
MONROE COUNTY SHERIFFS OFFICE	April 2007 Monthly Detention Costs	$14,104.00	$14,104.00	09/06/2007	09/06/2007	UNIQUE SOURCE
MOTOROLA	SYST-QUNTAR/QUANTRO Base Stations	$161,496.00	$161,496.00	09/17/2007	09/16/2008	ONLY ONE SOURCE - OTHER
MOTOROLA INC	R2118A_OPT31 WINDOWS AUTO TEST FOR FM/P	$6,075.00	$6,075.00	09/14/2007	01/14/2008	ONLY ONE SOURCE - OTHER
MOTOROLA INC	X157, ADD: Advanced Wildcard Operation	$17,800.00	$17,800.00	08/18/2007	12/18/2007	ONLY ONE SOURCE - OTHER
MOULDS BROTHERS INC	PEMB PORT VACIS BUILDING INSTALL GARAGE	$6,000.00	$6,000.00	09/06/2007	10/06/2007	ONLY ONE SOURCE - OTHER
MULTI SERVICE CORPORATION	AIR Nonfuel items	$14,500.00	$14,500.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
MUTUAL SPRINKLERS INC	Centrifugal Pumps - PMI	$7,500.00	$7,500.00	12/01/2006	11/30/2007	ONLY ONE SOURCE - OTHER
MUTUAL SPRINKLERS INC	Fire Control System - PMI	$12,000.00	$12,000.00	12/01/2006	11/30/2007	ONLY ONE SOURCE - OTHER
MYTHICS, INC	Oracle BPEL	$53,896.91	$53,896.91	07/20/2007	07/19/2008	ONLY ONE SOURCE - OTHER
NATIONAL AUTOMOBILE DEALERS ASSOC	On-Line Vehicle Appraisal Service	$35,000.00	$35,000.00	08/22/2007	08/21/2008	ONLY ONE SOURCE - OTHER
NATIONAL JOURNAL GROUP INC	Advertisement	$3,500.00	$3,500.00	09/25/2007	09/28/2007	ONLY ONE SOURCE - OTHER
NATIONAL JOURNAL GROUP INC	On-line ad to promote job fair	$7,500.00	$7,500.00	04/10/2007	04/30/2007	UNIQUE SOURCE
NCI ENGINEERING COMPANY	Engineer's fees for Del Bonita, MT	$6,000.00	$6,000.00	09/20/2007	10/20/2007	ONLY ONE SOURCE - OTHER
NCMA	NCMA Membership Subscription	$13,530.00	$13,530.00	07/01/2007	06/30/2008	ONLY ONE SOURCE - OTHER
NELSON VICKI J	Janitorial Services-Sherwood, ND	$5,400.00	$5,400.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
NEOPOST INCORPORATED	mntn on letter stuffer	$5,367.00	$5,367.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
NEUTRON MEDIA GROUP INC	HR Recruitment Advertising	$13,000.00	$13,000.00	04/30/2007	05/06/2007	ONLY ONE SOURCE - OTHER
NEUTRON MEDIA GROUP INCORPORATED	Advertising in Las Vegas	$24,500.00	$24,500.00	03/02/2007	03/31/2007	ONLY ONE SOURCE - OTHER
NEW ORLEANS MARRIOTT	Light Refreshments and Lunch	$242,847.48	$242,847.48	04/02/2007	04/06/2007	URGENCY
NEW YORK TIMES SYNDICATION SALES CORPORATION	Salute Our Heroes Job Fair	$5,495.00	$5,495.00	11/02/2006	12/05/2006	ONLY ONE SOURCE - OTHER
NEXTEL OF CALIFORNIA INC	Sprint Cell Phone Service	$10,148.11	$10,148.11	10/01/2006	09/30/2007	FOLLOW-ON CONTRACT
NMS MANAGEMENT, INC.	BP JANITORIAL SVC FOR 4 LOCATIONS	$162,863.88	$917,415.84	10/01/2006	09/30/2008	ONLY ONE SOURCE - OTHER
NNA INCORPORATED	Wall Street Journal	$3,083.26	$3,083.26	12/30/2006	12/29/2007	ONLY ONE SOURCE - OTHER

NORTH AMERICAN RESCUE PRODUCTS INC	Marine First Aid Kits	$117,700.00	$117,700.00	09/18/2007	10/18/2007	ONLY ONE SOURCE - OTHER
NORTH DAKOTA STATE RADIO COMMUNICATIONS	NLETS Line	$3,420.00	$3,420.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
NORTHROP GRUMMAN INFORMATION TECHNOLOGY INC	Vehicle Counter Systems	$0.00	$337,939.00	12/11/2006	09/30/2007	SIMPLIFIED ACQUISITION PROCEDURES - NON-COMPETITIVE
NORTHWEST CENTER FOR THE RETARDED	Janitorial Srvcs.	$36,985.92	$36,985.92	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
OAG WORLWIDE INCORPORATED	International and Domestic Flight Info	$13,032.00	$13,032.00	01/01/2007	12/31/2007	ONLY ONE SOURCE - OTHER
OAKLANE KENNEL INC	K-9 Kennel	$15,330.00	$15,330.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
OFF ROAD BUGGY SUPPLY	BP, UPGRADE/MODIFICATION TO SANDRAIL	$14,998.98	$14,998.98	07/23/2007	08/31/2007	ONLY ONE SOURCE - OTHER
OFFICE WAREHOUSE STORAGE SOLUTIONS	BP, SERVICE AGREEMENT 7 UNITS	$5,499.97	$21,928.30	10/01/2006	09/30/2009	ONLY ONE SOURCE - OTHER
OKLAHOMA CITY AIRPORT TRUST	Okla City NAC Easement Fees to Airport	$5,000.00	$5,000.00	06/14/2007	06/14/2008	ONLY ONE SOURCE - OTHER
ORDINATE CORPORATION	Services for Foreign Language Testing	$99,900.00	$99,900.00	12/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
ORGANIZATIONAL STRATEGIES INC	Engineering & Tech Suppt Srvcs - Labor	$3,285,157.19	$5,763,788.74	01/01/2007	11/30/2007	UNIQUE SOURCE
ORGANIZATIONAL STRATEGIES INCORPORATED	39083	$495,657.20	$1,644,415.60	01/01/2007	03/31/2007	FOLLOW-ON CONTRACT
ORI SERVICES CORPORATION	BP SEPTIC TANK PUMPING & PORTABLE TOILET	$124,590.00	$480,930.00	10/01/2006	09/30/2007	AUTHORIZED BY STATUTE
OUTDOOR MEDIA CONSULTING INC	RECRUITMENT BILLBOARDS RAMEY PUERTO RICO	$39,900.00	$39,900.00	10/01/2007	12/31/2007	ONLY ONE SOURCE - OTHER
OUTERLINK CORP	tracking devices	$218,400.00	$218,400.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
PACIFIC APPLIED TECHNOLOGY INCORPORATED	Proprietary Software Renewal	$97,152.00	$97,152.00	10/01/2006	08/31/2010	UNIQUE SOURCE
PALS PET RESORT INCORPORATED	Boarding/Kenneling of two canine dogs	$7,300.00	$7,300.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
PANALYTICAL INC	XRD EXPRO	$153,050.00	$153,050.00	09/25/2007	01/30/2008	ONLY ONE SOURCE - OTHER
PEACHIE TIANVAN	estimated cost for mail drop	$24,500.00	$24,500.00	01/24/2007	09/30/2007	ONLY ONE SOURCE - OTHER
PENINSULA PET RESORT INCORPORATED	kenneling	$5,392.44	$5,392.44	10/01/2006	12/31/2006	ONLY ONE SOURCE - OTHER
PEPPERBALL TECHNOLOGIES INC	Tactical PAVA Pepperballs	$500,000.00	$500,000.00	09/23/2007	10/23/2007	STANDARDIZATION

PEPPERBALL TECHNOLOGIES INCORPORATED	PEPPERBALL LAUNCHING INSTRUCTOR COURSE	$6,000.00	$6,000.00	12/18/2006	01/05/2007	ONLY ONE SOURCE - OTHER
PERCEPTICS CORP	LPR O & M	$2,823,300.00	$8,743,828.00	10/01/2006	09/08/2009	ONLY ONE SOURCE - OTHER
PHILADELPHIA PARKING AUTHORITY	Philadelphia Parking Authority	$8,400.00	$8,400.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
PHOENIX FUEL CO INC	BP RED DYE DIESEL FUEL	$16,120.50	$16,120.50	03/26/2007	03/30/2007	ONLY ONE SOURCE - OTHER
PHOENIX NEWSPAPER INC	Advertising for BP Phoenix Event	$21,931.61	$21,931.61	05/31/2007	09/30/2007	ONLY ONE SOURCE - OTHER
PIERS DIVISION OF COMMONWEALTH	PIERS Subscription	$448,416.00	$448,416.00	03/22/2007	04/18/2008	UNIQUE SOURCE
PITNEY BOWES INCORPORATED (5050)	mntn svc, Postage Machine	$7,058.00	$7,058.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
PLEVA INC	48 Slot KeyWatcher Cabinet	$22,506.00	$22,506.00	09/25/2007	11/30/2007	ONLY ONE SOURCE - OTHER
PORT CITY AIR	8388F Parts	$14,949.17	$14,949.17	09/25/2007	09/28/2007	ONLY ONE SOURCE - OTHER
PORTAL CITY OF	P/O-VAL VERDE CTY-DETAINEES	$7,200.00	$7,200.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
PORTAL CITY OF	Building Rental Portal, ND	$7,200.00	$7,200.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
POWERCOOLING & CONTROLS INC	REPLACE LIEBERT UNIT AT CARIT	$6,275.00	$6,275.00	08/13/2007	09/30/2007	AUTHORIZED BY STATUTE
POWERCOOLING & CONTROLS INC	repairs of oil separator on chiller #2	$11,079.40	$11,079.40	03/21/2007	09/30/2007	URGENCY
POWERCOOLING AND CONTROLS INCORPORATED	BURNT MEMRY BOARDS	$6,697.68	$6,697.68	11/29/2006	01/12/2007	URGENCY
PRAGMATICS INC	Contract Support BEMS/Admin	$739,973.40	$739,973.40	04/03/2007	04/02/2008	ONLY ONE SOURCE - OTHER
PRESIDIO CORP	32" Toshiba LCD TV	$7,643.70	$7,643.70	01/30/2007	03/29/2007	ONLY ONE SOURCE - OTHER
PROFESSIONAL PRODUCTS INC	Master Elec. Cert. fees	$6,007.50	$6,007.50	05/03/2007	05/09/2007	ONLY ONE SOURCE - OTHER
PROFESSIONAL TRUCKING SCHOOL	CDL Training	$13,300.00	$13,300.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
PROMUS OPERATING COMPANY INC	BP Hiring Event	$4,040.40	$4,040.40	05/22/2007	05/22/2007	ONLY ONE SOURCE - OTHER
PUBLIC SAFETY TX DEPT OF (0130)	ON-LINE INVESTIGATIVE SVCS	$3,431.23	$3,431.23	11/14/2006	09/30/2009	ONLY ONE SOURCE - OTHER
PUBLIC SAFETY TX DEPT OF (0130)	PROVIDE CRIMINAL HISTORY	$4,950.60	$24,753.00	10/01/2006	09/30/2009	ONLY ONE SOURCE - OTHER
Q E D CONSULTING LLC	Consulting Services	$498,638.44	$498,638.44	09/15/2007	01/04/2008	URGENCY
QUANTAQ SOLUTIONS	USIM Detective Software License	$8,330.00	$8,330.00	04/09/2007	05/10/2007	UNIQUE SOURCE
QUANTUM HEALTH INC	DETAINEE MED INV,MICHAEL YORK	$4,950.43	$4,950.43	01/09/2007	09/30/2007	URGENCY

QUANTUM HEALTH INC	DETAINEE MED INV JAIME MENDOZA	$6,366.02	$6,366.02	12/29/2006	09/30/2007	URGENCY
QUANTUM HEALTH INC	DETAINEE MED INV,GINA LOUISE LICARI	$21,907.51	$21,907.51	01/24/2007	09/30/2007	URGENCY
QUARTER MOON PORTABLES	Portable toilets invoices	$8,080.00	$8,080.00	10/01/2006	01/31/2007	ONLY ONE SOURCE - OTHER
R I S INCORPORATED	Software Maintenance	$60,000.00	$60,000.00	01/12/2007	06/30/2007	ONLY ONE SOURCE - OTHER
RANCHO TRADE INCORPORATED	Saddle Repl. Parts/Misc. Horse Supplies	$9,200.00	$56,166.72	10/01/2006	09/30/2011	ONLY ONE SOURCE - OTHER
RANGER AMERICAN OF VI INC	Armored car service St. Croix	$21,600.00	$21,600.00	02/06/2007	09/30/2007	ONLY ONE SOURCE - OTHER
RANGER AMERICAN OF VI INC	Armored car service St. Thomas	$21,600.00	$21,600.00	01/17/2007	09/30/2007	ONLY ONE SOURCE - OTHER
RE ARENA INC	Zambonie/Blimp/Marquee Advertising	$22,400.00	$62,400.00	10/01/2007	09/30/2010	ONLY ONE SOURCE - OTHER
READY & RESPONSIBLE SECURITY INC	Security guard service for Aguadilla	$342,515.70	$342,515.70	03/01/2007	05/31/2007	AUTHORIZED BY STATUTE
READY & RESPONSIBLE SECURITY,	Contracted Security Guards	$321,552.00	$6,455,983.25	01/01/2007	03/31/2007	PUBLIC INTEREST
RECOURSE COMMUNICATIONS INC	USA Today March Madness & Final Four	$22,702.50	$22,702.50	03/12/2007	04/30/2007	ONLY ONE SOURCE - OTHER
REID PARK HOTEL VENTURES LIMITED LIABILITY COMPANY	Tucson ACE Exchange 10/29/06-11/4/06	$6,531.18	$6,531.18	01/05/2007	01/05/2007	ONLY ONE SOURCE - OTHER
REMINGTON ARMS CO INC	Maritime SBIT Shotguns (Remington 870)	$23,394.15	$23,394.15	09/15/2007	11/30/2007	ONLY ONE SOURCE - OTHER
REMINGTON ARMS CO INC	Remington 870 (See Page 2)	$293,926.50	$293,926.50	09/22/2007	12/31/2007	ONLY ONE SOURCE - OTHER
RENAISSANCE CONCOURSE HOTEL	ACE Exch. VI, Atlanta, 10/15-19/07	$58,394.61	$58,394.61	10/15/2007	10/19/2007	ONLY ONE SOURCE - OTHER
RESCUE TRAINING ASSOC	CSE Classes	$222,000.00	$222,000.00	01/31/2007	01/30/2008	STANDARDIZATION
RESCUE TRAINING INCORPORATED	EMT - TACTICAL COURSE	$12,510.00	$12,510.00	12/19/2006	02/16/2007	ONLY ONE SOURCE - OTHER
RESCUE TRAINING INCORPORATED	Basic & Intermediate Course EMT - 1	$20,430.00	$20,430.00	12/19/2006	02/09/2007	ONLY ONE SOURCE - OTHER
RESTAURANT INDUSTRY SYSTEMS INC	Software Enhancements	$24,000.00	$24,000.00	05/09/2007	05/31/2007	UNIQUE SOURCE
RESTAURANT INDUSTRY SYSTEMS INC	ECS Support Services	$73,820.00	$73,820.00	09/21/2007	09/20/2008	UNIQUE SOURCE
RICOH CORP	Copier	$10,524.75	$10,524.75	07/27/2007	09/30/2007	FOLLOW-ON CONTRACT
RIGAKU AMERICAS CORP.	Repair XRF	$4,090.00	$4,090.00	09/24/2007	10/17/2007	AUTHORIZED BY STATUTE
RIO HONDO COMMUNITY COLLEGE	FY07 Firing Range renewal	$40,000.00	$40,000.00	10/01/2006	06/30/2007	ONLY ONE SOURCE - OTHER
RITZ CARLTON PENTAGON CITY	Lodging rooms (4 days)	$348,612.00	$348,612.00	08/27/2007	08/30/2007	URGENCY

RIVERA MARIA	Janitorial Service	$7,200.00	$7,200.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
ROBERT JONES GUNSMITH	Modification of Pistol Team Firearms	$16,000.00	$16,000.00	05/21/2007	07/31/2007	ONLY ONE SOURCE - OTHER
ROBERT VINTZE	Permit, DTSC Imperial County CUPA	$6,533.00	$6,533.00	02/26/2007	04/30/2007	ONLY ONE SOURCE - OTHER
ROCKWELL COLLINS, INC.	Basic System-SCADA (MOTHERBOARD see Text	$88,198.00	$88,198.00	07/31/2007	09/28/2007	ONLY ONE SOURCE - OTHER
ROCKWELL COLLINS, INC.	Clin 19.02.08.04 FSE (See Text)	$485,226.00	$485,226.00	09/28/2007	09/10/2008	ONLY ONE SOURCE - OTHER
ROCKWELL COLLINS, INC.	Control Terminal Kit (see text)	$6,676.00	$20,000,000.00	07/31/2007	09/28/2007	ONLY ONE SOURCE - OTHER
ROCKWELL COLLINS, INC.	Clin 19.02.08.08 Short Term FSE (text)	$108,100.00	$20,000,000.00	08/07/2007	08/07/2008	ONLY ONE SOURCE - OTHER
ROGGEMAN AIR CONDITIONING	HVAC - HGR 1&2 PMI	$14,000.00	$14,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
RONALD E STONER	CA2518 - Security door replacement.	$54,600.00	$54,600.00	08/26/2007	10/11/2007	ONLY ONE SOURCE - OTHER
ROSS BARNEY ARCHITECTS INC	AMOC - Feasibility Study Update	$63,100.00	$63,100.00	06/27/2007	10/27/2007	ONLY ONE SOURCE - OTHER
ROTH BROS INCORPORATED	Monthly Monitoring Service	$9,768.00	$9,768.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
RYAN CONSULTING GROUP	IT Services for FMSC	$896,259.00	$2,688,991.50	10/01/2006	09/30/2008	ONLY ONE SOURCE - OTHER
SAN ANTONIO EXPRESS NEWS	Recruitment Newspaper advertising	$18,776.00	$18,776.00	09/06/2007	09/30/2007	ONLY ONE SOURCE - OTHER
SAN DEIGO OFFICE INTERIORS	Furniture & Storage	$5,000.00	$5,000.00	10/01/2006	05/31/2007	FOLLOW-ON CONTRACT
SAN FRANCISCO PARKING INCORPORATED	Parking - GOV in San Francisco	$3,600.00	$3,600.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
SANDRA ROBBIE	Speaker for Diversity Event	$4,000.00	$4,000.00	09/19/2007	09/20/2007	ONLY ONE SOURCE - OTHER
SCHEDULED AIRLINES TRAFFIC OFF	Sato Travel	$50,400.00	$50,400.00	04/01/2006	12/29/2006	FOLLOW-ON CONTRACT
SCIENCE APPLICATIONS INT CORP (SAIC CANADA)	Site prep/installation costs Ft. Covingt	$70,000.00	$70,000.00	09/28/2006	05/31/2008	FOLLOW-ON CONTRACT
SCIENTIFIC RESEARCH & TECHNOLOGY	DNM - Sand Trap Cleaning (1,000 gallons)	$8,955.20	$69,747.20	02/01/2007	09/30/2011	AUTHORIZED BY STATUTE
SCREENVISION CINEMA NETWORK LLC	Advertisement	$86,000.00	$86,000.00	08/22/2007	11/30/2007	ONLY ONE SOURCE - OTHER
SDA SECURITY SYSTEMS INC	Update System - Equip & Installation	$9,474.00	$9,474.00	09/13/2007	09/30/2008	ONLY ONE SOURCE - OTHER
SDA SECURITY SYSTEMS INC	Purchase and Installation	$11,324.00	$11,324.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
SDA SECURITY SYSTEMS INC	Surveillance Cameras CE-VFCD955	$18,583.46	$18,583.46	08/24/2007	09/30/2007	ONLY ONE SOURCE - OTHER

SEIJAS COURT REPORTERS	Court Reporting Services	$4,196.35	$4,196.35	05/25/2007	05/29/2007	ONLY ONE SOURCE - OTHER
SEIJAS COURT REPORTERS	Court Reporter Services	$7,316.80	$7,316.80	09/14/2007	09/30/2007	ONLY ONE SOURCE - OTHER
SENTRILLION	CLIN.SD4CBW-PG-E1	$41,490.77	$41,490.77	08/28/2007	09/28/2007	ONLY ONE SOURCE - OTHER
SEVEN SEVENTEEN HB DALLAS CORP.	Audio Visual	$46,606.13	$46,606.13	04/28/2007	05/03/2007	ONLY ONE SOURCE - OTHER
SHADOWTV	TV Monitoring Services	$4,500.00	$4,500.00	01/01/2007	09/30/2007	ONLY ONE SOURCE - OTHER
SHARP CHULA VISTA MEDICAL CENTER	Detainee medic invoice for Ramiro Tinoco	$3,300.00	$3,300.00	02/08/2007	09/30/2007	URGENCY
SHARP ELECTRONICS CORPORATION (8872)	Los Indios PP Sec B1613 AR-M237	$36,100.50	$36,100.50	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
SHELTON SECURITY SERVICE INCORPORATED	Guard Services	$65,043.13	$65,043.13	10/31/2006	10/31/2006	ONLY ONE SOURCE - OTHER
SHELTON SECURITY SERVICE INCORPORATED	Guard Services for November 2006	$65,043.13	$65,043.13	11/15/2006	11/30/2006	ONLY ONE SOURCE - OTHER
SHELTON SECURITY SERVICES INC	Guard Services for February 2007	$65,043.13	$65,043.13	02/01/2007	09/30/2007	ONLY ONE SOURCE - OTHER
SHERIDAN ELECTRIC COOP INC	Install new canopy lights at Whitetail	$4,305.00	$4,305.00	09/12/2007	10/12/2007	ONLY ONE SOURCE - OTHER
SIGNET ELECTRONIC SYSTEMS INC	Security and Fire Alarm Monitoring Syste	$400.00	$10,000.00	09/20/2007	09/30/2007	ONLY ONE SOURCE - OTHER
SILENT PARTNER SECURITY	16 Chan Duplex Color Multiplexor	$143,650.00	$143,650.00	05/16/2007	05/31/2007	ONLY ONE SOURCE - OTHER
SILENT PARTNER SECURITY	HID RP40 Prox/FIPS201 Card Readers	$155,968.00	$155,968.00	07/23/2007	08/20/2007	ONLY ONE SOURCE - OTHER
SIMON DRURY LIMITED INCORPORATED	MODULAR FURNITURE-DELIVERY & INSTALLATIO	$16,300.00	$16,300.00	08/06/2007	09/28/2007	UNIQUE SOURCE
SKYWAVE MOBILE COMMUNICATIONS	Custom DMR200C	$11,990.00	$11,990.00	08/16/2007	09/17/2007	ONLY ONE SOURCE - OTHER
SKYWAVE MOBILE COMMUNICATIONS INCORPORATED (0000)	mthly srvs - satellite tracking devices	$20,466.00	$20,466.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
SMARTALK INC	SBI Training	$44,000.00	$44,000.00	10/15/2007	10/18/2007	ONLY ONE SOURCE - OTHER
SMITH & WESSON	Smith & Wesson Model 64 Firearm	$6,400.00	$6,400.00	02/07/2007	02/28/2007	ONLY ONE SOURCE - OTHER
SMITHS DETECTION INC	20220102 CAB 2000 License	$16,059.60	$16,059.60	09/28/2007	10/31/2007	UNIQUE SOURCE
SOCIETE INTERNATIONALE DE TELECOMMUNICATIONS AERONAUTIQUES (CORP)	SITA Bridge	$253,974.77	$253,974.77	06/01/2007	05/31/2008	ONLY ONE SOURCE - OTHER

SOUTHWEST TEXAS EMS TRAINING	EMT PARAMEDIC COURSE - ED LOPEZ	$5,000.00	$5,000.00	08/21/2007	09/14/2007	ONLY ONE SOURCE - OTHER
SPECIALTY VEHICLE INSTITUTE OF AM	BP, ATV INSTRUCTOR COURSE, CIB3066031	$3,720.00	$3,720.00	04/26/2007	05/26/2007	ONLY ONE SOURCE - OTHER
SPECTRO ANALYTICAL INSTRUMENTS INCORPORATED	Power Supply Replace	$3,500.00	$3,500.00	03/07/2007	04/06/2007	UNIQUE SOURCE
SPOKANE AIRPORT PROPERTY LLC	HRM Testing in El Paso	$4,000.00	$4,000.00	07/28/2007	07/28/2007	ONLY ONE SOURCE - OTHER
SPOKANE AIRPORT PROPERTY, LLC	HRM Testing in El Paso, TX	$3,500.00	$3,500.00	08/10/2007	08/11/2007	ONLY ONE SOURCE - OTHER
SPRINGHILL SUITES	HR National Recruitment	$5,556.00	$5,556.00	02/09/2007	02/11/2007	ONLY ONE SOURCE - OTHER
SRT SUPPLY INC	SNC5308990 Sims Kit	$20,782.92	$20,782.92	03/26/2007	03/27/2007	ONLY ONE SOURCE - OTHER
ST. CYR PLUMBING & HEATING INC.	installation of base boards	$4,400.00	$4,400.00	09/14/2007	10/01/2007	ONLY ONE SOURCE - OTHER
STARWOOD HOTEL & RESO WORLDWIDE INC	HRM. Auditor Job Fair	$5,812.50	$5,812.50	08/14/2007	08/14/2007	ONLY ONE SOURCE - OTHER
STARWOOD HOTELS & RESORTS WORLDWIDE	ACE Field Readiness - 6/18/07	$3,744.30	$3,744.30	06/18/2007	06/18/2007	ONLY ONE SOURCE - OTHER
STERLING GOVERNMENT SERVICES	Consultant (NTE 500 hrs @ $200 p/hr)	$40,000.00	$40,000.00	12/12/2006	04/30/2007	ONLY ONE SOURCE - OTHER
STEVEN E FULLER EXCAVATING INC	Expansion of parking lot.	$13,085.00	$13,085.00	08/31/2007	10/31/2007	UNIQUE SOURCE
STEWART & STEVENSON SERVICES INC	Diesel Pumps - PMI	$3,200.00	$3,200.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
STRATECON	contract support	$175,000.00	$175,000.00	11/01/2006	03/31/2009	ONLY ONE SOURCE - OTHER
STRATECON LLC	Acq. Spt.-One year from date of award	$1,073,550.40	$2,189,996.60	04/01/2007	03/31/2009	AUTHORIZED BY STATUTE
STRUCTURE PROBE INC	Combination 59 Standard M1 SPI# 02757-AB	$3,898.99	$3,898.99	06/15/2007	07/13/2007	ONLY ONE SOURCE - OTHER
SUN SELF STORAGE INCORPORATED (9366)	Rental of unit J/11	$14,580.00	$14,580.00	10/01/2006	09/30/2007	FOLLOW-ON CONTRACT
SWEDISH INSTITUTE OF COMPUTER (SICS)	annual support renewal-Quintas Prolog	$13,977.03	$13,977.03	03/01/2007	02/29/2008	ONLY ONE SOURCE - OTHER
SYMANTEC CORP	Maintenance	$16,904.91	$16,904.91	02/28/2007	09/30/2007	ONLY ONE SOURCE - OTHER
SYMMETRICOM INC	GPS Receiver, Telecom Interface	$25,345.00	$25,345.00	07/31/2007	09/30/2007	ONLY ONE SOURCE - OTHER
SYN TECH SYSTEMS INCORPORATED	Fuel master maintenance for Tucson Sector	$4,927.50	$4,927.50	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
SYSTEMS INTEGRATION INC	Alliance Server Maintenance	$37,359.00	$37,359.00	03/01/2007	02/29/2008	ONLY ONE SOURCE - OTHER

SYSTEMS INTEGRATION INC	Call processing Hardware and software	$148,957.45	$148,957.45	09/10/2007	10/31/2007	ONLY ONE SOURCE - OTHER
TAB ELECTRONICS INC	LABOR	$6,159.30	$6,159.30	06/25/2007	09/30/2007	ONLY ONE SOURCE - OTHER
TAC PRO SHOOTING CENTER	AI AW SNIPER WEAPON SYSTEM .308 MILITAR	$57,989.50	$57,989.50	09/18/2007	03/14/2008	ONLY ONE SOURCE - OTHER
TACHYON NETWORKS INC.	AD CPE w/.96 Antenna 7RU case w/radio	$193,837.00	$193,837.00	09/17/2007	09/17/2008	ONLY ONE SOURCE - OTHER
TACOMA CITY TREASURER	Firearms Range Rental	$16,800.00	$16,800.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
TACOMA GOODWILL INDUSTRIES REHABILITATION CENTER INCORPORATED	Janitorial Srvcs.	$5,220.00	$5,220.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
TASKE TECHNOLOGY INC	Telephone Systems for NTCC in Herndon	$35,854.00	$35,854.00	08/21/2007	09/20/2007	ONLY ONE SOURCE - OTHER
TASKE TECHNOLOGY, INC.	Telephone System for NTC in Reston	$34,754.00	$34,754.00	08/20/2007	09/20/2007	ONLY ONE SOURCE - OTHER
TELE MOBILE COMPANY	Cellphones	$17,000.00	$17,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
TELECOM REMARKETING CORP OF AMERICA	Telephone system repair	$23,613.00	$23,613.00	03/28/2007	03/30/2007	AUTHORIZED BY STATUTE
TESSCO TECHNOLOGIES INC	Bulkhead Arrestor, N/F	$6,603.59	$6,603.59	08/21/2007	09/30/2007	ONLY ONE SOURCE - OTHER
THALES AVIONICS INC	Repair of VEMD SN 1497	$12,837.00	$12,837.00	02/02/2007	04/02/2007	ONLY ONE SOURCE - OTHER
THE CENTER FOR ASSOC LEADERSHIP	Conference rooms for 7 days	$10,867.50	$10,867.50	11/30/2006	09/30/2007	ONLY ONE SOURCE - OTHER
THE CORNER BAKERY CAFE	Lite Refreshments and Lunch	$5,622.93	$5,622.93	09/17/2007	09/21/2007	ONLY ONE SOURCE - OTHER
THE GOLDEN PAW	Golden Paw Kennels	$78,960.00	$78,960.00	10/01/2006	12/31/2006	ONLY ONE SOURCE - OTHER
THE LAMAR COMPANIES	BILLBOARD ADVERTISEMENT	$30,000.00	$30,000.00	09/13/2007	03/31/2008	ONLY ONE SOURCE - OTHER
THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS INCORPORATED	Clerical Services	$31,919.92	$31,919.92	10/01/2006	09/30/2007	AUTHORIZED BY STATUTE
THE MITRE CORPORATION	ATS-L Support	$119,976.00	$231,823.00	02/28/2007	08/31/2007	ONLY ONE SOURCE - OTHER
THE MITRE CORPORATION	ATS support	$1,057,856.00	$9,278,700.00	09/01/2007	08/31/2012	ONLY ONE SOURCE - OTHER
THE PRESIDIO CORPORATION	2200-16000-001 Sound Station 2	$10,598.92	$10,598.92	09/28/2007	10/31/2007	ONLY ONE SOURCE - OTHER
THERMO EBERLINE LLC	INT-GNid Interceptors - HQ	$99,000.00	$99,000.00	09/22/2007	12/31/2007	ONLY ONE SOURCE - OTHER

THERMO ELEC SCNT INST LIMITED LIABILITY COMPANY	REPAIR OF LCQ DECA XP+MASS SPEC	$15,269.48	$15,269.48	10/17/2006	10/31/2006	ONLY ONE SOURCE - OTHER
THERMO ELECTRON NORTH AMERICA LLC	Repair to X-ray diffractometer	$9,132.00	$9,132.00	05/17/2007	05/31/2007	ONLY ONE SOURCE - OTHER
THERMO ELECTRON NORTH AMERICA LLC	Gas Chromatograph	$127,451.00	$127,451.00	01/31/2007	07/31/2007	ONLY ONE SOURCE - OTHER
THERMO FISHER SCIENTIFIC LLC	Metal cabinet with epoxy top table 72"W	$3,711.00	$4,995.00	08/24/2007	09/30/2007	ONLY ONE SOURCE - OTHER
THOMAS ANGELO	Arbitration hearing	$4,800.00	$4,800.00	08/21/2007	12/30/2007	AUTHORIZED BY STATUTE
THOMAS N. RINALDO	arbitrator fees/Rhodes case	$10,000.00	$10,000.00	04/26/2007	09/30/2007	SIMPLIFIED ACQUISITION PROCEDURES - NON-COMPETITIVE
THOMAS R SKULINA	Arbitrator Fee	$6,072.28	$6,072.28	09/20/2007	09/20/2007	ONLY ONE SOURCE - OTHER
TIME WARNER ENTERTAINMENT COMPANY LIMITED PARTNERSHIP	3-Cables & Road Runner @ HAP(#522907017)	$4,690.68	$4,690.68	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
TISTCORP LLC	Deobligation of Funding	$99,973.44	$99,973.44	01/25/2007	09/30/2007	ONLY ONE SOURCE - OTHER
TITAN SYSTEMS CORP	svtc maintenance	$3,181.00	$3,181.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
TONY DORN INCORPORATED	Lease of Copier C1242801	$6,888.00	$6,888.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
TONY DORN INCORPORATED	Lease of Copier	$8,016.00	$8,016.00	10/01/2006	09/30/2007	FOLLOW-ON CONTRACT
TRADE CENTER MANAGEMENT ASSOCIATES LLC	Food, Beverage, and Misc. Services	$87,518.80	$87,518.80	12/13/2006	12/15/2006	ONLY ONE SOURCE - OTHER
TRAILER VAN CORPORATION	Office Space Lease - Trailer 438 & 439.	$33,600.00	$33,600.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
TRANSWORLD NETWORK CORPORATION	WIRELESS INTERNET SERVICE	$3,599.88	$3,599.88	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
TRANSZELL LANGUAGE SERVICES INCORPORATED	Sonora Translators	$3,390.00	$3,390.00	10/31/2006	11/02/2006	ONLY ONE SOURCE - OTHER
TREASURY DEPT FEDERAL CREDIT UNION	PTIP distribution services	$40,000.00	$40,000.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
TRECO SERVICES INCORPORATED	DEL RIO	$1,794,848.79	$1,794,848.79	10/01/2006	09/30/2007	AUTHORIZED BY STATUTE
TRIAD ENGINEERING INCORPORATED	Initial Abatement Phase	$18,940.00	$18,940.00	02/05/2007	03/26/2007	URGENCY
TRIANGLE ELECTRIC INC.	FORTUNA MOVE THE COMPUTER CIRCIUTS	$5,860.00	$5,860.00	05/09/2007	06/09/2007	ONLY ONE SOURCE - OTHER
TRIED & TRUE CORPORATE CLG	BP Curlew Station Janitorial	$11,508.60	$11,508.60	12/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
TRINITY HIGHWAY SAFETY PRODUCTS INC	Adiem Modules	$63,500.00	$63,500.00	02/12/2007	02/23/2007	URGENCY

TRIUMPH GEAR SYSTEMS INC	369A1200-619 MR SN 002222-4193 NTE	$142,147.65	$142,147.65	02/06/2007	03/09/2007	ONLY ONE SOURCE - OTHER
TRIUMPH GEAR SYSTEMS INC	Y35AIR369A1200-619 Main Rotor 18-0367	$170,577.18	$170,577.18	05/08/2007	09/25/2007	ONLY ONE SOURCE - OTHER
TRIUMPH GEAR SYSTEMS INCORPORATED	369A1200-619 MR Hub SN 98-0877	$10,000.00	$10,000.00	01/12/2007	03/30/2007	UNIQUE SOURCE
TRIUMPH GEAR SYSTEMS, INC	EXC 369A1200-619 MR Hub SN 19-1776	$34,523.00	$34,523.00	12/20/2006	01/31/2007	ONLY ONE SOURCE - OTHER
TRONAIR INC	Tronair 112820C Ground Power units	$61,662.00	$61,662.00	09/05/2007	11/09/2007	ONLY ONE SOURCE - OTHER
TUCSON AERO HANGARS LLC	RENTAL OF T-HANGARS	$18,500.00	$18,500.00	10/19/2006	10/18/2007	ONLY ONE SOURCE - OTHER
TX RX SYSTEMS INCORPORATED	Cable	$5,834.64	$5,834.64	01/09/2007	02/09/2007	ONLY ONE SOURCE - OTHER
UNDEFINED	ARBITRATOR	$4,000.00	$4,000.00	11/13/2006	11/12/2007	ONLY ONE SOURCE - OTHER
UNICOR F P I	ALSP0025 ALUM-SCREEN-PRINT-CUSTOM-SIGN	$5,617.00	$5,617.00	03/20/2007	05/18/2007	UNICOR
UNICOR F P I	DESK, 60" DOUBLE PEDESTAL OAK	$7,753.00	$7,753.00	09/13/2007	11/30/2007	UNICOR
UNICOR F P I	ALUMINIUM-DIE-CUT CUSTOM SIGNS	$17,019.25	$17,019.25	05/18/2007	07/18/2007	UNICOR
UNIVERSITY COMMUNITY MEDICAL CTR	Detainee Medical Services	$21,907.51	$21,907.51	01/24/2007	04/24/2007	URGENCY
VAL VERDE COUNTY OF	DETENTION SERVICE FOR ALIENS	$151,710.00	$151,710.00	10/01/2006	09/30/2011	ONLY ONE SOURCE - OTHER
VALESCO BATTERY SUPPORT SYSTEMS	Adapter II NTN8610 02-000066	$67,485.76	$67,485.76	09/11/2007	11/09/2007	ONLY ONE SOURCE - OTHER
VERIZON WIRELESS	AC Power--Red Mountain	$289,455.00	$289,455.00	09/24/2007	09/30/2011	ONLY ONE SOURCE - OTHER
VIATECH SYSTEMS	Critical Maintenance	$2,096,929.59	$4,201,797.00	12/01/2006	05/31/2007	FOLLOW-ON CONTRACT
VIDEO LABS CORP	HRM Training CD's/Sleeve & Assembly	$3,757.50	$3,757.50	08/22/2007	08/21/2008	ONLY ONE SOURCE - OTHER
VINCENT MARCHIANNO	Provide and Install security shutters	$10,558.00	$10,558.00	09/27/2007	11/30/2007	ONLY ONE SOURCE - OTHER
VIRTUALAGILITY INC.	WC4BSCUTL User Licenses	$265,500.00	$265,500.00	07/24/2007	07/23/2008	ONLY ONE SOURCE - OTHER
VISTA HILLS ANIMAL HOSPITAL	kenneling	$128,000.00	$255,500.00	07/01/2007	06/30/2009	ONLY ONE SOURCE - OTHER
VISTACOM INC	Projector and Screen	$29,367.00	$29,367.00	09/12/2007	09/30/2007	ONLY ONE SOURCE - OTHER
VIVA ENVIRONMENTAL INC	Emergency containment/clean up of diesel	$21,673.11	$21,673.11	05/29/2007	07/31/2007	URGENCY

WAGGIN WEST KENNEL & GROOMING	Kenneling of CBP Canines	$21,000.00	$21,000.00	10/01/2006	09/30/2007	SIMPLIFIED ACQUISITION PROCEDURES - NON-COMPETITIVE
WARREN & ASSOC	Court Reporting Services	$3,925.08	$3,925.08	01/22/2007	01/24/2007	ONLY ONE SOURCE - OTHER
WASHINGTON MARRIOTT	Audio Visual Equipment for WCP Conference	$41,467.20	$41,467.20	07/24/2007	07/25/2007	URGENCY
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY	Metrochecks	$550,000.00	$550,000.00	01/31/2007	05/31/2007	UNIQUE SOURCE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY	Metrochecks for PTIP	$550,000.00	$550,000.00	01/31/2007	05/31/2007	UNIQUE SOURCE
WASHINGTON PLAZA HOTEL LLC	Conference Package	$15,999.20	$15,999.20	06/04/2007	06/13/2007	ONLY ONE SOURCE - OTHER
WASHINGTON POST	Newspaper ad for CBP Job Fair	$13,115.20	$13,115.20	04/30/2007	04/30/2007	UNIQUE SOURCE
WEBB FONTAINE HOLDING SA	SOClass software licenses for Georgia	$87,195.00	$87,195.00	09/07/2007	09/28/2007	STANDARDIZATION
WESTBROOK SERVICE CORP	AC/ Heating Service	$24,480.00	$24,480.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
WESTBROOK TECHNOLOGIES INCORPORATED	Fortis S/W Support Renewal	$6,640.00	$6,640.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
WESTERN BUILDING CLEANING CO INC	Cleaning Service for RPM's	$5,280.00	$5,280.00	04/01/2007	09/30/2007	ONLY ONE SOURCE - OTHER
WESTERN DEVCON INC	REMODEL PIO OFFICES	$13,909.00	$13,909.00	05/16/2007	06/18/2007	ONLY ONE SOURCE - OTHER
WHATCOM REFRIGERATION INCORPORATED	monthly cooler rental	$5,400.00	$5,400.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
WILLIAM S HEIN AND COMPANY INCORPORATED	online services	$7,370.00	$7,370.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
WILMOT MODULAR STRUCTURES INC	8'x40' Storage Container	$24,996.00	$24,996.00	08/30/2007	09/01/2007	UNIQUE SOURCE
WINKLER BONNIE	Janitorial/Grounds-Neche	$9,720.00	$9,720.00	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER
WOMEN IN FEDERAL LAW ENFORCEMENT	WIFLE Conference Jun 26-28, 2007	$21,375.00	$21,375.00	06/26/2007	06/28/2007	ONLY ONE SOURCE - OTHER
WPTZ-WNNE TV DIV OF HEARST-ARGYLE	Border Patrol Recruiting Advertising	$33,800.00	$33,800.00	08/12/2007	01/05/2008	ONLY ONE SOURCE - OTHER
WYNDHAM BALTIMORE INNER HARBOR	CTOD TSN Conf. 6/20-6/22/07 in Baltimore	$65,672.30	$65,672.30	06/18/2007	06/22/2007	ONLY ONE SOURCE - OTHER
XEROX GLOBAL SERVICES INCORPORATED	Copier #1	$4,500.00	$4,500.00	10/01/2006	09/30/2007	FOLLOW-ON CONTRACT
YORK/JOHNSON FACTORY SERVICE OF	overhaul compressor	$6,497.00	$6,497.00	05/10/2007	05/25/2007	STANDARDIZATION
YUMA WORC CENTER INC	JANITORIAL SERVICES	$18,131.41	$18,131.41	10/01/2006	09/30/2007	ONLY ONE SOURCE - OTHER

Question: Please provide a list of all contracts over $1 million in total value executed by CBP in 2007. Organize by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and contract type (e.g., firmed fixed price, etc.).

ANSWER: Please see following table.

Purpose	FY07 Dollar Award	Full Performance Value	Contract Start Date	Contract End Date
Commercial and Institutional Building Construction	$2,400,000.00	$4,630,004.00	08/08/02	07/31/07
Graphic Design Services	$1,036,200.90	$3,930,448.53	10/01/07	09/30/08
Used Household and Office Goods Moving	$1,238,205.00	$3,219,367.85	10/01/04	09/30/06
Wired Telecommunications Carriers	$65,324,465.53	$209,430,922.45	10/30/07	09/29/13
Janitorial Services	$1,106,434.72	$3,784,440.56	10/10/05	09/30/08
Other Management Consulting Services	$35,108,138.55	$117,135,169.76	10/01/06	09/30/11
Janitorial Services	$1,469,596.68	$5,569,391.14	10/01/07	09/30/08
Facilities Support Services	$1,480,694.62	$5,625,866.47	04/08/04	09/30/08
Investigation Services	$16,183,156.50	$50,277,714.11	10/01/03	09/30/08
Administrative Management and General Management Consulting Services	$13,936,885.05	$43,777,122.57	10/01/07	09/30/08
Other Management Consulting Services	$11,483,877.45	$34,875,448.09	10/01/07	09/30/08
Other Management Consulting Services	$7,972,003.67	$31,780,919.13	10/01/07	09/30/08
Custom Computer Programming Services	$8,104,570.41	$27,364,134.16	09/26/07	02/22/09
Other Computer Related Services	$14,526,555.43	$46,660,227.97	10/01/03	12/15/07
IT Equipment	$9,232,309.05	$125,164,546.12	12/22/03	10/31/06
Administrative Management and General Management Consulting Services	$1,511,708.00	$4,539,116.25	01/25/07	09/30/08
Security Systems Services (except Locksmiths)	$1,092,170.62	$17,036,100.59	07/09/07	08/31/08
Cable and Other Subscription Programming	$1,217,000.00	$5,091,600.00	07/01/07	07/01/09
Production Support for SAP	$9,900,000.00	$55,357,498.21	06/18/04	06/30/08
Data Processing, Hosting, and Related Services	$8,208,426.00	$59,639,432.61	10/21/06	04/21/07
Ship Building and Repairing	$9,730,292.36	$24,261,092.51	10/01/07	09/30/09
P-3 Maintenance	$130,709,414.73	$363,837,088.48	04/04/05	09/05/09
Other Aircraft Part and Auxiliary Equipment Manufacturing	$2,128,390.83	$6,069,539.29	11/28/06	09/30/08
Seized Property	$2,700,000.00	$100,420,400.53	01/16/07	01/16/07
Security Guards and Patrol Services	$7,223,886.07	$15,340,538.80	02/20/07	11/30/10
SAP Maintenance	$2,053,079.16	$17,647,967.69	12/29/04	12/31/07
Administrative Management and General Management Consulting Services	$2,209,117.33	$4,519,862.37	05/01/07	09/30/09
Custom Computer Programming Services	$27,481,221.00	$68,202,535.97	10/01/07	09/30/10
Satellite Telecommunications	$3,898,475.13	$10,079,347.24	06/13/05	09/30/08
Human Resources Consulting Services	$1,411,815.00	$3,217,815.00	08/10/07	09/30/09
Administrative Management and General Management Consulting Services	$2,754,843.09	$7,172,047.01	09/01/07	08/31/10
Administrative Management and General Management Consulting Services	$1,102,524.51	$2,156,820.45	07/12/07	09/30/08
Flight Training	$3,759,097.00	$5,722,002.00	10/01/05	09/30/12
Flight Training	$1,280,000.00	$1,280,000.00	01/12/05	02/28/07
Other Management Consulting Services	$1,185,886.00	$4,468,447.00	09/28/07	06/30/08
All Other Support Services	$1,127,500.00	$4,727,478.93	09/15/06	09/14/07

Other Computer Related Services	$2,215,378.13	$4,192,777.16	12/21/06	09/30/08
Administrative Management and General Management Consulting Services	$1,460,676.48	$2,479,336.89	11/01/06	04/30/07
Other Computer Related Services	$1,383,601.88	$4,123,424.88	10/01/05	09/30/10
Facilities Support Services	$1,533,053.14	$4,313,793.66	06/30/06	09/30/06
Other Computer Related Services	$25,281,701.00	$77,961,735.00	12/09/05	09/07/07
Engineering Services	$1,366,461.00	$3,015,964.10	01/01/06	12/31/08
Computer Systems Design Services	$1,032,160.00	$2,088,460.00	01/01/06	12/31/07
Railroad Rolling Stock Manufacturing	$10,674,510.43	$14,203,884.20	10/01/07	09/30/08
All Other Information Services	$2,382,104.40	$3,172,596.40	05/01/06	04/30/11
Other Computer Related Services	$1,933,876.00	$3,338,595.40	05/13/07	05/12/08
Other Computer Related Services	$4,605,954.65	$12,351,533.58	09/24/07	06/30/11
Other Computer Related Services	$1,679,847.00	$1,972,889.00	05/15/06	09/30/08
Other Computer Related Services	$12,064,391.20	$18,174,357.20	07/01/06	06/30/11
Process, Physical Distribution and Logistics Consulting Services	$1,201,479.44	$1,896,675.40	07/01/06	09/30/11
Computer Systems Design Services	$39,752,495.14	$69,186,936.14	04/05/06	10/31/07
Administrative Management and General Management Consulting Services	$21,221,774.50	$44,663,087.88	10/23/07	08/31/11
Administrative Management and General Management Consulting Services	$7,500,000.00	$13,000,000.00	09/23/06	09/22/10
Computer Systems Design Services	$44,034,598.54	$53,616,342.54	08/17/06	11/30/08
All Other Business Support Services	$1,600,000.00	$14,280,000.00	09/20/06	03/18/08
Irradiation Apparatus Manufacturing	$4,427,349.20	$8,595,310.20	06/15/07	08/30/07
Computer Systems Design Services	$9,980,076.00	$13,306,767.00	10/01/06	09/30/07
Software Publishers	$103,718,859.25	$125,367,119.49	09/28/06	03/31/08
Human Resources Consulting Services	$1,726,021.98	$4,725,837.98	08/01/06	01/31/08
Computer Systems Design Services	$33,941,689.40	$116,581,389.00	09/17/06	09/17/12
Other Computer Related Services	$9,990,197.00	$14,990,000.00	09/29/06	09/28/07
Electrical Contractors	$1,075,000.00	$2,575,000.00	06/21/07	09/27/10
Commercial and Institutional Building Construction	$5,418,509.67	$9,446,376.28	09/11/07	09/30/08
All Other Information Services	$1,600,000.00	$9,572,600.00	10/01/06	03/31/07
Professional and Management Development Training	$8,749,046.76	$13,099,046.76	09/01/06	08/31/07
Administration of Human Resource Programs (except Education, Public Health, and Veterans' Affairs Programs)	$4,000,000.00	$8,060,000.00	10/01/07	09/30/10
ACE	$7,412,737.18	$13,090,057.45	07/13/07	09/30/07
All Other Miscellaneous Electrical Equipment and Component Manufacturing	$1,754,500.00	$16,754,500.00	08/17/06	12/31/07
Administration of Human Resource Programs (except Education, Public Health, and Veterans' Affairs Programs)	$1,458,490.00	$2,543,490.00	09/01/07	08/31/08
All Other Support Services	$1,000,000.00	$1,750,000.00	10/01/06	09/30/08
All Other Support Services	$5,049,062.00	$21,648,000.00	09/25/06	09/30/07
Aircraft Engine and Engine Parts Manufacturing	$20,733,718.00	$20,733,718.00	11/22/06	06/30/08
Computer and Office Machine Repair and Maintenance	$5,931,258.39	$6,289,498.39	12/01/06	05/31/07
Janitorial Services	$1,759,553.31	$2,721,682.11	10/01/06	09/30/07
Other Electronic and Precision Equipment Repair and Maintenance	$2,823,300.00	$3,429,338.37	10/01/06	10/31/09
Investigation Services	$1,073,550.40	$1,024,180.90	04/01/07	03/31/09

Other Computer Related Services	$6,228,987.97	$6,228,987.97	09/21/07	11/30/07
Computer and Office Machine Repair and Maintenance	$4,397,093.14	$1,029,587.14	08/14/07	02/14/10
Janitorial Services	$1,226,082.66	$1,226,082.66	04/01/07	03/31/12
Aircraft Engine and Engine Parts Manufacturing	$25,610,568.00	$25,610,568.00	08/16/07	08/16/08
All Other Professional, Scientific and Technical Services	$1,799,675.00	$1,799,675.00	09/28/07	09/27/12
Advertising Material Distribution Services	$2,364,800.00	$2,364,800.00	09/24/07	09/30/08
All Other Support Services	$3,550,802.88	$4,328,124.16	10/01/06	09/30/07
All Other Miscellaneous Store Retailers (except Tobacco Stores)	$2,780,679.13	$3,612,086.07	10/01/07	01/31/08
Software Publishers	$2,827,770.84	$2,827,770.84	10/01/06	09/30/07
Administrative Management and General Management Consulting Services	$1,989,596.65	$2,019,708.39	12/01/06	09/30/08
Investigation Services	$3,089,910.00	$3,839,910.00	10/01/07	09/30/08
Administrative Management and General Management Consulting Services	$1,055,556.00	$1,055,556.00	09/01/07	08/31/12
Investigation Services	$3,247,216.50	$6,497,216.50	10/01/07	09/30/08
Engineering Services	$1,082,512.80	$1,082,512.80	02/01/07	12/31/09
Communication Equipment Repair and Maintenance	$4,366,192.15	$4,366,192.15	07/17/07	09/30/07
Administrative Management and General Management Consulting Services	$22,000,000.00	$22,844,000.00	10/01/06	10/31/08
Computer Facilities Management Services	$2,761,003.76	$5,446,425.76	01/01/08	12/31/11
Engineering Services	$1,146,209.67	$1,146,209.67	06/01/07	07/31/07
Computer Facilities Management Services	$11,415,882.00	$11,415,882.00	01/01/07	12/31/07
Other Computer Related Services	$1,233,903.48	$1,233,903.48	10/01/06	05/31/07
Other Management Consulting Services	$1,250,761.00	$1,250,761.00	03/22/07	01/31/08
Electronic Computer Manufacturing	$1,257,455.50	$1,257,455.50	03/01/07	03/31/07
Other Computer Related Services	$2,326,087.82	$2,326,087.82	10/01/06	09/30/07
Other Motion Picture and Video Industries	$5,076,625.53	$5,076,625.53	02/01/07	09/30/08
Process, Physical Distribution and Logistics Consulting Services	$2,133,120.00	$2,133,120.00	03/30/07	03/29/12
Ship Building and Repairing	$1,974,731.45	$1,974,731.45	03/28/07	03/31/08
Computer Systems Design Services	$1,160,000.00	$1,160,000.00	03/29/07	03/29/07
Computer Facilities Management Services	$2,293,497.00	$2,293,497.00	03/29/07	09/30/07
Computer and Software Stores	$1,587,091.21	$1,587,091.21	04/04/07	05/03/07
Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	$1,442,899.80	$1,442,899.80	04/16/07	05/16/07
Data Processing, Hosting, and Related Services	$16,588,605.00	$16,588,605.00	09/22/07	03/21/08
Other Computer Related Services	$24,328,845.89	$24,328,845.89	08/31/07	09/30/10
Other Computer Related Services	$1,321,667.95	$1,321,667.95	06/01/07	02/29/08
Computer and Software Stores	$1,629,828.80	$1,629,828.80	06/27/07	06/30/09
OBP "Path Forward" Support	$2,545,675.00	$2,545,675.00	06/26/07	10/25/08
Other Computer Related Services	$1,613,800.81	$1,613,800.81	08/02/07	07/31/08
Software Publishers	$1,219,593.00	$1,219,593.00	06/30/07	06/29/12
Administrative Management and General Management Consulting Services	$3,481,805.44	$3,481,805.45	09/26/07	09/30/08
Process, Physical Distribution and Logistics Consulting Services	$12,273,388.80	$12,273,062.40	07/23/07	07/22/12
Optical Instrument and Lens Manufacturing	$2,232,525.00	$0.00	11/09/07	11/09/07
Electrical Contractors	$2,308,230.86	$2,413,971.18	08/17/07	09/30/07
Other Computer Related Services	$9,118,747.20	$9,118,747.20	09/28/07	09/27/08

Computer and Software Stores	$2,911,600.00	$2,911,600.00	09/24/07	06/30/09
Other Computer Related Services	$1,249,459.20	$1,249,459.20	09/21/07	09/20/08
Other Apparel Accessories and Other Apparel Manufacturing	$1,119,396.52	$1,119,396.52	09/17/07	04/17/08
Data Processing, Hosting, and Related Services	$2,946,514.00	$2,946,514.00	09/26/07	09/26/12
Computer Systems Design Services	$1,626,232.00	$1,626,232.00	09/29/07	03/31/10
Other Computer Related Services	$1,597,446.97	$1,597,446.97	09/21/07	09/20/08
Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	$1,082,512.35	$1,082,512.35	09/20/07	10/31/07
Other Computer Related Services	$1,860,921.35	$1,860,921.35	09/01/07	08/31/08
Other Computer Related Services	$1,538,756.80	$1,538,756.80	09/26/07	09/30/09
Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	$1,708,980.76	$1,708,980.76	09/26/07	10/31/07
Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	$4,247,115.69	$4,247,115.69	09/26/07	10/31/07
Engineering Services	$2,670,701.60	$2,670,701.60	09/28/07	09/27/08
Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	$1,196,685.60	$1,196,685.60	09/27/07	10/31/07
Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	$2,447,414.44	$2,447,414.44	09/27/07	10/31/07
Human Resources Consulting Services	$5,579,769.60	$5,579,769.60	09/27/07	03/30/11
All Other Support Services	$1,824,382.58	$1,824,382.58	09/27/07	09/26/08
Oracle Maintenance	$1,821,260.75	$1,821,260.75	09/30/07	09/29/08
Computer and Office Machine Repair and Maintenance	$6,552,220.00	$8,024,278.00	12/01/06	09/30/11
All Other Professional, Scientific and Technical Services	$13,821,959.00	$13,821,959.00	11/30/06	09/30/07
Administrative Management and General Management Consulting Services	$8,283,734.40	$8,283,734.40	12/20/07	12/31/11
Other Management Consulting Services	$1,000,000.00	$1,000,000.00	12/26/06	12/31/06
Motor Vehicle Towing	$4,150,000.00	$7,150,300.00	12/16/06	09/14/11
Other Computer Related Services	$2,719,465.41	$2,719,465.41	02/17/07	02/16/12
Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing	$1,755,616.00	$1,755,616.00	02/14/07	09/30/07
Other Computer Related Services	$6,501,230.40	$6,501,230.40	07/01/07	06/30/12
Radicand Television Broadcasting and Wireless Communications Equipment Manufacturing	$1,500,000.00	$1,500,000.00	02/17/07	12/31/07

Question: Please provide a list of all CBP contracts, grants and other transactions where work is performed outside of the United States. Organize by contractor, purpose, dollar award, full performance value, contract start date, and contract end date.

ANSWER: Please see following table.

Contractor Name	Purpose	Dollar Award	Full Performance Value	Contract Start Date	Contract End Date
1421906 ONTARIO INCORPORATED	Fabric Mural	$48,108.00	$48,108.00	11/15/2006	12/01/2006
24SEVEN COP2COP NEWSPAPER	Full Page advertisement 1 year	$6,000.00	$6,000.00	08/30/2007	07/31/2008
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Repair SN CAE-836912	$9,639.00	$0.00	11/16/2006	12/15/2006

ACROHELIPRO GLOBAL SERVICES IN	C47M Eng. Insp SN CAE 847840	-$145,420.00	$0.00	10/25/2006	11/25/2006
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Repair SN CAE-836958	-$26,924.00	$0.00	11/14/2006	12/31/2006
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Repair SN CAE-836960	$20,269.00	$0.00	12/20/2006	01/31/2007
ACROHELIPRO GLOBAL SERVICES IN	250-C20B OH Turbine Module SN CAT-26827	-$10,410.00	$0.00	10/05/2006	04/24/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Overhaul SN CAE-836899	$20,573.00	$0.00	12/19/2006	01/15/2007
ACROHELIPRO GLOBAL SERVICES IN	OH Bleed Valve P/N 23005366 #FF40315	$4,343.00	$0.00	12/20/2006	01/31/2007
ACROHELIPRO GLOBAL SERVICES IN	OH Bleed Valve P/N 23053176 SN FF55849	$493.00	$0.00	12/20/2006	01/31/2007
ACROHELIPRO GLOBAL SERVICES IN	Repair Governor PN 23076061 SN BR44941	$108.00	$0.00	12/20/2006	01/31/2007
ACROHELIPRO GLOBAL SERVICES IN	250-C20B 3500 HR OH. SN CAE-836969	$9,564.00	$0.00	12/20/2006	01/31/2007
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Overhaul CAE-836973	$22,073.00	$0.00	12/19/2006	01/15/2007
ACROHELIPRO GLOBAL SERVICES IN	Fuel Control PN 2524644-31 BR55741	-$837.77	$0.00	09/07/2006	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Fuel Control PN 2524644-31 BR57473	$53.42	$0.00	11/30/2006	11/30/2006
ACROHELIPRO GLOBAL SERVICES IN	Fuel Control PN 2524644-31 BR57908	-$1,888.93	$0.00	09/07/2006	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C47M 4000 hour SN: CAE-847872	-$30,262.32	$0.00	05/14/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair Fuel Nozzle SN: 1UR07582	$69.00	$0.00	12/20/2006	01/31/2007
ACROHELIPRO GLOBAL SERVICES IN	Overhaul 10 ea Fuel Nozzle PN 6890917	$2,408.00	$0.00	12/20/2006	01/31/2007
ACROHELIPRO GLOBAL SERVICES IN	Repair 250-C20B CAE-923267	$0.00	$0.00	04/10/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Repair CAE836870	$4,818.96	$0.00	03/01/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair 250-C20B SN CAE836996	-$7,353.00	$0.00	01/12/2007	02/28/2007
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Overhaul SN CAE-836884	$127,923.31	$22,355,728.00	12/05/2006	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Overhaul SN: CAE-837001	$120,000.00	$11,177,864.00	12/21/2006	02/28/2007
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Overhaul SN: CAE-836925	$120,000.00	$11,177,864.00	12/21/2006	03/16/2007
ACROHELIPRO GLOBAL SERVICES IN	250-C47M Repair SN CAE847845	$3,000.00	$11,177,863.80	01/26/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Turbine Overhaul SN CAT 34540	$44,000.00	$11,177,863.80	02/06/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B 3500hr Overhaul CAE-836916	$120,000.00	$11,177,863.80	02/06/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair SN BR38112 PN 23076061	$8,049.40	$11,177,863.80	02/09/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Turbine Overhaul CAT 26649	$44,000.00	$11,177,863.80	02/23/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	T& A Turbine Assy CAT-34496	$2,000.00	$11,177,863.80	03/09/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Overhaul Fuel Pump SN JGAKVO721	$2,202.14	$11,177,863.80	05/01/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair Fuel Control S/N BR58052	$2,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL	Repair Fuel Control S/N	$2,000.00	$11,177,863.8	05/02/2007	04/30/2011

SERVICES IN	199527		0		
ACROHELIPRO GLOBAL SERVICES IN	Repair Power Governor S/N BR43917	$2,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair Power Governor S/N BR43936	$2,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Overhaul Bleed Valve S/N FF56727	$1,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Overhaul Bleed Valve S/N FF23247	$1,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Overhaul Bleed Valve S/N FF57576	$1,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	OH Fuel Control Assy S/N BR57445	$7,500.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	OH Fuel Control Assy S/N336650	$7,500.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair Fuel Control S/N 336427	$2,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Overhaul Bleed Valve S/N FF23012	$1,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Overhaul Fuel Nozzle S/N AG10178	$1,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Overhaul Fuel Nozzle S/N VN1WS14860	$1,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Overhaul Fuel Nozzle S/N 1UR02843	$1,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Overhaul Fuel Nozzle S/N AG61100	$1,000.00	$11,177,863.80	05/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Turbine Overhaul S/N CAT30293F	$44,000.00	$11,177,863.80	05/30/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Overhaul Fuel Nozzle S/N 1NG02719	$500.00	$11,177,863.80	06/25/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Overhaul SN CAE 837002	$130,000.00	$11,177,863.80	06/27/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B CAE-836882 3500 Overhaul	$120,000.00	$11,177,863.80	07/20/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	OH 250-C20B Compressor CAE-836996	$20,000.00	$11,177,863.80	07/20/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	OH 250-C20B Turbine module CAT26432	$44,000.00	$11,177,863.80	07/25/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair HMU S/N JGALM0443	$10,000.00	$11,177,863.80	07/27/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair 250-C47M SN CAE-847843	$10,000.00	$11,177,863.80	08/02/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair Fuel Control Assy SN BR55741	$1,189.20	$11,177,863.80	08/07/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair 250-C20B SN CAE 836970	$5,000.00	$11,177,863.80	08/14/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B SN CAE-836957 Repair	$2,000.00	$11,177,863.80	08/16/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Rep Bleed Valve Nozzle SN FF57576	$296.60	$11,177,863.80	08/22/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Repair C20B Engine CAE-836969	$2,525.52	$11,177,863.80	08/29/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Combine Engine Filter 152287593326	$3,400.00	$11,177,863.80	09/25/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	Rework SN:13642 & 25072	$5,000.00	$11,177,863.80	09/25/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	OH 250-C20B Turbine Module SN CAT-26822	$44,000.00	$11,177,863.80	09/26/2007	04/30/2011
ACROHELIPRO GLOBAL SERVICES IN	250-C20B Repair SN CAE-836953	$20,000.00	$11,177,863.80	09/26/2007	04/30/2011

ADVANCED COMPOSITE STRUCTURE INC	SN: 009999-3043	$18,141.50	$18,141.50	01/26/2007	03/30/2007
ADVANCED COMPOSITE STRUCTURE INC	500P2100-301 MR Blade Repair SN C175	$8,585.00	$8,585.00	02/12/2007	04/26/2007
ADVANCED COMPOSITE STRUCTURE INC	369A1613-507 SN 8979	$13,020.00	$13,020.00	04/19/2007	07/27/2007
ADVANCED COMPOSITE STRUCTURE INC	Repair Abrasion Strips 369D21102-523	$12,000.00	$12,000.00	07/19/2007	09/19/2007
ADVANCED COMPOSITE STRUCTURE INC	Repair Abrasion Strips 369D21102-523	$12,000.00	$12,000.00	07/19/2007	09/19/2007
ADVANCED COMPOSITE STRUCTURE INC	500P2300-503 M/R Blade SN: U068	$14,106.48	$14,106.48	08/07/2007	10/09/2007
ADVANCED COMPOSITE STRUCTURES	Overhaul One of 20 Tail rotor blades	-$6,017.00	-$6,017.00	11/13/2006	12/13/2006
ALIONI 99 LTD	contract for systems maintenance for GDC	$39,700.00	$39,700.00	10/01/2007	09/30/2008
ALLIED TECHNOLOGY GROUP INC	RADAR PROJECT--ANAKLIA SITE	$0.00	$0.00	06/29/2005	06/28/2008
AQUAPURE WATER LIMITED	Water	$4,500.00	$4,500.00	11/02/2006	09/30/2007
BAHAMAS TELECOMMUNICATION CORP	Cellular	$4,500.00	$4,500.00	10/01/2006	09/30/2007
CARIBBEAN CUSTOMS LAW ENF. COUNCIL	Annual Software License Fee	$7,000.00	$7,000.00	09/19/2007	09/18/2008
CLASSIFIED FOREIGN CONTRACTOR	Salary (FICA, Medicare, Sunday diff)	$164,122.00	$164,122.00	11/27/2006	11/26/2007
CLASSIFIED FOREIGN CONTRACTOR	Salary - NTE	$0.00	$0.00	01/07/2007	01/06/2008
CLASSIFIED FOREIGN CONTRACTOR	GBSLE PSC - Schroeder	$0.00	$0.00	01/07/2007	01/06/2008
CLASSIFIED FOREIGN CONTRACTOR	Base Salary	$142,026.00	$283,647.00	05/13/2007	05/11/2008
CLASSIFIED FOREIGN CONTRACTOR	IT Equipment	$72,600.00	$72,600.00	09/11/2007	11/12/2007
CLASSIFIED FOREIGN CONTRACTOR	INA Misc IT Equipment for Georgia	$72,600.00	$72,600.00	09/28/2007	12/28/2007
CLASSIFIED FOREIGN CONTRACTOR	PIRS software development	$89,683.00	$89,683.00	09/28/2007	09/30/2008
CSI ARMORING INC	Toyota Land Cruiser Armored Vehicle	$395,046.00	$395,046.00	09/27/2007	01/31/2008
CULLUM THOMAS A	Salary for 11/06/06 to 01/17/07	$25,940.00	$25,940.00	11/06/2006	01/17/2007
DOMESTIC CONTRACTOR (UNDISCLOSED)	Salary costs	$138,611.00	$138,611.00	07/10/2007	07/09/2008
DOMESTIC CONTRACTOR (UNDISCLOSED)	Salary	$153,200.00	$153,200.00	09/01/2007	08/31/2008
DOMESTIC CONTRACTOR (UNDISCLOSED)	Salary	$172,809.00	$268,825.00	09/14/2007	09/13/2008
DOMESTIC CONTRACTOR (UNDISCLOSED)	Salary	$172,809.00	$268,825.00	09/14/2007	09/13/2008
DOMESTIC CONTRACTOR (UNDISCLOSED)	Salary	$136,153.00	$136,153.00	09/28/2007	09/27/2008
DOMESTIC CONTRACTOR (UNDISCLOSED)	Salary	$141,935.00	$141,935.00	09/29/2007	09/28/2008

DOMESTIC CONTRACTOR (UNDISCLOSED)	Salary	$172,809.00	$268,825.00	09/14/2007	09/13/2008
EDMUND W HUBARD	salary for Hubard	$15,380.00	$15,380.00	11/01/2006	09/30/2007
FIRST SECURITY SYSTEMS	for cctv service fy 07	$24,921.00	$24,921.00	11/30/2006	09/30/2007
FOREIGN CONTRACTOR (UNDISCLOSE	Salary, FICA, Medicare expenses	$3,764.34	$3,764.34	07/10/2006	07/09/2007
FOREIGN CONTRACTOR (UNDISCLOSED)	Salary	$154,382.00	$309,700.00	05/13/2007	05/12/2008
FOREIGN CONTRACTOR (UNDISCLOSED)	Salary	$126,495.00	$253,159.00	06/03/2007	06/02/2008
FOREIGN CONTRACTOR (UNDISCLOSED)	Salary	$126,495.00	$253,159.00	06/03/2007	06/02/2008
FOREIGN CONTRACTOR (UNDISCLOSED)	Salary	$126,495.00	$253,159.00	06/03/2007	06/02/2008
FOREIGN CONTRACTOR (UNDISCLOSED)	Salary	$126,495.00	$253,159.00	06/03/2007	06/02/2008
FOREIGN CONTRACTOR (UNDISCLOSED)	Salary	$126,495.00	$253,159.00	06/03/2007	06/02/2008
GOVCONNECTION INC	Xerox Workcentre 4150 XF	$9,425.42	$9,425.42	07/02/2007	09/03/2007
GOVPLACE	Epson PLQ-20 Printers	$32,729.00	$32,729.00	04/26/2007	06/26/2007
GTSI CORP	Panasonic Toughbooks for IBIT	$34,001.47	$34,001.47	02/08/2007	03/08/2007
INDIANA FURNITURE INDUSTRIES,	CONFERENCE TOP, RACETRACK	$4,842.82	$4,842.82	12/20/2006	02/08/2007
INSTITUTE OF GLOBAL MGT	Targeting and information services	$493,260.00	$493,260.00	09/28/2007	09/27/2008
IRON MOUNTAIN	Iron Mt.	$10,000.00	$10,000.00	11/28/2006	09/30/2007
IRON MOUNTAIN CANADA CORPORATION	Document Destruction Toronto CN	$13,000.00	$13,000.00	10/01/2006	09/30/2007
IRON MOUNTAIN CANADA CORPORATION	Storage	$4,500.00	$4,500.00	12/05/2006	12/29/2006
ISE INCORPORATED (9640)	platform w/standard arm	$4,055.40	$4,055.40	04/20/2007	06/20/2007
JACK R. HARRIS, PHD-EE	TECHNICAL CONSULTANT SERVICES-C3 PROGRAM	$0.00	$0.00	09/30/2006	09/28/2008
JASPER SEATING COMPANY INCORPORATED	WOOD CASEGOODS-JSI	$0.00	$0.00	01/11/2007	01/11/2007
JOHN W RYAN	2-wk salary	$10,100.00	$10,100.00	09/01/2007	08/31/2008
LARRY H ADKINS	2-wk salary Adkins	$10,100.00	$10,100.00	09/01/2007	08/31/2008
LEVITSKY GEORGE	Intermittent Contractor Services	-$52,360.00	-$52,360.00	04/17/2006	04/17/2006
MARSH CANADA LIMITED	Canadian Vehicle Insurance	$19,000.00	$19,000.00	02/17/2007	02/16/2008
MARSH CANADA LIMITED	Canadian vehicle insurance	$6,000.00	$6,000.00	06/13/2007	06/12/2008
MARSH CANADA LIMITED	Canadian Vehicle Insurance	$2,500.00	$2,500.00	03/26/2007	03/25/2008
MARSH CANADA LIMITED	Vehicle Insurance	$5,000.00	$5,000.00	06/11/2007	06/10/2008
MARSH CANADA LIMITED	Canadian Automobile Insurance	$10,000.00	$10,000.00	07/05/2007	06/04/2008
MARSH CANADA LIMITED	CANADIAN LIABILITY INSURANCE	$4,500.00	$4,500.00	12/06/2006	12/12/2007
MARSH CANADA LIMITED	Canadian Vehicle Insurance	$0.00	$0.00	10/19/2006	02/16/2007
MARSH CANADA LIMITED	Vehicle Insurance	$5,316.80	$5,316.80	11/01/2006	10/31/2007

MERIDIAN INSURANCE	Fleet Insurance	$16,000.00	$16,000.00	12/15/2006	12/14/2007
MISCELLANEOUS FOREIGN CONTRACT	Modernization of Grif Vessel	$0.00	$0.00	09/30/2005	03/08/2007
MISCELLANEOUS FOREIGN CONTRACTORS	PD Office furniture	$4,873.14	$4,873.14	01/12/2007	01/12/2007
MISCELLANEOUS FOREIGN CONTRACTORS	RENTAL OF RV FOR DRUMMOND ISLAND IN SSM,	$3,600.00	$3,600.00	02/05/2007	04/30/2007
OMEGA-2	Vehicles	$204,800.00	$204,800.00	09/14/2007	09/28/2007
ORIENT - LOGIC, LTD	INA1VisaPrintersGeorgianBorderPolice	$32,594.16	$32,594.16	07/18/2007	09/18/2007
PEOPLES INVESTMENT INC	K3709 CHEVY PICKUP	$10,755.00	$10,755.00	08/27/2007	10/30/2007
ROBERT HESSLER CONSULTING	IC-Warehouse Prj & Customs Assessments	$49,500.00	$49,500.00	11/13/2006	09/30/2007
ROBERT L GALLOWAY	2wk salary-Galloway	$10,100.00	$10,100.00	09/01/2007	08/31/2008
SCIENCE APPLICATIONS INTERNATI	GR-135ND RIID for BETD	$331,396.00	$331,396.00	09/29/2007	12/31/2007
SKYWAVE MOBILE COMMUNICATIONS	Custom DMR200C	$11,990.00	$11,990.00	08/16/2007	09/17/2007
SKYWAVE MOBILE COMMUNICATIONS INCORPORATED (0000)	mthly srvs - satellite tracking devices	$20,466.00	$20,466.00	10/01/2006	09/30/2007
SMITHS DETECTION INC.	Clin 10010 CAB 2000 NII Imaging System	$4,056,000.00	$4,056,000.00	05/25/2007	07/12/2008
SOLAR GEORGIA LTD	AIS Systems	$0.00	$0.00	09/26/2006	03/26/2007
ST NET-APPTIS FIRSTSOURCE JOINT VENTURE	CBP1002	$7,290.00	$7,290.00	07/30/2007	08/31/2007
TASKE TECHNOLOGY INC	Telephone Systems for NTCC in Herndon	$35,854.00	$35,854.00	08/21/2007	09/20/2007
TASKE TECHNOLOGY, INC.	Telephone System for NTC in Reston	$34,754.00	$34,754.00	08/20/2007	09/20/2007
TELE MOBILE COMPANY	Cellphones	$17,000.00	$17,000.00	10/01/2006	09/30/2007
TOYOTA CENTER TBILISI	Snowmobiles	$54,500.00	$54,500.00	08/29/2007	12/28/2007
VALESCO BATTERY SUPPORT SYSTEMS	Adapter II NTN8610 02-000066	$67,485.76	$67,485.76	09/11/2007	11/09/2007
VALESCO BATTERY SUPPORT SYSTEMS	Adapter II NTN8610 02-000066	$0.00	$0.00	09/11/2007	11/09/2007
VALLEY TRANSIT COMPANY INCORPORATED	INA1BusSanAntonioEstoniaProgram	$4,375.00	$4,375.00	04/13/2007	04/22/2007
WEBB FONTAINE HOLDING SA	SOClass software licenses for Georgia	$87,195.00	$87,195.00	09/07/2007	09/28/2007
WES E SCHIWITZ	2-wk salary Schiwitz	$10,100.00	$10,100.00	09/01/2007	08/31/2008
WILBUR L SMITH	1st leg for W. Smith 1/22/07 - 2/16/07	$11,060.00	$11,060.00	01/22/2007	02/16/2007
WILDFLOWER INTERNATIONAL LTD	Dell Latitude D620	$26,925.04	$26,925.04	09/13/2007	11/13/2007
XEROX GLOBAL SERVICES INCORPORATED	Copier #1	$4,500.00	$4,500.00	10/01/2006	09/30/2007

Country Name
Aruba
Afghanistan
Albania
Bahamas, the

Canada
Central African Republic
Estonia
Czech Republic
Georgia
Germany
Kenya
Kyrgyzstan
Kuwait
Moldova
Malta
Mexico
Puerto Rico
Saint Lucia
Trinidad and Tobago
Turkmenistan

Data Mining/Data Sharing

Question: Please list all data mining systems used by CBP or CBP contractors: include a description of data in each system, how long data are kept, whether data is government or commercial, and the dates of privacy act notices pertaining to such data.

ANSWER: CBP's Automated Targeting System – Inbound (ATS-N) and ATS – Outbound (ATS-AT) conduct data mining as defined by Congress and reported on in the DHS Privacy Office's data mining report to Congress. ATS-N collects information about import transaction participants, cargo, and conveyances used to facilitate the importation of cargo into the United States, including elements from electronically filed bills of lading, entries, and entry summaries for cargo imports. ATS-AT collects information about export transaction participants, cargo, and conveyances used to facilitate the exportation of cargo from the United States, including elements from shippers' export declarations and transportation bookings and bills of lading for cargo exports. Both ATS-N and ATS-AT also incorporate information from CBP's law enforcement databases which include information from the Federal Bureau of Investigation, the Terrorist Screening Center's Terrorist Screening Database (TSDB), and information from other government agencies regarding high-risk parties. The retention period for data maintained in ATS-N and ATS-AT will not exceed fifteen years, after which time it will be deleted. A System of Record Notice (SORN) and Privacy Impact Assessment (PIA) for ATS were published on August 3, 2007.

Question: Please list all CBP data shared with other agencies. Include a description of data, the reasons for sharing it, and those with whom it is being or may be shared.

ANSWER: Because of its size, the CBP Enterprise Information Exchange Matrix (EIEM) which contains this information is being provided separately. The matrix shows the rows as the CBP Enterprise Conceptual Data Model (ECDM) Subject Areas and Data Objects, and the columns are external entities that CBP shares data with. At the intersections, if there is a data exchange, a "C" indicates that CBP is a consumer of data from that external entity or a "P" indicates that CBP is a provider of data to that entity, or both. The spreadsheet contains multiple tabs with data object definitions and acronyms defined.

CBP Enterprise Information Exchange Matrix

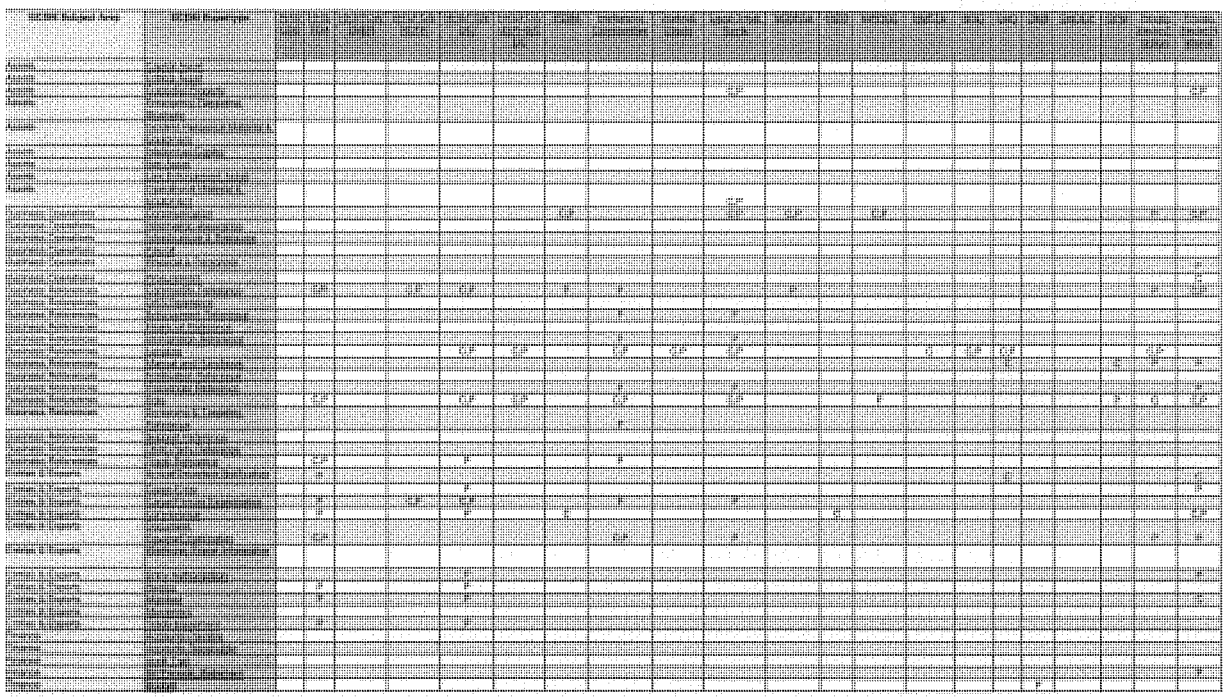
CBP Enterprise Information Exchange Matrix

CBP Enterprise Information Exchange Matrix

CBP Enterprise Information Exchange Matrix

CBP Enterprise Information Exchange Matrix

CBP Enterprise Information Exchange Matrix



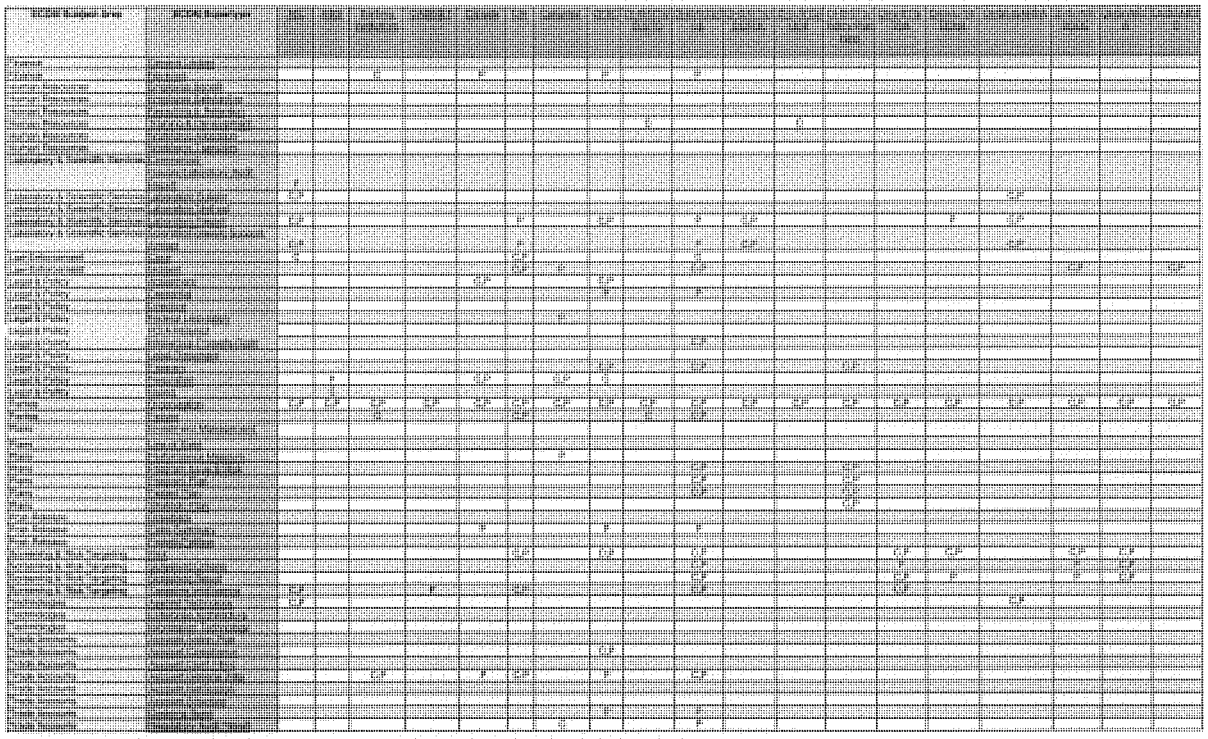
CBP Enterprise Information Exchange Matrix

CBP US-VISIT Responses.xls

CBP Enterprise Information Exchange Matrix

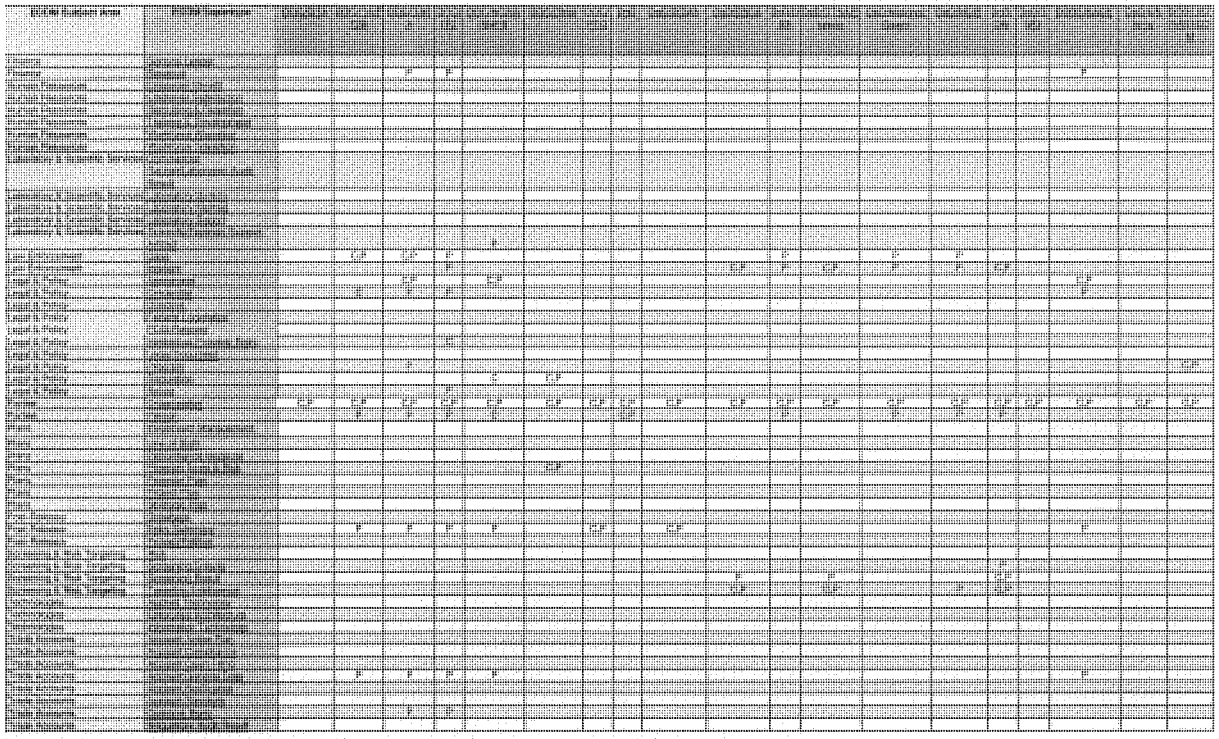
6/13/2006

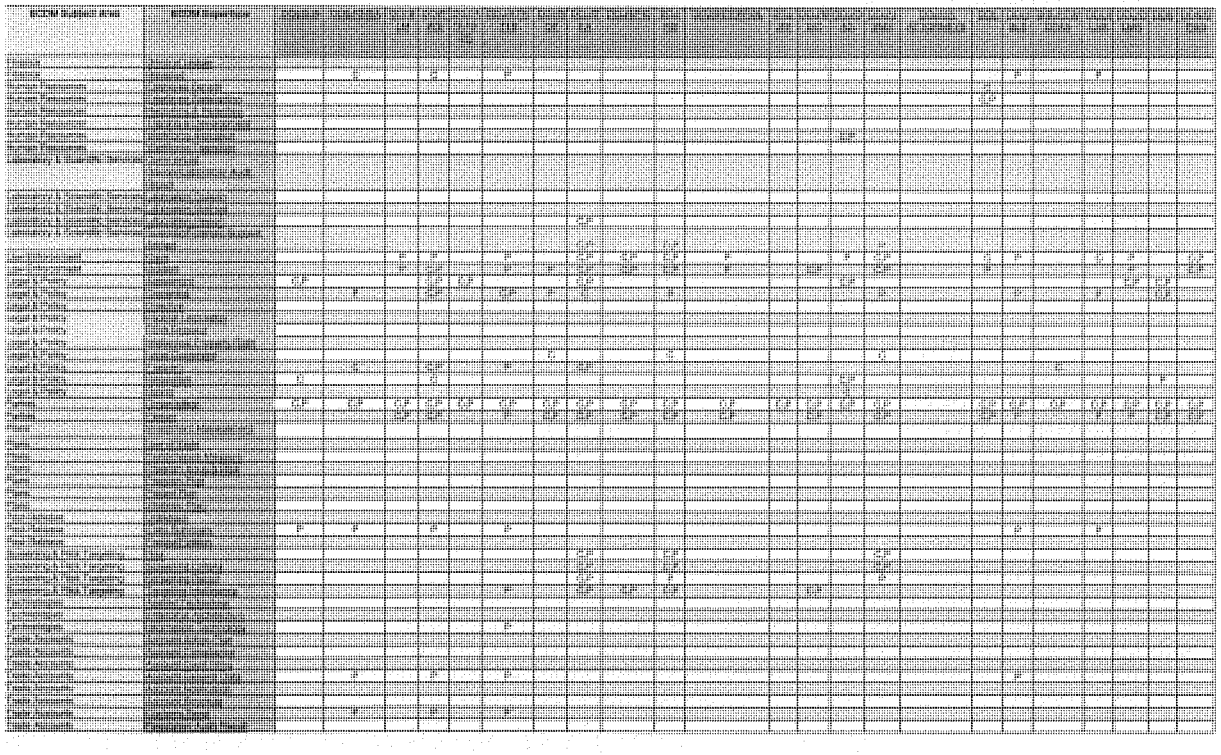
CBP Enterprise Information Exchange Matrix



CBP Enterprise Information Exchange Matrix

| CBP Subject Area | Information Exchange | [illegible] | [illegible] | [illegible]

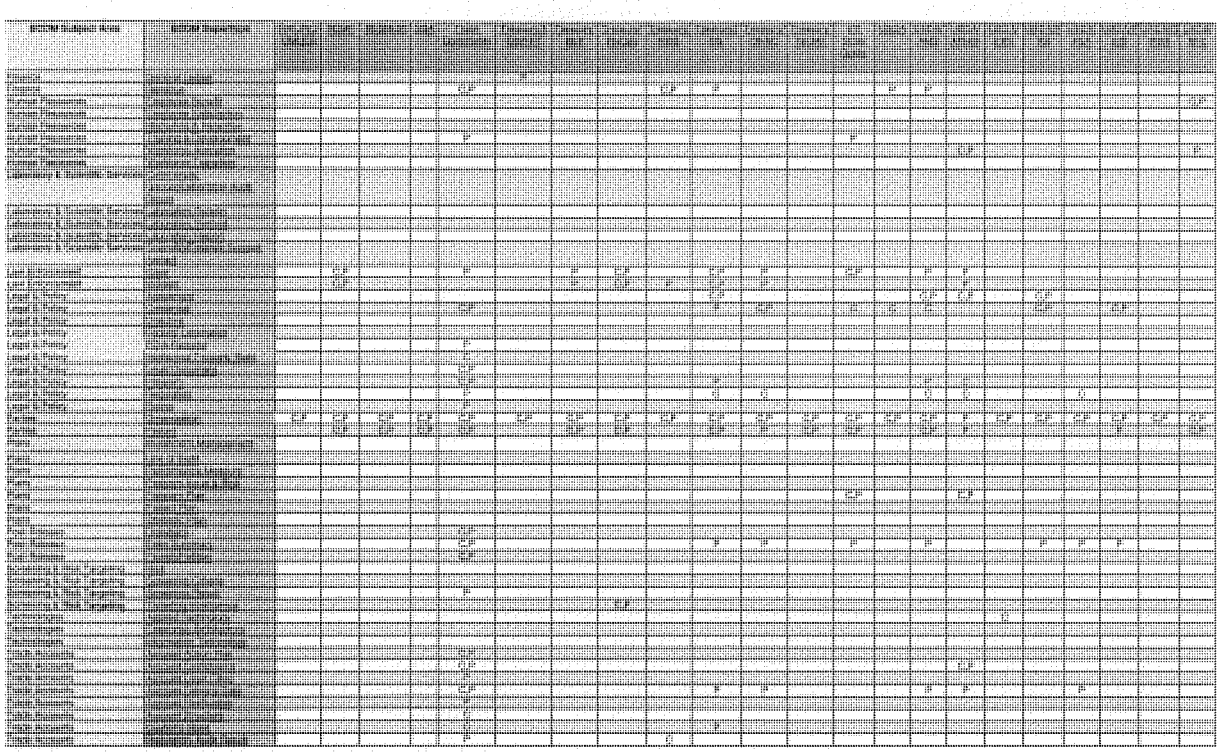




CBP Enterprise Information Exchange Matrix

Data Subject Area	Data Elements	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CBP Enterprise Information Exchange Matrix



CBP Enterprise Information Exchange Matrix

Secure Border Initiative

Question: SBI Costs -- Last year CBP reported for the record that SBI uses lifecycle cost analysis to determine future costs for assets being built or in planning phases, and that 30-year life cycle costs for the 370 miles of pedestrian fence and 200 miles of vehicle barriers in FYs 2007-08 would be about $4.4 billion in FY07 dollars. Given CBP experience in constructing over 300 miles of fence and vehicle barrier, as well as FenceLab testing, what is the current estimated lifecycle cost for all planned fencing and vehicle barriers?

ANSWER: Our cost per mile of Pedestrian Fence is about $4.0 million a mile, not including site preparation, Real Estate, environmental and Project Management. Our cost per mile of Vehicle Fence is about $2.0 million a mile, not including site preparation, Real Estate, environmental, and Project Management.

We do not have adequate experience with the new type of fence installed in PF 70 and that is currently being installed in PF 225 and VF300. We are collecting data and will be able to provide a relative accurate life cycle cost by the end of Calendar Year 2009. One of the key drivers for the life cycle cost is determined by the illegals who attempt to defeat the fence.

Question: Segment Analysis -- The FY08 Appropriation Act requires the Secretary to include in the Border Security Fencing, Infrastructure, and Technology expenditure plan an analysis for each segment of the border, defined as
not to exceed 15 miles, where fencing or tactical infrastructure is intended, and to compare that with other, alternative means of achieving operational control, as well as to assess any unintended effects on communities.

⇒ How is the Department undertaking such "segment analysis"? Is it based on operational requirements for border control and situational awareness relating to data on "vanishing boundary", "control boundary", and "intruder transit time", and are such data and analysis fully documented and auditable in each case?

ANSWER: Operational assessments by the local Border Patrol agents and Sectors – based on illegal cross-border activity and the BP's extensive field experience – identified multiple locations where pedestrian or vehicle fencing would most effectively enhance border security. The deployment of the TI is geared toward disrupting identified routes into the United States that are utilized by smugglers and potential terrorists.

Between the ports of entry, there are areas where an illegal entrant can be across the border and into the community in a matter of minutes or seconds. In this environment, pedestrian fencing provides a critical deterrent.

There are a range of related factors that are considered in this analysis. According to their significance in each segment, the issues that are addressed in the expenditure plan include the following:

- How quickly an illegal entrant can reach a vanishing point. Sometimes referred to as depth of tolerance for intrusion, this factor addresses the ability to quickly and easily blend into a community and the proximity to egress routes.
- Intelligence reports and knowledge of how heavily trafficked the area is, as well as information on current smuggler operations and practices.
- The current or growing existence of a large local population with an infrastructure of roads, highways, railways, and businesses conducive to support illegal smuggling operations. In Mexico, these communities provide a hub for illegal cross border activity, sometimes including organized smugglers or

other established criminal networks. In the United States, these communities provide easy access to vanishing points.
- The area's accessibility by the Border Patrol. The difficulty in accessing the area to respond to an intrusion due to a lack of roads and access points.
- The amount of cover and shelter provided by the terrain and vegetation, providing for ease of concealment.

The amount of legitimate cross-border traffic or recreational activity can provide smugglers concealment by allowing them to blend in.

⇒ How will DHS ensure that "segments" are similar in character and short enough to reflect a detailed, local comparison of costs and benefits – not a regional or national analysis? Is DHS comparing, for example, a fence approach, a technology approach, an increased staffing approach and so on?

ANSWER: As mandated in the FY 2008 Appropriation Act, the expenditure plan includes an analysis of each potential segment of fence – not each 15 mile segment of the border. In the limited cases where a segment of fence exceeded 15 miles, the Border Patrol identified an appropriate separation based on the natural terrain or other local features.

CBP is deploying a comprehensive approach to secure the border, and fencing is one element of the layered defense plan. Our comprehensive plan includes additional, substantial investments in technology, infrastructure and enforcement personnel. Fencing and technology are complementary tools. Technology allows the Border Patrol to identify and traek illegal activity. Fencing gives Border Patrol agents time they need to respond to illegal cross border activity. A combination of technology and TI best allows the Border Patrol to do their job safely and effectively.

Between the ports of entry, there are areas where an illegal entrant can be across the border and into the community in a matter of minutes or seconds. In this environment, pedestrian fencing provides a critical deterrent that cannot be achieved through alternate means. Places where we do not currently have plans for fencing are areas where the border environment acts as a natural impediment or other options have been deemed more appropriate than fencing.

⇒ I understand there are multiple steps to determine whether to use technology or fencing for any specific border area, based on data on border crossing, geography, transportation, criminal activity, and other factors, and the assessment goes through several levels of Border Patrol analysis before a decision is made. Could you please describe in detail the steps CBP takes to make these determinations?

ANSWER: In alignment with the appropriations direction, DHS and CBP will construct tactical infrastructure where it is the most appropriate means to achieve and maintain effective control over the international border. Four main factors contribute to fence location decisions: (1) the initial Border Patrol operational assessments; (2) input from stakeholders, including landowners; (3) environmental assessments; and (4) engineering assessments, which include the cost to construct.

Operational assessments by the local Border Patrol agents and Sectors – based on illegal eross-border activity and the Border Patrol's extensive field experience – identified multiple locations where pedestrian or vehicle fencing would most effectively enhance border security. The deployment of the tactical infrastructure is geared toward disrupting identified routes into the United States that are utilized by smugglers and potential terrorists. This infrastructure will strengthen the Border Patrol's defense in-depth strategy, providing Border Patrol agents with a tactical advantage over illegal entrants.

⇒ Please explain why no fencing is under consideration for Laredo.

ANSWER: In alignment with the appropriations direction, DHS and CBP will construct tactical infrastructure where it is the most appropriate means to achieve and maintain effective control over the international border.

Border Patrol Chiefs at the field level have identified those areas where primary fence would significantly strengthen their ability to secure the border within their area of responsibility. The Border Patrol determined it was a greater priority to remove the Carrizo cane.
Arundo donax, commonly known as Carrizo cane, is a non-native robust perennial grass that grows from about nine to more than twenty-seven feet tall. Carrizo resembles bamboo and grows in multi-stemmed clumps often forming large colonies hundreds of feet across. Carrizo colonies border much of the Rio Grande River and have an adverse impact upon Customs and Border Protection/Office of Border Patrol (CBP/OBP) operations along the Rio Grande River. Carrizo affects CBP/OBP operations in Texas by:

- Limiting effectiveness of technology such as Remote Video Surveillance Systems.
- Providing undocumented aliens use the thick Carrizo to hide and "wait out" CBP/OBP agents.
- Posing a threat to officer safety because it gives smugglers the opportunity to cross the Rio Grande River and approach agents virtually undetected.

Question: Common Operating Picture – Avoiding Technology Mistakes: In contrast to fencing and taetical infrastructure, funding for which drops sharply in FY09, CBP requests $325 million for SBInet Technology – a nearly 50% increase. Much of this is to expand the "Common Operating Picture" and push the "SBInet solution" to the Rio Grande Sector.

⇒ Is the Common Operating Picture off-the-shelf, or will it require additional software development, which is almost always problematic?

ANSWER: One of the lessons learned in P28 is that there is no commercial, off-the-shelf software package that meets our requirements. There is government software available which offers a basis to build a COP and all candidates require development. The software is being developed and delivered using a collaborative environment which allows end users to be directly involved in the development to ensure solutions are tailored to meet their operational needs. The developer will incorporate a spiral approach that includes successful demonstrations of system performance and results in multiple releases of the system where each subsequent release provides an incremental addition of functionality and improvement in system capability.

Release 0.5 is the first release of the Command, Control, Communications, and Intelligence (C3I) COP software. This release is intended to support the initial deployment of SBI*net* technology. To save cost, reduce schedule, and mitigate risk, the software base for Release 0.5 incorporates a significant amount of reused Government-off-the-Shelf (GOTS) software.

The Government is conducting an independent trade study to determine whether other COTS/GOTS solutions would provide comparable or better performance at a lower life-cycle cost.

⇒ Will the SBI office be open to all solutions, not necessarily just those developed by the SBInet prime contractor?

ANSWER: The Government is open to all solutions, not just those developed by the SBI*net* prime contractor. The Government is conducting an independent trade study to determine whether other Commercial-off-the-

Shelf/Government-off-the-Shelf (COTS/GOTS) solutions would provide comparable or better performance at a lower life-cost.

⇒ How will CBP ensure it includes consideration of alternative technology solutions without relying completely on the integrator?

ANSWER: As stated in the previous response, the Government is conducting an independent trade study to determine whether other Commercial-off-the-Shelf/Government-off-the-Shelf (COTS/GOTS) solutions would provide comparable or better performance at a lower life-cycle cost. SBI*net* is working with the DHS Science & Technology Directorate (S&T) to evaluate new technologies that will be deployed and tested in field environments.

⇒ How will CBP and the SBI program office ensure the integrator does not drive the decision process?

ANSWER: The mission requirements for SBI*net* were developed by the Government. These requirements were stated in an Operational Requirements Document (ORD) and a mission Concept of Operations (CONOPS). The SBI*net* contractor (integrator) developed the SBI*net* System Specification in alignment with the CONOPS and ORD. Subsequent to the development of the System Specification, the Government reviewed the integrator's work products in accordance with the CBP System Life Cycle. To date, the system has undergone a System Requirements Review and a Preliminary Design Review. The integrator's work products were reviewed by Government employees across CBP and DHS, as well as their independent support contractors.

Requirements for the Command, Control, Communications, and Intelligence (C3I) COP development effort are in alignment with the ORD, CONOPS and System Specification. The development life cycle for the C3I COP is in accordance with the DHS and CBP lifecycle for processes, review gates, and documentation. Similar to the system level oversight activities, the Program Office reviews include Government employees across CBP and DHS, as well as their independent support contractors.

Question: SBI Contract Management -- The SBI Program Management Office (PMO) completed its human capital plan in December 2007. We understand that as of January 1 there were 290 people – both contractors and federal employees – in the SBI Office. Your current funding provides for 160 FTE, with another 25 FTE requested for FY09.

⇒ How many career federal employees are on-board at this time?

ANSWER: As of March 17, 2008, there were a total of 149 career Federal employees onboard supporting the SBI program. Those 149 employees are broken down into the following categories:

- 94 permanent FTE's;
- 20 government employees detailed from various CBP operational/non-operational components (assigned full-time);
- 32 government employees in the SBI Acquisition Office (a part of CBP's Office of Finance);
- 2 Intergovernmental Personnel Act (IPA) employees; and
- 1 U.S. Coast Guard Officer.

⇒ What is your process to ensure you hire enough people with the right skills, and what safeguards are in place to prevent contractors from performing "inherently government" roles? How do you ensure reliance on contractors will not increase procurement risk?

ANSWER: SBI's human capital planning efforts have primarily focused on the effective recruitment and staffing of individuals with the requisite program management, acquisition oversight, technical, operational, analytical, and mission support skills and competencies to effectively manage and carry out the SBI programs. SBI is building an organization with the necessary expertise and desired skill sets to manage the SBI activities, contracts/task orders, and resources. The specific number of employees needed to do this is based on program/project goals for each fiscal year. SBI leadership regularly reviews the need for additional CBP employees, and fills the specific positions/skill sets as required to carry out SBI operations.

SBI is actively recruiting and hiring individuals with the right skill sets and experience. SBI has been successful in attracting qualified candidates, from both within government and from the private sector, through a variety of sources. SBI continues to seek out such individuals, assess their backgrounds and skill sets against program needs, and effectively bring them on board into critical program roles.

All positions within SBI have been reviewed to determine which are required to perform inherently governmental work. Only government employees are selected for and assigned to inherently government roles. All contractors work under the oversight and direction of government personnel. SBI leadership reviews SBI staffing needs and operations to ensure that vacant as well as filled positions are staffed with the appropriate personnel (i.e., inherently governmental work is performed by federal employees and other positions are filled with either government or contract support personnel as appropriate).
To mitigate procurement risk or conflicts of interest, regulatory requirements for disclosure of potential conflicts and mitigation plans are included in each contract awarded to support the SBI community. Additionally, the SBI Acquisition Office has completed a comprehensive conflict of interest mitigation plan that will be updated, as the program grows, to ensure that a holistic approach is taken to maintain effective controls in this area. Further, as the SBI Acquisition Office recompetes these support contracts during the third quarter of FY 2008, explicit restrictions on certain corporate relationships will be placed in the new contracts.

Question: Border Security – Operational Control of the Land Border -- According to the last SBI status report, CBP has 486 miles of Southwest Border and 12 miles of Northern Border under "effective" control – meaning it can generally detect illegal entries and appropriately respond to them. The fiscal year 2008 spending plan and the FY 2009 budget assume completion of about 370 miles of pedestrian fence and 300 miles of vehicle fencing by FY 2009.

⇒ How many miles of border will be under effective control, by the end of FY 2009, if Congress provides the $775 million requested for more fencing, infrastructure and technology? How many will be under effective control if Congress does not provide this funding?

ANSWER: This measure depicts the number of border miles under control where the appropriate mix of personnel, technology, and tactical infrastructure has been deployed. This appropriate mix of resources is meant to ensure that when an attempted illegal alien is detected, identified and classified, the Border Patrol has the ability to respond and that the attempted illegal entry is brought to a satisfactory law enforcement resolution. As the Border Patrol continues to deploy additional resources based on risk, threat potential, and operational need, the number of miles under control will increase. The FY 2009 target is 742 miles under effective control based on SBI's planned completion of 370 miles of pedestrian fence, 300 miles of vehicle fence and additional technology along the southern border by the end of CY 2009. Those goals are dependent on Congress providing the funding requested for fencing, infrastructure and technology. If funding is not received, we will attempt to sustain and maintain the current miles under effective control as reported at the end of FY 2007 – 599 miles.

⇒ How does National Guard support, through Operation Jump Start, figure in CBP planning for FY 2009? How many National Guardsmen now support border security operations and how many will be deployed through 2009?

ANSWER: Operation Jump Start began on June 15, 2006 and is scheduled to end on July 15, 2008. This timeline is part of the original implementation plan which the Border Patrol has been using since June 2006. There are no scheduled National Guard deployments under Operation Jump Start during FY 2009.

There are currently 2,857 (as of March 13, 2008) National Guardsmen on Operation Jump Start orders. Operation Jump Start is scheduled to end on July 15, 2008. There are no scheduled deployments of National Guardsmen under Operation Jump Start beyond that date. It is anticipated that normal support from traditional missions such as Innovative Readiness Training, Counter Drug Missions, and Annual Training Missions will resume at that time.

⇒ The "control" we have been referring to is Border Patrol control of the "actual international boundary," according to the March 1 Bi-Monthly SBI report. However, the report also says "DHS does not as yet have a wholly satisfactory methodology of determining whether a portion of the border is considered under control from a system-wide, defense-in-depth, and continuously enforceable perspective." What is the status of and timetable for establishing this methodology?

ANSWER: Much like the difficulties in measuring drug interdiction efforts, measuring control of the borders challenges us to grasp what we cannot see. In both cases we must be able to measure what we have not interdicted, as well as what we have interdicted.

Recognizing that no single performance measure alone will provide a complete answer to whether our borders are effectively controlled, DHS is working to develop more outcome-focused strategic performance measures in the DHS 2008-2013 Strategic Plan, while simultaneously working to refine existing and develop additional program and operational level metrics. This work is being done in the context of the Department's Annual Performance Report (APR) (as required by the Government Performance and Results Act) and other department financial and performance reporting documents. The APR is submitted annually and is transmitted along with the Congressional Budget Justification in February of each year.

Question: Northern Border Control -- CBP only categorizes 12 miles of the Northern Border as being under "effective control" unchanged since March, 2007. The Commissioner testified CBP will have 1,500 Border Patrol Agents on the Northern Border by the end of 2008 and 2,000 by the end of 2009. The March 1 SBI report shows that CBP currently has 1,136 agents deployed to the Northern Border , 32 less than the 1,168 agents planned for October 1, 2007.

⇒ Given the difficulty in meeting staffing targets last year, what is CBP doing to ensure it will meet these ambitious hiring goals for 2008-09?

ANSWER: In FY 2008, CBP intends to deploy additional enhancement positions to the northern border to bring the total number of Border Patrol agents to 1470. This represents a 30 percent increase over the current staffing level and a 60 percent increase over the FY 2006 staffing level.

CBP expects that this increase can be accomplished primarily through the Voluntary Relocation Program (VRP), which will provide experienced agents from the southwest border to these northern border locations. For some situations, the lump-sum payments under VRP may not be adequate incentive to generate enough movement—in those limited cases, CBP expects to provide some traditional, full-funded relocations as added incentive, as well as incentives, and recruitment initiatives specifically targeting applicants from the northern border.

Going forward, CBP has a plan to nearly double the number of Border Patrol agents (to 2,212) assigned to the northern border by the end of FY 2010.

⇒ Given that intrusions are difficult to detect, including by aircraft, what impact are new air wings having on border surveillance and enforcement, and what has CBP learned about the nature of vulnerabilities?

ANSWER: CBP Air and Marine now has more than three years of experience operating along the northern border and, specifically, combating the air threat. The vulnerabilities associated with the northern border have not changed; they have been confirmed repeatedly. The rugged, expansive, and austere geography, coupled with the incomplete radar picture, create an environment that is vulnerable to undetected intrusions by aircraft.

A decline in the air smuggling activity associated with Blaine, Washington/Vancouver B.C., is directly attributable to standing up the CBP Air Branch in Bellingham, Washington. This is not meant to suggest that the air smuggling activity has stopped; rather, it has shifted east to the Spokane, Washington area. When flight operations have been conducted in Spokane area, smuggling activity again shifts; thus, demonstrating the flexibility of the aviation smuggling activity and the need for better detection. CBP Air and Marine is pursuing technical solutions to alleviate the incomplete radar picture, including advances in acoustic detection devices, application of land-based portable radar systems, and obtaining information from select Canadian radar sites.

A noted vulnerability that requires further investigation is Private Aircraft Enforcement System (PAES) non-compliance. Unlike requirements along our southern border where aircraft must clear at the first port of entry or alternate port of entry, aircraft entering from Canada are required to complete Customs Form 178, Private Aircraft Enforcement System Arrival Report and clear with CBP Field Operations at a pre-determined airport. Aircraft routinely fail to comply and fly into the United States without repercussion.

⇒ How does CBP measure success on the Northern Border where operational control is so limited?

ANSWER: Effective control is only one component of how CBP measures success along the northern border. Other considerations include a continued, steady reduction in the number of miles assessed as "remote/low activity" and the ongoing overall implementation of our northern border strategy. CBP has taken many steps to improve security along the northern border and, through this strategic approach, will continue to build situational awareness and interdiction capabilities that correspond to the threat environment. Personnel, technology, aviation, intelligence, and partnerships are critical to these efforts.

There is no doubt that the correct level of personnel is important to this effort; accordingly, CBP is continuing to increase the number of Border Patrol agents on the northern border. However, an increase in agents alone will not achieve success. Rather, the increase will achieve optimal effectiveness only when a combination of supporting elements ensures that agents are where they need to be when they need to be there.

Technology, such as improved tactical communications and an increased number of unattended ground sensors, improves situational awareness in a variety of ways. SBI*net's* Northern Border Technology Demonstration will also explore the achievement of advanced situational awareness by merging sensor data with that of response assets.

Air assets serve as multi-mission platforms. They provide additional situational awareness, particularly in remote and infrequently monitored areas, direct or "cue" interdictions, and in some cases deliver agents directly to the interdiction area. CBP's significant expansion of its northern border aviation capabilities, to include new air branches as well as the planned deployment of a Predator B unmanned aircraft system, has increased the availability of this resource.

Improved intelligence and information sharing is another important element in providing situational awareness. Along with the continuing expansion of the Homeland Security Data Network, CBP's plan to establish Intelligence Coordination Teams, and at least one Intelligence and Operations Coordination Center (IOCC), along the northern border will help to ensure that the right information is in the hands of analysts and agents before they need it.

Lastly, partnerships are a vital component of achieving success on the northern border. Although there are a number of notable ongoing efforts, the most important is the Integrated Border Enforcement Team (IBET) program, a multi-faceted law enforcement initiative comprised of both American and Canadian partners. IBET allows CBP to leverage the combined resources of its fellow law enforcement agencies in achieving its goals.

Question: Detroit Pilot -- What is the status of the Detroit pilot effort for which $20,000,000 in fiscal year 2007 has been allocated?

ANSWER: The Northern Border Demonstration is currently in its planning phase. During this phase, CBP will conduct cost estimates for hardware and software, establish a deployment schedule, better define technical requirements, and conduct site surveys.

Ports of Entry – Infrastructure and Staffing

Question: The FY09 CBP request includes $10 million for a Land Port of Entry construction initiative, and an increase of 212 CBP Officers for land ports of entry. GAO, in a 2007 report (GAO-08-219) found that at least $4 billion is needed to improve the 163 land border crossings. GAO also found that significant shortages in CBP Officers at ports of entry resulted in an array of anti-terrorism activities not being carried out and problems of morale that could adversely affect the security of our border inspection process. At the same time, the March 1, 2008 SBI bi-monthly report showed that criminal arrests at ports of entry in 2007 increased by 10% over the previous year, so it is critical to have effective and motivated officers in place there. GAO also reported that the CBP workload staffing model indicates that up several thousand more CBP Officers and Agricultural Specialists may be needed at ports of entry.

⇒ Given the greater pressure on ports of entry from increased enforcement between ports of entry, what steps will CBP take to augment the relatively small increase proposed for port of entry infrastructure and staffing?

ANSWER: On the topic of Land Port of Entry (LPOE) infrastructure, the referenced FY 2009 CBP request for $10 million will allow for more in-depth assessment necessary to develop repair and construction solution prototyping for the 43 CBP-owned locations. It will also enable CBP to begin to implement solutions at these locations; currently without a baseline budget to address critical infrastructure deficiencies. This funding approach is itself an integral part of CBP's augmentation strategy, since funding for land port of entry infrastructure improvements is currently provided through the U.S. General Services Administration's (primary owner or lessor of the ports) Federal Building Fund, which has $74 million tentatively allocated for LPOE infrastructure improvements in the President's FY 2009 Budget.

The President's Fiscal Year (FY) 2009 Budget Request includes funding for 539 U.S. Customs and Border Protection Officers (CBPOs) (including 205 CBPOs for the Western Hemisphere Travel Initiative). In addition, Congress funded an additional 1,195 CBPOs in the FY 2007 Supplemental and the FY 2008 Omnibus Appropriation Act.

CBP continues to do everything in its capacity to hire, train and deploy the 1,195 CBPOs funded with the supplemental and annual appropriation. Throughout the country, CBP has rolled out aggressive recruitment and hiring campaign to attract qualified candidates to apply for the CBPO position. CBP has also worked to streamline the hiring process by initiating the medical examination and background investigation for tentatively

selected individuals, while they wait for openings. For those selected for the position, the Federal Law Enforcement Training Center (FLETC) has utilized, at times, a 6-day training schedule, to accommodate staffing increases.

Staffing and Related Matters

Question: Headquarters and Administration funding --Please provide a detailed breakout by office of the CBP FY 09 budget request for headquarters, management, and administration.

ANSWER: Please see following table.

U.S. Customs and Border Protection FY 2009 SALARIES AND EXPENSES HEADQUARTERS MANAGEMENT AND ADMINISTRATION		
CBP Office	Funding	
	FY 2008 Enacted	FY 2009 President's Budget
Policy, Direction and Human Capital		
Office of the Commissioner		
Office of the Commissioner	6,288,986	6,351,914
Office of Policy and Planning	6,104,494	6,165,577
Office of Equal Employment Opportunity	2,192,101	2,214,035
Subtotal, Office of Commissioner	**14,585,581**	**14,731,526**
Office of Intelligence & Operations Coordination	18,746,749	42,746,749
Office of International Trade	99,758,171	100,756,366
Office of Internal Affairs	87,432,129	97,019,586
Office of Human Resources - HQ	58,378,974	58,963,123
Office of Human Resources - National Support	62,404,189	63,028,615
Office of Training and Development	84,017,381	84,858,071
Office of International Affairs and Trade Relations	917,441	926,621
Office of Congressional Affairs	2,343,631	2,367,081
Office of Public Affairs	7,616,560	7,692,773
Office of Chief Counsel	27,642,664	27,919,260
Office of Field Operations	16,087	16,248
Subtotal Policy, Direction and Human Capital	**449,273,976**	**486,294,493**
Technology and National Support		
Office of Finance - HQ	103,796,667	105,211,758
Office of Finance - National Support	365,915,613	369,764,600
Office of Information and Technology	287,769,163	290,648,623
Subtotal, Technology and National Support	**757,481,443**	**765,624,981**
Total	**1,221,341,000**	**1,266,651,000**

Notes:
Office of Finance - HQ – Funding to support HQ's Finance Personnel Salary & Benefits, contracts and operational costs
Office of Finance - National Support - Funding to support CBP National Programs (Rent, Uniforms, Vehicles, Facilities Projects, Printing Services, Maintenance and Development of Financial System)
Office of Information and Technology - Funding to support HQ's IT Personnel Salary & Benefits and CBP National IT Programs and infrastructure
Office of Human Resources - HQ - Funding to support HQ's Office of Human Resources Personnel Salary & Benefits, contracts, travel, equipment and operational costs
Office of Human Resources - National Support - Funding to support CBP National Programs (National/Quality Recruitment, Retirement, Medical/Pre-Employment Screening, Drug-Free Workplace, National Labor & Employee Relations, Workers Comp)

Question: For the Office of Intelligence and Operations Coordination, please provide funding and staffing for FY07 (from legacy Offices of Intelligence and Anti-Terrorism), estimated for FY08 and requested for FY 09. Please explain how the increased funding for intelligence operations (additional watches and field support) relate to funding for this office, and how the work of this Office is managed between CBP and the Under Secretary for Intelligence and Analysis.

ANSWER:

- FY 2007
  Legacy Office of Intelligence = 66 FTE $10.1 million
  Legacy Office of Anti-terrorism = 29 FTE $7.5 million
  Office of Field Operations = 27 FTE $3.7 million
  Office of Border Patrol = 16 FTE, $6.5 million
  Office of Information Technology = 2 FTE, $1.8 million
  Total = 140 FTE, $25.1 million total budget

- Estimated FY08:
  175 FTE, $30.1 million total budget

- FY 2009:
  $54.1 million total budget

Office of Intelligence and Operations Coordination
PPA Allocations FY2008 to FY 2009

	FY 2008	FY 2009
Headquarters Management and Administration	18.75M	42.75M
Inspections, Trade & Travel Facilitation at the POEs (Office of Field Operations)	1.37M	1.37M
International Cargo Screening-Container Security Initiative	1.15M	1.15M
Systems for Targeting	.61M	.61M
National Targeting Center	1.73M	1.73M
Border Security and Control Between the POEs	6.5M	6.5M
Total	30.1M	54.1M

Initial funding for the Office of Intelligence and Operations Coordination, which was stood up October 1, 2007, represented the combined budgets of the legacy Office of Intelligence and Office of Anti-Terrorism, legacy Headquarters, Border Patrol Intelligence, and legacy Targeting Teams from the Office of Field Operations and Office of Information Technology. Additionally, consistent with the Commissioner's vision that CBP become a fully integrated, intelligence-driven organization, planning is underway to: stand up a 24/7 Intelligence Watch capability to provide Total Situational Awareness for our All Crimes/All Threats/All Hazards mission set throughout our Area of Responsibility; stand up Field Intelligence and Operations Coordination Centers to provide location and mission-specific support to field decision-makers; develop an Analytical Framework for Intelligence to substantially improve the productivity of our Intelligence Officers; and to deploy classified communications systems Homeland Secure Data Network (HSDN) to the most critical field sites. Detailed deployment and budget planning for each of these actions are underway and on target.

The CBP Office of Intelligence and Operations Coordination (OIOC) is responsible for the entire CBP intelligence cycle, including planning, collecting, processing, producing and disseminating all-source information and intelligence in support of CBP's mission. OIOC ensures that intelligence meets the requirements of CBP decision-makers and is closely linked with passenger and cargo targeting efforts. In addition, OIOC has critically important Incident Management and Operations Coordination missions, serving as the facilitator for intra- and inter-agency enforcement and intelligence-driven special operations, and as a designated key part of the Emergency Support Function under the *National Response Framework*, responsible for public safety and security for incident management activities.

DHS I&A is an OIOC customer, mission partner, and a service provider. The relationship between OIOC and DHS I&A is robust – we collaborate on long- and short-term analytical studies, with a team of DHS I&A Intelligence Reports Writers embedded within OIOC. The Collection Management program (the formal

program for customers to identity standing intelligence requirements) is totally integrated. In addition, the joint efforts of DHS I&A and OIOC have resulted in a high level of success in Intelligence Training. Further, OIOC participates actively in all bodies of the DHS Intelligence Governance structure and is totally integrated into DHS I&A's Information Sharing construct. As evidence of the effectiveness of this relationship, OIOC produces more than 75% of the total intelligence output of DHS.

Question: Operational Activity Costs -- Using your Cost Management Information System, please provide an estimate of the operational activity costs within the Border Security Inspections and Trade Facilitation at Ports of Entry PPA, the Border Security and Control Between the Ports of Entry PPA, as well as within other PPA categories if possible.

ANSWER: The following comes from the Statement of Net Cost.

FY 2007		
Border Security Inspections and Trade Facilitation at Ports of Entry		
Gross Costs:		
Passenger Processing	$	3,012,224
Trade Compliance	$	2,162,401
Outbound	$	94,851
Anti-Terrorism	$	625,630
Total Gross Costs	$	5,895,106
Less: Earned Revenue	$	958,310
Net Program Costs	$	4,936,796
Border Security and Control Between Ports of Entry		
Gross Costs	$	3,262,284
Less: Earned Revenue	$	530,318
Net Program Costs	$	2,731,966
Air and Marine Operations		
Gross Costs	$	423,474
Less: Earned Revenue	$	68,840
Net Program Costs	$	354,634
Net Cost of Operations	$	8,023,396

Question: Cost Modules -- Please provide current CBP staff costing modules that make up the 1st – 3rd year position model costs for CBP employees, with associated assumptions for supervisory ratios. This should tie to costing assumptions for the additional 2,200 Border Patrol Agents, 539 CBP Officers, 24 Air Interdiction Agents, 25 Intel analysts, and 24 General Investigative positions.

ANSWER: Please see following table.

Customs and Border Protection Position Model Costs[1]						
FY 2009 Model	1st Year Costs		2nd Year Costs		3rd Year Costs	
	Grade	Costs	Grade	Costs	Grade	Costs
Border Patrol Agent	GS-07[2]	$159,642	GS-09	$152,318	GS-11	$175,142
CBP Officer	GS-07[3]	$100,862	GS-09	$112,883	GS-11	$131,329
Air Interdiction Agent (Pilot)	GS-13	$189,464	GS-13	$206,312	GS-13	$217,652
Marine Interdiction Agent	GS-12	$179,073	GS-12	$199,193	GS-12	$209,286
Canine Enforcement Officer	GS-11	$179,232	GS-11	$153,839	GS-11	$161,190
Agricultural Specialist	GS-07[4]	$102,123	GS-09	$113,873	GS-11	$132,346
Import Specialist	GS-12	$80,637	GS-12	$129,614	GS-12	$136,781
Intelligence Analyst	GS-13	$85,134	GS-13	$146,877	GS-13	$155,085
Auditor	GS-13	$93,761	GS-13	$150,394	GS-13	$158,674
Administrative Professional	GS-14	$94,719	GS-14	$167,196	GS-14	$176,610
General Support	GS-12	$76,744	GS-12	$129,083	GS-12	$136,239

1. Assumes an average on-board date of April 1, 2008.
2. Includes funding ($3,774) to allow for the creation of supervisory positions at a ratio of 1:7. Does not include funding to expand IT infrastructure
3. Includes funding ($2,378) to allow for the creation of supervisory positions at a ratio of 1:9.
4. Includes funding ($2261) to allow for the creation of supervisory positions at a ratio of 1:10.

Question: Staffing data -- For CBP Positions, overtime and attrition, and recognizing that some positions operate in multiple environments, please use the Customs Overtime and Scheduling System (COSS) and other resources to provide the following information:

⇒ List CBP personnel assigned to each port of entry, broken out by end-of-fiscal-year on-board positions for position type, location (land border, seaport, airport, other), and the source of this data. Please also include overtime data for FY07 and projected for FYs 08-09 for each port of entry;

ANSWER: The following table includes the requested data as of 9/29/07.

DFO	Longtitle	Position	Total
Atlanta Field Office	AREA PORT OF CHARLESTON, SC	CBP Officer	1
		Mission Support	2
	AREA PORT OF CHARLOTTE, NC	Mission Support	4
	AREA PORT OF NORFOLK, VA	Mission Support	1
	AREA PORT OF SAVANNAH, GA	Mission Support	3
	ATLANTA FIELD OPERATIONS - HEADQUARTERS	CBP Officer	1
		Mission Support	28
	COMMERCIAL DIVISION	CBP Officer	3
		Mission Support	35
	ENTRY BRANCH	Mission Support	9
	FIELD MISSION SUPPORT	Mission Support	15
	FP & F STAFF	Mission Support	9
	IMPORTS ANALYSIS BRANCH	Mission Support	12
	IMPORTS ANALYSIS/ENTRY UNIT	Mission Support	28
	INSPECTION DIVISION	CBP Officer	169
		Ag Specialist	32
		Mission Support	5

	INSPECTION DIVISON	CBP Officer	46
		Ag Specialist	12
		Mission Support	3
	MYRTLE BEACH AIRPORT	CBP Officer	1
	OUTBOUND/ANTI-SMUGGLING	CBP Officer	58
		Mission Support	2
	PASSENGER/OPERATIONS SUPPORT	CBP Officer	8
	PORT OF ATLANTA, GA	CBP Officer	209
		Ag Specialist	70
		Mission Support	17
	PORT OF BEAUFORT-MOREHEAD, NC	CBP Officer	3
		Ag Specialist	1
	PORT OF BRUNSWICK, GA	CBP Officer	5
		Ag Specialist	1
		Mission Support	2
	PORT OF CHARLESTON, WV	CBP Officer	1
		Mission Support	1
	PORT OF COLUMBIA, SC	CBP Officer	2
	PORT OF DURHAM, NC	CBP Officer	12
		Ag Specialist	3
		Mission Support	1
	PORT OF GREENVILLE-SPARTANBURG, SC	CBP Officer	5
		Mission Support	2
	PORT OF NEW RIVER VALLEY, VA	CBP Officer	1
	PORT OF NEWPORT NEWS, VA	CBP Officer	3
		Mission Support	1
	PORT OF RICHMOND-PETERSBURG, VA	CBP Officer	5
		Ag Specialist	1
		Mission Support	1
	PORT OF WILMINGTON, NC	CBP Officer	19
		Ag Specialist	1
		Mission Support	3
	PORT OF WINSTON-SALEM, NC	CBP Officer	3
	TRADE OPERATIONS	CBP Officer	1
		Ag Specialist	14
		Mission Support	19
Atlanta Field Office Total			**894**
Baltimore Field Office	AREA PORT OF BALTIMORE, MD	Ag Specialist	6
		Mission Support	3
	AREA PORT OF PHILADELPHIA, PA	CBP Officer	1
		Ag Specialist	19
		Mission Support	12
	AREA PORT OF WASHINGTON, DC	CBP Officer	1
		Mission Support	2
	ATLANTIC CITY USER FEE AIRPORT	CBP Officer	1
	BALTIMORE APHIS INSPECTORS	Mission Support	1
	BALTIMORE FIELD OPERATIONS - HEADQUARTERS	Mission Support	19
	BALTIMORE/WASHINGTON AIRPORT BWI	CBP Officer	7

		Mission Support	3
	COMMERCIAL DIVISION	CBP Officer	5
		Ag Specialist	5
		Mission Support	16
	ECF UPS HUB PHILADELPHIA, PA	CBP Officer	4
	ENTRY BRANCH	CBP Officer	1
		Mission Support	23
	FIELD MISSION SUPPORT	Mission Support	4
	FP & F STAFF	Mission Support	9
	INSPECTION BRANCH	CBP Officer	203
		Ag Specialist	13
		Mission Support	7
	INSPECTION DIVISION	CBP Officer	231
		Ag Specialist	16
		Mission Support	7
	PORT OF ALEXANDRIA VA	CBP Officer	1
	PORT OF ANNAPOLIS, MD	Ag Specialist	1
	PORT OF CHESTER PA/WILMINGTON, DE	CBP Officer	11
		Ag Specialist	7
		Mission Support	2
	PORT OF HARRISBURG, PA	CBP Officer	3
	PORT OF LEHIGH VALLEY, PA	CBP Officer	1
	PORT OF PITTSBURGH, PA	CBP Officer	14
		Ag Specialist	3
		Mission Support	4
	PORT OF WILKES BARRE/SCRANTON, PA	CBP Officer	1
		Mission Support	1
	TARIFF & TRADE BRANCH 1	CBP Officer	7
		Ag Specialist	1
		Mission Support	11
	TARIFF & TRADE BRANCH 2	Mission Support	10
	TRENTON/MERCER CO USER FEE AIRPORT	CBP Officer	1
Baltimore Field Office Total			**698**
Boston Field Office	AREA PORT OF BOSTON	CBP Officer	1
		Mission Support	3
	AREA PORT OF PORTLAND	CBP Officer	1
		Mission Support	4
	AREA PORT OF ST. ALBANS, VT	CBP Officer	16
		Mission Support	7
	A-TCET	CBP Officer	33
		Mission Support	3
	DIRECTOR, FIELD OPERATIONS	Mission Support	20
	ENTRY BRANCH	Mission Support	8
	FIELD MISSION SUPPORT	Mission Support	10
	FP&F STAFF	Mission Support	10
	HANSCOM USER FEE AIRBASE	CBP Officer	1
	INSPECTION DIVISION	CBP Officer	15
		Ag Specialist	1

		Mission Support	5
	LOGAN AIRPORT DIVISION	CBP Officer	122
		Ag Specialist	24
		Mission Support	6
	MANCHESTER USER FEE AIRPORT	CBP Officer	1
	PORT OF BANGOR, ME	CBP Officer	12
		Ag Specialist	1
		Mission Support	1
	PORT OF BEECHER FALLS, VT	CBP Officer	24
	PORT OF BELFAST, ME	CBP Officer	1
	PORT OF BRIDGEPORT CT	CBP Officer	3
		Ag Specialist	2
	PORT OF BRIDGEWATER, ME	CBP Officer	11
	PORT OF BURLINGTON, VT	CBP Officer	3
	PORT OF CALAIS, ME	CBP Officer	64
		Ag Specialist	4
		Mission Support	4
	PORT OF DERBY LINE, VT	CBP Officer	70
		Ag Specialist	3
		Mission Support	2
	PORT OF EASTPORT, ME	CBP Officer	14
	PORT OF FORT FAIRFIELD,ME	CBP Officer	23
		Mission Support	1
	PORT OF FORT KENT,ME	CBP Officer	19
	PORT OF GLOUCESTER, MA	CBP Officer	2
	PORT OF HARTFORD CT	CBP Officer	10
		Ag Specialist	1
		Mission Support	3
	PORT OF HIGHGATE SPRINGS,VT	CBP Officer	76
		Ag Specialist	5
		Mission Support	3
	PORT OF HOULTON, ME	CBP Officer	59
		Ag Specialist	3
		Mission Support	2
	PORT OF JACKMAN ME	CBP Officer	40
		Ag Specialist	1
		Mission Support	2
	PORT OF MADAWASKA, ME	CBP Officer	21
		Mission Support	1
	PORT OF NEW BEDFORD MA	CBP Officer	2
	PORT OF NEW HAVEN CT	CBP Officer	4
		Ag Specialist	1
	PORT OF NORTON, VT	CBP Officer	16
		Mission Support	1
	PORT OF PORTSMOUTH, NH	CBP Officer	2
	PORT OF PROVIDENCE, RI	CBP Officer	9
		Ag Specialist	1
		Mission Support	3

	PORT OF RICHFORD, VT	CBP Officer	39
		Mission Support	1
	PORT OF SPRINGFIELD MA	CBP Officer	1
	PORT OF VAN BUREN, ME	CBP Officer	20
		Ag Specialist	1
	PORT OF VANCEBORO, ME	CBP Officer	10
	PORT OF WORCESTER, MA	CBP Officer	2
	TRADE ENFORCEMENT & FACILITATION	Mission Support	53
Boston Field Office Total			**948**
Buffalo Field Office	AREA PORT OF ALEXANDRIA BAY, NY	CBP Officer	84
		Ag Specialist	3
		Mission Support	4
	AREA PORT OF BUFFALO, NY	Mission Support	1
	AREA PORT OF CHAMPLAIN, NY	Mission Support	4
	BINGHAMPTON REGIONAL AIRPORT	CBP Officer	1
	BUFFALO FIELD OPERATIONS - HEADQUARTERS	Mission Support	33
	COMMERCIAL DIVISION	Mission Support	117
	FIELD MISSION SUPPORT	Mission Support	4
	FP & F STAFF	Mission Support	12
	INSPECTION DIVISION	CBP Officer	687
		Ag Specialist	38
		Mission Support	13
	PORT OF ALBANY, NY	CBP Officer	8
		Ag Specialist	1
		Mission Support	2
	PORT OF MASSENA, NY	CBP Officer	58
		Mission Support	1
	PORT OF OGDENSBURG, NY	CBP Officer	46
	PORT OF ROCHESTER, NY	CBP Officer	7
	PORT OF SYRACUSE, NY	CBP Officer	4
		Mission Support	1
	PORT OF TROUT RIV/CHATEAU/COVINGTON, NY	CBP Officer	52
		Mission Support	1
Buffalo Field Office Total			**1182**
Chicago Field Office	AIRBORNE AIR PARK AIRPORT	CBP Officer	1
	AREA PORT OF CHICAGO, IL	CBP Officer	4
		Mission Support	7
	AREA PORT OF CLEVELAND, OH	Mission Support	11
	AREA PORT OF MINNEAPOLIS, MN	Mission Support	5
	AREA PORT OF ST. LOUIS, MO	CBP Officer	10
		Ag Specialist	1
		Mission Support	5
	BLUE GRASS AIRPORT	CBP Officer	1
	CANINE BRANCH	CBP Officer	7
		Ag Specialist	4
	CHICAGO FIELD OPERATIONS - HEADQUARTERS	Mission Support	39
	COMMERCIAL DIVISION	CBP Officer	1
		Mission Support	8

	COMMODITY BRANCH	Mission Support	45
	COMMODITY TEAM BRANCH	Mission Support	41
	CUSTOMSHOUSE INSPECTION BRANCH	CBP Officer	1
	DECATUR USER FEE AIRPORT	CBP Officer	1
	DRAWBACK BRANCH	Mission Support	7
	DUPAGE AIRPORT AUTHORITY	CBP Officer	1
	ECF BAX HUB TOLEDO OHIO	CBP Officer	2
	ECF DHL HUB WILMINGTON OH	CBP Officer	26
		Ag Specialist	5
		Mission Support	1
	ECF FEDEX HUB INDIANAPOLIS IN	CBP Officer	12
		Ag Specialist	2
		Mission Support	2
	ENTRY BRANCH	Mission Support	55
	FIELD MISSION SUPPORT	Mission Support	9
	FOREIGN MAIL BRANCH	Mission Support	3
	FORT WAYNE INTERNATIONAL AIRPORT	CBP Officer	1
	FP & F STAFF	Mission Support	14
	INSPECTION BRANCH	CBP Officer	59
		Ag Specialist	12
		Mission Support	5
	INSPECTION DIVISION	CBP Officer	428
		Ag Specialist	85
		Mission Support	15
	MAIL BRANCH	CBP Officer	1
	MIDAMERICA USER FEE AIRPORT	CBP Officer	1
	MIDWAY INSPECTION BRANCH	CBP Officer	8
	PAL-WAUKEE AIRPORT	CBP Officer	1
	PORT OF ASHTABULA/CONNEAUT, OH	CBP Officer	2
	PORT OF CINCINNATI, OH/LAWRENCEBURG, IN	CBP Officer	1
		Ag Specialist	1
	PORT OF COLUMBUS, OH	CBP Officer	9
		Ag Specialist	1
		Mission Support	3
	PORT OF DAVENPORT/ROCK ISLAND/MOLINE, IL	CBP Officer	1
	PORT OF DAYTON, OH	CBP Officer	5
		Mission Support	1
	PORT OF DES MOINES, IA	CBP Officer	1
	PORT OF DULUTH, MN	CBP Officer	4
		Ag Specialist	1
		Mission Support	3
	PORT OF ERIE, PA	CBP Officer	3
	PORT OF GREEN BAY, WI	CBP Officer	2
	PORT OF INDIANAPOLIS, IN	CBP Officer	1
		Mission Support	1
	PORT OF KANSAS CITY, MO	CBP Officer	4
	PORT OF LOUISVILLE, KY	CBP Officer	1
		Mission Support	2

	PORT OF MANITOWOC, WI	Mission Support	1
	PORT OF MILWAUKEE, WI	CBP Officer	11
		Ag Specialist	1
		Mission Support	6
	PORT OF OMAHA, NE	CBP Officer	1
		Ag Specialist	1
		Mission Support	1
	PORT OF OWENSBORO, KY/EVANSVILLE, IN	CBP Officer	1
	PORT OF RACINE, WI	CBP Officer	1
	PORT OF ROCKFORD, IL	CBP Officer	2
	PORT OF SIOUX FALLS, SD	CBP Officer	2
	PORT OF SPIRIT OF ST. LOUIS AIRPORT	CBP Officer	1
	PORT OF SPRINGFIELD, MO	CBP Officer	1
	PORT OF TOLEDO/SANDUSKY, OH	CBP Officer	5
	PORT OF WICHITA, KS	CBP Officer	2
	ROCHESTER USER FEE AIRPORT	CBP Officer	1
	TRADE OPERATIONS DIVISION	Mission Support	2
	UPS COURIER HUB LOUISVILLE KY	CBP Officer	21
		Ag Specialist	3
		Mission Support	3
	WAUKEGAN REGIONAL AIRPORT	CBP Officer	1
Chicago Field Office Total			**1062**
Detroit Field Office	AREA PORT OF PORT HURON, MI	CBP Officer	3
		Mission Support	2
	COMMODITY BRANCH	Mission Support	4
	COMMODITY TEAM BRANCH	Mission Support	48
	DETROIT FIELD OPERATIONS - HEADQUARTERS	CBP Officer	1
		Mission Support	27
	ENTRY BRANCH	Mission Support	31
	FP & F STAFF	Mission Support	15
	INSPECTION BRANCH	CBP Officer	396
		Ag Specialist	18
		Mission Support	9
	INSPECTION DIVISION	CBP Officer	276
		Ag Specialist	11
		Mission Support	5
	OAKLAND/PONTIAC USER FEE AIRPORT	CBP Officer	3
	PORT OF BATTLE CREEK, MI	CBP Officer	2
	PORT OF DETROIT, MI	Mission Support	5
	PORT OF DETROIT, MI (AIRPORT)	CBP Officer	175
		Ag Specialist	23
		Mission Support	25
	PORT OF GRAND RAPIDS, MI	CBP Officer	3
	PORT OF SAGINAW/BAY CITY/FLINT, MI	CBP Officer	2
	PORT OF SAULT SAINTE MARIE, MI	CBP Officer	2
		Mission Support	1
	WILLOW RUN AIRPORT	CBP Officer	3
Detroit Field Office Total			**1090**

El Paso Field Office	AREA PORT OF SANTA TERESA, NM	CBP Officer	64
		Ag Specialist	2
		Mission Support	1
	CANINE OPERATIONS	CBP Officer	56
		Mission Support	2
	CARGO BRANCH	CBP Officer	23
		Mission Support	2
	COMMERCIAL DIVISION	Mission Support	2
	DUTY ASSESSMENT BRANCH 1	Mission Support	7
	DUTY ASSESSMENT BRANCH 2	Mission Support	14
	EL PASO FIELD OPERATIONS - HEADQUARTERS	CBP Officer	1
		Mission Support	35
	ENTRY BRANCH	Mission Support	11
	FP & F STAFF	Mission Support	18
	PASSENGER INSPECTION DIVISION	CBP Officer	648
		Ag Specialist	51
		Mission Support	16
	PORT OF ALBUQUERQUE, NM	CBP Officer	7
		Ag Specialist	2
	PORT OF COLUMBUS, NM	CBP Officer	54
		Ag Specialist	3
		Mission Support	3
	PORT OF EL PASO, TX	Mission Support	4
	PORT OF FABENS, TX	CBP Officer	61
		Ag Specialist	4
		Mission Support	2
	PORT OF PRESIDIO, TX	CBP Officer	59
		Ag Specialist	1
		Mission Support	4
El Paso Field Office Total			**1157**
Houston Field Office	ADDISON AIRPORT	CBP Officer	1
	AREA PORT OF DALLAS/FT. WORTH, TX	CBP Officer	1
		Mission Support	8
	AREA PORT OF HOUSTON/GALVESTON, TX	CBP Officer	1
		Mission Support	2
	CARGO AND CARRIER COMPLIANCE BRANCH	CBP Officer	96
		Ag Specialist	35
		Mission Support	3
	CARGO ENFORCEMENT BRANCH	CBP Officer	108
		Ag Specialist	9
		Mission Support	1
	CARGO PROCESSING BRANCH I	CBP Officer	17
		Ag Specialist	7
		Mission Support	3
	COLLIN COUNTY REGIONAL AIRPORT	CBP Officer	1
	COMMERCIAL DIVISION	Mission Support	1
	CONTRABAND ENFORCEMENT BRANCH	CBP Officer	20
		Ag Specialist	4

		Mission Support	1
	DRAWBACK BRANCH	Mission Support	9
	DUTY ASSESSMENT BRANCH	Mission Support	14
	ENTRY BRANCH	Mission Support	8
	FP & F STAFF	Mission Support	14
	HOUSTON FIELD OPERATIONS - HEADQUARTERS	CBP Officer	1
		Mission Support	29
	MIDLAND AIRPORT	CBP Officer	1
	OPERATIONS SUPPORT BRANCH	CBP Officer	4
		Mission Support	6
	PASSENGER COMPLIANCE BRANCH	CBP Officer	225
		Ag Specialist	31
		Mission Support	6
	PASSENGER ENFORCEMENT BRANCH	CBP Officer	3
		Mission Support	1
	PASSENGER PROCESSING BRANCH	CBP Officer	133
		Ag Specialist	29
		Mission Support	7
	PORT OF AMARILLO, TX	CBP Officer	1
	PORT OF AUSTIN, TX	CBP Officer	5
		Ag Specialist	1
		Mission Support	1
	PORT OF CORPUS CHRISTI, TX	CBP Officer	8
		Ag Specialist	3
		Mission Support	1
	PORT OF FREEPORT, TX	CBP Officer	2
		Ag Specialist	1
	PORT OF LUBBOCK, TX	CBP Officer	1
	PORT OF OKLAHOMA CITY, OK	CBP Officer	2
		Ag Specialist	1
		Mission Support	1
	PORT OF PORT ARTHUR/BEAUMONT, TX	CBP Officer	5
		Ag Specialist	2
		Mission Support	1
	PORT OF SAN ANTONIO, TX	CBP Officer	26
		Ag Specialist	3
		Mission Support	4
	PORT OF TULSA, OK	CBP Officer	3
	SUGARLAND, TX USER FEE AIRPORT	CBP Officer	1
	TRADE COMPLIANCE DIVISION	CBP Officer	3
		Ag Specialist	5
	TRADE PROGRAMS BRANCH	CBP Officer	15
		Ag Specialist	7
		Mission Support	36
Houston Field Office Total			**979**
Laredo Field Office	CANINE ENFORCEMENT BRANCH	CBP Officer	45
		Mission Support	1
	COMMERCIAL BRANCH	Mission Support	9

	DUTY ASSESSMENT BR 1 (LAREDO)	Mission Support	39
	DUTY ASSESSMT BR 2 (PHARR)	Mission Support	20
	ENTRY BRANCH	Mission Support	12
	FIELD MISSION SUPPORT	Mission Support	2
	FP & F STAFF	Mission Support	29
	INSPECTION BRANCH	CBP Officer	716
		Ag Specialist	66
		Mission Support	18
	INSPECTION DIVISION	CBP Officer	504
		Ag Specialist	36
		Mission Support	12
	LAREDO FIELD OPERATIONS - HEADQUARTERS	CBP Officer	1
		Mission Support	29
	PASSENGER INSPECTION BRANCH	CBP Officer	31
		Mission Support	2
	PORT OF BROWNSVILLE, TX	Mission Support	5
	PORT OF DEL RIO, TX	CBP Officer	128
		Ag Specialist	5
		Mission Support	7
	PORT OF EAGLE PASS, TX	CBP Officer	213
		Ag Specialist	15
		Mission Support	8
	PORT OF HIDALGO/PHARR, TX	CBP Officer	1
		Mission Support	4
	PORT OF LAREDO, TX	CBP Officer	1
		Mission Support	8
	PORT OF PROGRESO, TX	CBP Officer	76
		Ag Specialist	6
		Mission Support	5
	PORT OF RIO GRANDE CITY, TX	CBP Officer	52
		Ag Specialist	2
		Mission Support	2
	PORT OF ROMA, TX	CBP Officer	97
		Ag Specialist	4
		Mission Support	2
Laredo Field Office Total			**2213**
Los Angeles Field Office	ANIT-SMUGGLING/EXPORT BRANCH	CBP Officer	244
		Mission Support	4
	BUSINESS SERVICES CENTER SECTION	Mission Support	30
	CARGO ANTI-SMUGGLING BRANCH	CBP Officer	45
		Ag Specialist	1
		Mission Support	1
	CARGO INSPECTION SECTION	CBP Officer	25
		Mission Support	2
	COMMODITY TEAM BRANCH	CBP Officer	1
		Mission Support	34
	DRAWBACK LIQUIDATION BRANCH	Mission Support	3
	ENTRY BRANCH	Mission Support	15

	EXPORT AND ANTI-SMUGGLING DIVI	CBP Officer	12
		Ag Specialist	1
		Mission Support	1
	FIELD MISSION SUPPORT	Mission Support	14
	FP & F STAFF	Mission Support	23
	I&C CARGO BRANCH	CBP Officer	63
		Ag Specialist	2
		Mission Support	6
	INFORMED COMPLIANCE & ANALYSIS	CBP Officer	2
		Mission Support	3
	LA/LONG BEACH SEAPORT AREA	CBP Officer	108
		Ag Specialist	48
		Mission Support	16
	LAX AIRPORT AREA	CBP Officer	417
		Ag Specialist	115
		Mission Support	39
	LOS ANGELES FIELD OPERATIONS - HEADQUARTERS	Mission Support	41
	MARCH INLAND USER FEE AIRPORT	CBP Officer	2
		Ag Specialist	1
	MARINE & PASSENGER BRANCH	CBP Officer	38
		Mission Support	1
	MEADOWS FIELD BAKERFIELD CA	CBP Officer	5
		Ag Specialist	2
	OPERATIONS BRANCH	CBP Officer	66
		Ag Specialist	8
	PALM SPRINGS AIRPORT	CBP Officer	1
	PASSENGER DIVISION	CBP Officer	35
		Ag Specialist	8
		Mission Support	1
	PAX MAIL ANTI-SMUGGLING BRANCH	CBP Officer	1
	PORT OF LAS VEGAS, NV	CBP Officer	29
		Ag Specialist	3
		Mission Support	3
	PORT OF PORT HUENEME, CA	CBP Officer	2
		Ag Specialist	1
	SAN BERNARDINO USER FEE AIRPORT	CBP Officer	1
	SANTA MARIA USER FEE AIRPORT	CBP Officer	1
	SATELLITE BRANCH	CBP Officer	18
	SOUTHERN CA. LOGISTICS USER FEE AIRPORT	CBP Officer	1
	TBIT BRANCH	CBP Officer	36
		Ag Specialist	1
		Mission Support	7
	TRADE COMPLIANCE BRANCH 1	Mission Support	76
	TRADE COMPLIANCE BRANCH 2	Mission Support	3
	TRADE COMPLIANCE DIVISION	CBP Officer	1
		Mission Support	14
Los Angeles Field Office Total			**1682**
Miami Field Office	CARGO CONTROL BRANCH	CBP Officer	40

		Ag Specialist	84
		Mission Support	6
	ECF IBC MIAMI FL	CBP Officer	1
	ECF UPS MIAMI FL	CBP Officer	2
	ENTRY BRANCH	Mission Support	26
	FOREIGN MAIL BRANCH	CBP Officer	39
		Ag Specialist	3
		Mission Support	3
	FOREIGN MAIL DIVISION	CBP Officer	1
	FP & F STAFF	Mission Support	23
	IMPORT SPECIALIST BRANCH	Mission Support	33
	K-9 ENFORCEMENT DIVISION	CBP Officer	39
		Ag Specialist	10
		Mission Support	3
	MIAMI AIRPORT AREA	Mission Support	6
	MIAMI FIELD OPERATIONS - HEADQUARTERS	CBP Officer	10
		Mission Support	31
	MIAMI SEAPORT AREA	CBP Officer	1
		Mission Support	4
	NARCOTICS DIVISION	CBP Officer	135
		Ag Specialist	15
		Mission Support	2
	OUTBOUND DIVISION	CBP Officer	12
	PASSENGER PROCESSING DIVISION	CBP Officer	838
		Ag Specialist	104
		Mission Support	39
	PORT OF KEY WEST, FL	CBP Officer	9
		Ag Specialist	1
	PORT OF PORT EVERGLADES, FL	CBP Officer	211
		Ag Specialist	33
		Mission Support	13
	PORT OF WEST PALM BEACH, FL	CBP Officer	44
		Ag Specialist	5
		Mission Support	3
	TRADE COMPLIANCE DIVISION	CBP Officer	39
		Ag Specialist	17
		Mission Support	10
Miami Field Office Total			**1895**
New Orleans Field Office	AREA PORT OF MEMPHIS, TN	CBP Officer	1
		Mission Support	10
	AREA PORT OF MOBILE, AL	CBP Officer	1
		Mission Support	2
	AREA PORT OF NEW ORLEANS, LA	Mission Support	3
	CANINE BRANCH	CBP Officer	2
	CONTRABAND ENFORCEMENT BRANCH	CBP Officer	42
		Ag Specialist	13
	DRAWBACK BRANCH	Mission Support	5
	ECF FEDEX HUB MEMPHIS TN	CBP Officer	19

	ENFORCEMENT BRANCH	CBP Officer	8
		Ag Specialist	9
	ENTRY BRANCH	Mission Support	25
	FP & F STAFF	Mission Support	13
	IMPORT SPECIALIST BRANCH	Mission Support	28
	INSPECTION BRANCH	CBP Officer	37
		Ag Specialist	10
	NEW ORLEANS FIELD OPERATIONS - HEADQUARTERS	Mission Support	25
	OPERATIONS BRANCH	CBP Officer	10
		Mission Support	1
	PASSENGER BRANCH	CBP Officer	3
	PORT OF BATON ROUGE, LA	CBP Officer	6
		Ag Specialist	2
		Mission Support	1
	PORT OF BIRMINGHAM, AL	CBP Officer	2
		Ag Specialist	1
		Mission Support	1
	PORT OF CHATTANOOGA, TN	CBP Officer	3
	PORT OF GRAMERCY, LA	CBP Officer	1
		Mission Support	1
	PORT OF GULFPORT, MS	CBP Officer	25
		Ag Specialist	7
		Mission Support	1
	PORT OF HUNTSVILLE, AL	CBP Officer	8
		Ag Specialist	4
		Mission Support	1
	PORT OF KNOXVILLE, TN	CBP Officer	2
	PORT OF LAKE CHARLES, LA	CBP Officer	5
		Ag Specialist	2
		Mission Support	1
	PORT OF LITTLE ROCK, AK	CBP Officer	2
		Mission Support	1
	PORT OF MORGAN CITY, LA	CBP Officer	8
		Ag Specialist	1
		Mission Support	1
	PORT OF NASHVILLE, TN	CBP Officer	8
		Ag Specialist	1
	PORT OF PASCAGOULA, MS	CBP Officer	3
		Ag Specialist	1
		Mission Support	1
	PORT OF SHREVEPORT, LA	CBP Officer	2
		Ag Specialist	1
		Mission Support	1
	PORT OF VICKSBURG, MS	CBP Officer	3
	ROGERS USER FEE AIRPORT	CBP Officer	1
	TRADE INSPECTIONAL BRANCH	CBP Officer	2
		Ag Specialist	1

		Mission Support	4
	TRI-CITY AIRPORT, BLOUNTVILLE,TN	CBP Officer	2
New Orleans Field Office Total			**385**
New York (Port) Field Office	AIR OPERATIONS DIVISION	Mission Support	1
	AREA MISSION SUPPORT TEAMS	Mission Support	25
	CARGO C & E BRANCH	CBP Officer	70
		Mission Support	2
	CARGO/CARRIER C&C BRANCH	CBP Officer	76
		Ag Specialist	40
		Mission Support	8
	ENFORCEMENT BRANCH	CBP Officer	146
		Mission Support	2
	ENFORCEMENT OPERATIONS DIVISION	CBP Officer	43
		Ag Specialist	3
		Mission Support	1
	FP & F STAFF	Mission Support	52
	JFK AIRPORT AREA	Mission Support	2
	K-9 BRANCH	CBP Officer	20
	MAIL BRANCH	CBP Officer	29
		Ag Specialist	5
		Mission Support	18
	MOBILE ENFORCEMENT BRANCH	CBP Officer	90
		Ag Specialist	6
		Mission Support	7
	MORRISTOWN AIRPORT, NJ	CBP Officer	1
	NEW YORK FIELD OPERATIONS - HEADQUARTERS	CBP Officer	9
		Mission Support	18
	NEW YORK-NEWARK PORT AREA	CBP Officer	2
		Mission Support	9
	PASSENGER C & E BRANCH	CBP Officer	343
		Ag Specialist	78
		Mission Support	12
	PASSENGER OPERATIONS DIVISION	CBP Officer	2
		Mission Support	1
	PORT OF PERTH AMBOY	CBP Officer	4
	ROVER ENFORCEMENT BRANCH	CBP Officer	21
	SEA OPERATIONS DIVISION	CBP Officer	8
		Mission Support	3
	TERMINAL ENFORCEMENT BRANCH	CBP Officer	857
		Ag Specialist	110
		Mission Support	25
	TRADE OPERATIONS BRANCH 1	Mission Support	48
	TRADE OPERATIONS BRANCH 2	Mission Support	51
	TRADE OPERATIONS BRANCH 3	Mission Support	48
	TRADE OPERATIONS BRANCH 4	Mission Support	42
	TRADE OPERATIONS BRANCH A	Mission Support	71
	TRADE OPERATIONS BRANCH B	Mission Support	45

	TRADE OPERATIONS BRANCH C	CBP Officer	98
		Ag Specialist	41
		Mission Support	11
	TRADE OPERATIONS BRANCH D	Mission Support	89
	TRADE OPERATIONS DIVISION	Ag Specialist	1
		Mission Support	8
New York (Port) Field Office Total			**2702**
Portland Field Office	AREA PORT OF ANCHORAGE, AK	Mission Support	9
	AREA PORT OF PORTLAND, OR	CBP Officer	1
		Mission Support	9
	CENTENNIAL AIRPORT, ENGLEWOOD, CO	CBP Officer	1
	COMMERCIAL BRANCH	Mission Support	10
	COMMODITY BRANCH	Mission Support	2
	EAGLE COUNTY REGIONAL UF AIRPORT	CBP Officer	1
	ECF FEDEX HUB ANCHORAGE, AK	CBP Officer	14
		Ag Specialist	1
	ECF UPS HUB ANCHORAGE, AK	CBP Officer	5
	ENTRY BRANCH	Mission Support	5
	HILLSBORO USER FEE AIRPORT	CBP Officer	1
	INSPECTION BRANCH	CBP Officer	73
		Ag Specialist	18
		Mission Support	3
	INTERDICTION BRANCH	CBP Officer	7
		Ag Specialist	1
	JEFFERSON CITY AIRPORT	CBP Officer	1
	OPERATIONS DIVISION	Mission Support	1
	OUTBOUND BRANCH	CBP Officer	5
		Mission Support	2
	PASSENGER PROCESSING BRANCH	CBP Officer	21
		Ag Specialist	5
		Mission Support	1
	PASSENGER/OUTBOUND/INTERDICTION DIVISION	CBP Officer	7
		Mission Support	1
	PORT OF ALCAN, AK	CBP Officer	11
	PORT OF ASTORIA, OR	CBP Officer	3
	PORT OF BOISE, ID	CBP Officer	2
	PORT OF COOS BAY, OR	CBP Officer	1
	PORT OF DALTON CACHE, AK	CBP Officer	11
	PORT OF DENVER, CO	Mission Support	4
	PORT OF DUTCH HARBOR, AK	CBP Officer	1
	PORT OF FAIRBANKS, AK	CBP Officer	4
	PORT OF JUNEAU, AK	CBP Officer	3
	PORT OF KETCHIKAN, AK	CBP Officer	10
		Ag Specialist	1
		Mission Support	2
	PORT OF LONGVIEW, WA	CBP Officer	2
	PORT OF NEWPORT, OR	CBP Officer	1
	PORT OF NOME, AK	CBP Officer	1

	PORT OF SITKA, AK	CBP Officer	1
	PORT OF SKAGWAY, AK	CBP Officer	12
	PORT OF VALDEZ, AK	CBP Officer	1
	PORT OF WRANGELL, AK	CBP Officer	1
	PORTLAND FIELD OPERATIONS - HEADQUARTERS	Mission Support	4
	TRADE COMPLIANCE DIVISION	Mission Support	11
Portland Field Office Total			**292**
Preclearance Operations	ARUBA PRECLEARANCE	CBP Officer	12
		Ag Specialist	2
	BERMUDA PRECLEARANCE	CBP Officer	12
		Ag Specialist	1
	CALGARY CANADA PRECLEARANCE	CBP Officer	27
		Mission Support	1
	DUBLIN IRELAND PRECLEARANCE	CBP Officer	5
	EDMONTON CANADA PRECLEARANCE	CBP Officer	14
	FREEPORT BAHAMAS PRECLEARANCE	CBP Officer	12
	HALIFAX CANADA PRECLEARANCE	CBP Officer	18
	MONTREAL CANADA PRECLEARANCE	CBP Officer	43
		Ag Specialist	1
		Mission Support	1
	NASSAU BAHAMAS PRECLEARANCE	CBP Officer	31
		Mission Support	1
	OTTAWA CANADA PRECLEARANCE	CBP Officer	19
	PRECLEARANCE OPERATIONS	Mission Support	4
	SHANNON IRELAND PRECLEARANCE	CBP Officer	6
	TORONTO CANADA PRECLEARANCE	CBP Officer	126
		Ag Specialist	1
		Mission Support	2
	VANCOUVER CANADA PRECLEARANCE	CBP Officer	79
	VICTORIA CANADA PRECLEARANCE	CBP Officer	13
	WINNIPEG CANADA PRECLEARANCE	CBP Officer	12
Preclearance Operations Total			**443**
San Diego Field Office	CALEXICO ENTRY BRANCH	Mission Support	6
	FP & F STAFF	Mission Support	35
	OTAY MESA CARGO	CBP Officer	138
		Ag Specialist	10
		Mission Support	35
	PORT OF ANDRADE CA	CBP Officer	50
		Ag Specialist	2
		Mission Support	1
	PORT OF CALEXICO, CA	CBP Officer	361
		Ag Specialist	19
		Mission Support	26
	PORT OF SAN DIEGO, CA	CBP Officer	56
		Ag Specialist	11
		Mission Support	4
	PORT OF TECATE, CA	CBP Officer	62
		Ag Specialist	2

		Mission Support	3
	SAN DIEGO - FIELD OPERATIONS	CBP Officer	1
		Mission Support	35
	SAN YSIDRO PASSENGER	CBP Officer	825
		Ag Specialist	29
		Mission Support	41
San Diego Field Office Total			**1752**
San Francisco Field Office	AIR CARGO BRANCH	CBP Officer	8
		Ag Specialist	9
		Mission Support	2
	AIR PASSENGER BRANCH	CBP Officer	307
		Ag Specialist	57
		Mission Support	33
	AIRPORT BRANCH	CBP Officer	6
	AREA PORT OF HONOLULU, HI	Ag Specialist	1
		Mission Support	7
	AREA PORT OF SAN FRANCISCO, CA	CBP Officer	1
		Mission Support	19
	ECF DHL HUB SAN FRANCISCO, CA	CBP Officer	1
	ECF FEDEX FACILITY OAKLAND, CA	CBP Officer	5
		Ag Specialist	1
	ENTRY BRANCH	Mission Support	6
	FIREARMS AND TRAINING	CBP Officer	9
		Mission Support	2
	FP & F DIVISION	Mission Support	5
	FP & F STAFF	Mission Support	12
	FRESNO YOSEMITE INTERNATIONAL AIRPORT	CBP Officer	4
		Ag Specialist	2
	GUAM	CBP Officer	72
		Mission Support	3
	INTERNATIONAL MAIL BRANCH	CBP Officer	4
		Ag Specialist	3
		Mission Support	5
	OPERATIONS SUPPORT STAFF	CBP Officer	1
		Mission Support	3
	PASSENGER OPERATIONS DIVISION	Mission Support	1
	PASSENGER PROCESSING BRANCH	CBP Officer	163
		Ag Specialist	31
		Mission Support	11
	PORT OF EUREKA, CA	CBP Officer	1
	PORT OF FRESNO, CA	CBP Officer	1
	PORT OF KAHULUI, HI	CBP Officer	2
	PORT OF KONA-HILO, HI	CBP Officer	12
		Ag Specialist	2
	PORT OF NAWILIWILI-PORT ALLEN, HI	CBP Officer	1
	PORT OF RENO, NV	CBP Officer	2
	PORT OF SALT LAKE CITY, UT	CBP Officer	13
		Ag Specialist	1

		Mission Support	2
	PORT OF SAN JOSE, CA	CBP Officer	1
	SACRAMENTO INTERNATIONAL AIRPORT	CBP Officer	7
		Ag Specialist	2
	SAN FRANCISCO FIELD OPERATIONS - HEADQUARTERS	Mission Support	34
	SEA CARGO BRANCH	CBP Officer	11
		Ag Specialist	8
		Mission Support	2
	SEAPORT BRANCH	CBP Officer	8
	SEAPORT OPERATIONS BRANCH	CBP Officer	1
	SEIZED PROPERTY BRANCH	Mission Support	2
	SPECIAL ENFORCEMENT BRANCH	CBP Officer	91
		Mission Support	4
	TRADE COMPLIANCE BRANCH	Mission Support	6
	TRADE INSPECTION BRANCH	CBP Officer	57
		Ag Specialist	18
		Mission Support	96
	TRADE OPERATIONS DIVISION	Mission Support	1
San Francisco Field Office Total			**1180**
San Juan Field Office	AIRPORT BRANCH	CBP Officer	188
		Ag Specialist	50
		Mission Support	6
	AREA PORT OF CHARLOTTE AMALIE, USVI	CBP Officer	24
		Ag Specialist	4
		Mission Support	7
	AREA PORT OF SAN JUAN, PR	Mission Support	6
	CET BRANCH	CBP Officer	34
		Mission Support	1
	COMMERCIAL DIVISION	Mission Support	4
	CONTROL BRANCH	Mission Support	1
	ENTRY BRANCH	Mission Support	14
	FIELD MISSION SUPPORT	Mission Support	12
	FIELD OPERATIONS - SAN JUAN - HEADQUARTERS	Mission Support	14
	FP & F STAFF	Mission Support	9
	IMPORTS ANALYSIS BRANCH	Mission Support	11
	INSPECTION BRANCH	CBP Officer	13
		Ag Specialist	1
	INSPECTION DIVISION	CBP Officer	25
		Ag Specialist	3
		Mission Support	1
	PORT OF CRISTIANSTED, VI	CBP Officer	25
		Ag Specialist	7
		Mission Support	8
	PORT OF CRUZ BAY, VI	CBP Officer	2
	PORT OF FAJARDO, PR	CBP Officer	11
		Ag Specialist	1
		Mission Support	1

	PORT OF MAYAGUEZ, PR	CBP Officer	32
		Ag Specialist	7
		Mission Support	2
	PORT OF PONCE, PR	CBP Officer	7
		Ag Specialist	4
		Mission Support	2
	SPT BRANCH	CBP Officer	38
		Ag Specialist	14
		Mission Support	6
San Juan Field Office Total			**595**
Seattle Field Office	AREA PORT OF BLAINE, WA	CBP Officer	217
		Ag Specialist	34
		Mission Support	49
	AREA PORT OF DUNSEITH, ND	CBP Officer	21
		Ag Specialist	1
	AREA PORT OF EASTPORT, ID	CBP Officer	31
		Ag Specialist	4
	AREA PORT OF GREAT FALLS, MT	CBP Officer	14
		Mission Support	13
	AREA PORT OF INT'L FALLS/RANIER, MN	CBP Officer	54
		Ag Specialist	4
		Mission Support	3
	AREA PORT OF OROVILLE, WA	CBP Officer	35
		Ag Specialist	4
		Mission Support	2
	AREA PORT OF PEMBINA, ND	CBP Officer	119
		Ag Specialist	6
		Mission Support	40
	AREA PORT OF PORTAL, ND	CBP Officer	56
		Ag Specialist	3
		Mission Support	2
	AREA PORT OF RAYMOND, MT	CBP Officer	22
		Ag Specialist	1
		Mission Support	1
	AREA PORT OF ROSEAU, MN	CBP Officer	18
	AREA PORT OF SEATTLE, WA	CBP Officer	219
		Ag Specialist	40
		Mission Support	54
	AREA PORT OF SUMAS, WA	CBP Officer	59
		Ag Specialist	7
		Mission Support	1
	AREA PORT OF SWEETGRASS, MT	CBP Officer	67
		Ag Specialist	6
		Mission Support	4
	GRANT COUNTY MOSES LAKE USER FEE AIRPORT	CBP Officer	1
	PORT OF ABERDEEN, WA	CBP Officer	1
	PORT OF AMBROSE, ND	CBP Officer	3
	PORT OF ANACORTES, WA	CBP Officer	3

	PORT OF ANTLER, ND	CBP Officer	6
	PORT OF BAUDETTE, MN	CBP Officer	17
	PORT OF BELLINGHAM, WA	CBP Officer	9
	PORT OF BOUNDARY, WA	CBP Officer	3
	PORT OF CARBURY, ND	CBP Officer	6
	PORT OF DANVILLE, WA	CBP Officer	14
	PORT OF DEL BONITA, MT	CBP Officer	4
	PORT OF EVERETT, WA	CBP Officer	1
	PORT OF FARGO , ND	CBP Officer	2
	PORT OF FORTUNA, ND	CBP Officer	6
	PORT OF FRIDAY HARBOR, WA	CBP Officer	5
	PORT OF FRONTIER, WA	CBP Officer	16
	PORT OF GRAND PORTAGE, MN	CBP Officer	26
		Ag Specialist	1
	PORT OF HANNAH, ND	CBP Officer	4
	PORT OF HANSBORO, ND	CBP Officer	5
	PORT OF LAURIER, WA	CBP Officer	7
	PORT OF LYNDEN, WA	CBP Officer	33
	PORT OF MAIDA, ND	CBP Officer	6
	PORT OF METALINE FALLS, WA	CBP Officer	7
	PORT OF MORGAN, MT	CBP Officer	5
	PORT OF NECHE, ND	CBP Officer	7
	PORT OF NOONAN, ND	CBP Officer	5
	PORT OF NORTHGATE, ND	CBP Officer	6
	PORT OF OPHEIM, MT	CBP Officer	5
	PORT OF PIEGAN, MT	CBP Officer	12
	PORT OF PINECREEK, MN	CBP Officer	3
	PORT OF POINT ROBERTS, WA	CBP Officer	18
	PORT OF PORT ANGELES, WA	CBP Officer	8
	PORT OF PORTHILL, ID	CBP Officer	13
	PORT OF ROOSVILLE, MT	CBP Officer	24
		Ag Specialist	2
	PORT OF SARLES, ND	CBP Officer	6
	PORT OF SCOBEY, MT	CBP Officer	3
	PORT OF SHERWOOD, ND	CBP Officer	6
	PORT OF SPOKANE, WA	CBP Officer	5
	PORT OF ST. JOHN, ND	CBP Officer	6
	PORT OF TACOMA, WA	CBP Officer	14
		Mission Support	2
	PORT OF TURNER, MT	CBP Officer	5
	PORT OF WALHALLA, ND	CBP Officer	6
	PORT OF WARROAD, MN	CBP Officer	17
		Ag Specialist	1
	PORT OF WESTHOPE, ND	CBP Officer	6
	PORT OF WHITETAIL, MT	CBP Officer	4
	PORT OF WHITLASH, MT	CBP Officer	4
	SEATTLE FIELD OPERATIONS - HEADQUARTERS	CBP Officer	1
		Mission Support	31

Seattle Field Office Total			**1622**
Tampa Field Office	AREA PORT OF JACKSONVILLE, FL	CBP Officer	8
		Ag Specialist	3
		Mission Support	4
	AREA PORT OF ORLANDO, FL	CBP Officer	3
		Mission Support	2
	AREA PORT OF TAMPA, FL	CBP Officer	1
		Mission Support	4
	CARGO PROCESSING BRANCH	CBP Officer	16
		Mission Support	1
	CET/CES/CEO	CBP Officer	60
		Ag Specialist	10
		Mission Support	1
	CET/EXODUS SECTION	CBP Officer	44
		Ag Specialist	1
	COMMERCIAL DIVISION	Mission Support	3
	DAYTONA BEACH REGIONAL AIRPORT	CBP Officer	2
	FIELD MISSION SUPPORT	Mission Support	2
	FP & F STAFF	Mission Support	7
	IMPORT ANALYSIS/ENTRY UNIT	Ag Specialist	1
		Mission Support	8
	INSPECTION DIVISION	CBP Officer	74
		Ag Specialist	19
		Mission Support	1
	LEESBURG REGIONAL AIRPORT, FL	CBP Officer	1
	MELBOURNE REGIONAL AIRPORT	CBP Officer	2
	PASSENGER ANALYSIS UNIT (PAU)	Mission Support	6
	PASSENGER PROCESSING BRANCH	CBP Officer	12
		Ag Specialist	3
	PORT OF FERNANDINA, FL	CBP Officer	2
	PORT OF FORT MYERS, FL	CBP Officer	11
		Ag Specialist	1
	PORT OF MANATEE, FL	CBP Officer	2
	PORT OF PANAMA CITY, FL	CBP Officer	3
		Ag Specialist	2
		Mission Support	1
	PORT OF PENSACOLA, FL	CBP Officer	2
	PORT OF PORT CANAVERAL, FL	CBP Officer	31
		Ag Specialist	4
		Mission Support	3
	PORT OF SANFORD, FL	CBP Officer	30
		Ag Specialist	4
		Mission Support	2
	PORT OF ST. PETERSBURG, FL	CBP Officer	1
	SARASOTA/BRADENTON AIRPORT	CBP Officer	1
	TAMPA FIELD OPERATIONS - HEADQUARTERS	CBP Officer	9
		Mission Support	12
	TRADE COMPLIANCE DIVISION	CBP Officer	1

		Mission Support	6
Tampa Field Office Total			**427**
Tucson Field Office	AREA PORT OF NOGALES, AZ	CBP Officer	5
		Mission Support	5
	AREA PORT OF PHOENIX, AZ	CBP Officer	14
		Ag Specialist	1
		Mission Support	7
	COMMERCIAL BRANCH	Mission Support	7
	COMMERCIAL DIVISION	Mission Support	3
	DUTY ASSESSMENT BRANCH	Mission Support	9
	FIELD MISSION SUPPORT	Mission Support	2
	FP & F STAFF	Mission Support	11
	IMPORT COMPLIANCE BRANCH	Mission Support	6
	INSPECTION BRANCH	CBP Officer	24
		Ag Specialist	9
		Mission Support	1
	INSPECTION BRANCH - NOGALES	CBP Officer	271
		Ag Specialist	34
		Mission Support	7
	INSPECTION DIVISION	CBP Officer	7
		Mission Support	2
	PORT OF DOUGLAS, AZ	CBP Officer	108
		Ag Specialist	4
		Mission Support	7
	PORT OF LUKEVILLE, AZ	CBP Officer	22
		Ag Specialist	1
		Mission Support	2
	PORT OF NACO, AZ	CBP Officer	33
		Mission Support	2
	PORT OF SAN LUIS, AZ	CBP Officer	136
		Ag Specialist	14
		Mission Support	15
	PORT OF SASABE, AZ	CBP Officer	11
	PORT OF TUCSON, AZ	CBP Officer	10
		Ag Specialist	2
		Mission Support	1
	SCOTTSDALE USER FEE AIRPORT	CBP Officer	2
	TUCSON FIELD OPERATIONS - HEADQUARTERS	CBP Officer	3
		Mission Support	31
	WILLIAMS GATEWAY USER FEE AIRPORT	CBP Officer	1
Tucson Field Office Total			**830**
Grand Total			**24028**

⇒ List by location FY07 actual on-board and FYs 08-09 planned staffing for Border Patrol Agent and Aviation Enforcement Agent positions;

ANSWER: Onboard Border Patrol Agents by Sector

FROM HRM:	FY2007	FY2008	FY2009
Border Patrol - Northern Border Sectors Total	***1,098***	***1,470***	***1,845***
BLAINE BORDER PATROL SECTOR	133	188	238
BUFFALO BORDER PATROL SECTOR	166	228	278
DETROIT BORDER PATROL SECTOR	157	218	329
GRAND FORKS BORDER PATROL SECTOR	116	149	179
HAVRE BORDER PATROL SECTOR	103	133	163
HOULTON BORDER PATROL SECTOR	113	134	158
SPOKANE BORDER PATROL SECTOR	132	180	210
SWANTON BORDER PATROL SECTOR	178	240	290
Border Patrol - Southwest Border Sectors Total	***13,297***	***15,716***	***17,282***
DEL RIO BORDER PATROL SECTOR	1,138	1,382	1,582
EL CENTRO BORDER PATROL SECTOR	894	1,114	1,209
EL PASO BORDER PATROL SECTOR	2,251	2,621	2,909
LAREDO BORDER PATROL SECTOR	1,206	1,572	1,752
MARFA BORDER PATROL SECTOR	336	456	657
SAN DIEGO BORDER PATROL SECTOR	2,019	2,269	2,364
TUCSON BORDER PATROL SECTOR	2,806	3,147	3,347
YUMA BORDER PATROL SECTOR	825	1,053	1,178
RIO GRANDE VALLEY BORDER PATROL SECTOR	1,822	2,102	2,284
Border Patrol - Coastal Sectors Total	***172***	***203***	***406***
MIAMI BORDER PATROL SECTOR	81	91	181
NEW ORLEANS BORDER PATROL SECTOR	52	65	155
RAMEY, PUERTO RICO BORDER PATROL SECTOR	39	47	70
Total	***14,567***	***17,389***	***19,533***

FROM A&M: We have listed both air interdiction (pilot positions) and aviation enforcement (non-pilot positions) information below. The total number of Aviation Enforcement Officers for FY 2007 and FY 2008 is 20 distributed geographically as follows:

- Tucson, AZ – 5
- Riverside, CA -1
- Homestead, FL -4
- Jacksonville, FL -1
- Miami, FL - 1
- Albuquerque, NM -2
- Plattsburgh, NY - 1
- Oklahoma City, OK - 1
- San Antonio, TX -1
- Aguadilla, PR - 3

- The total number of CBP Air Interdiction Agents is as follows:

  - FY 2007 is 687:
    - CBP Air Interdiction Agent (Pilot Trainee) - 59
    - CBP Air Interdiction Agent - 628

- FY 2008 is 730:
  - CBP Air Interdiction Agent (Pilot Trainee) - 57
  - CBP Air Interdiction Agent - 673

The following table lists A&M by location:

	FY2007	FY2008 (as of 3/1/08)
Total	687	730
U.S.	667	709
ARIZONA	**111**	**112**
DAVIS MONTHAN AFB	6	6
PHOENIX	3	2
SIERRA VISTA	7	6
TUCSON	80	81
YUMA	15	17
CALIFORNIA	**75**	**83**
EL CENTRO	9	12
MARCH AF BASE	2	2
RIVERSIDE	6	5
SACRAMENTO	2	1
SAN DIEGO	46	52
SAN YSIDRO	10	11
DIST OF COLUMBIA	**18**	**26**
FLORIDA	**107**	**112**
CLEARWATER	2	1
HOMESTEAD	26	28
HOMESTEAD AFB	7	6
JACKSONVILLE	61	66
MIAMI	4	4
PEMBROKE PINES	2	2
PENSACOLA	4	4
TAMPA	1	1
LOUISIANA	**21**	**23**
HAMMOND	21	22
NEW ORLEANS	0	1
MAINE	**2**	**4**
HOULTON	2	4
MICHIGAN	**3**	**14**
DETROIT	2	12
KIMBALL	1	2
MISSOURI	**1**	**0**
KANSAS CITY	1	0
MONTANA	**25**	**31**
GREAT FALLS	24	31
HAVRE	1	0
NEW MEXICO	**20**	**18**

ALBUQUERQUE	14	11
DEMING	6	7
NEW YORK	**34**	**35**
BUFFALO	4	4
CHAMPLAIN	0	2
NEW CITY	0	1
NEW YORK	1	1
PLATTSBURGH	24	22
RONKONKOMA	4	4
TONAWANDA	1	1
NORTH DAKOTA	**17**	**19**
GRAND FORKS	17	19
OKLAHOMA	**16**	**20**
OKLAHOMA CITY	16	20
TEXAS	**193**	**181**
CORPUS CHRISTI	47	42
DEL RIO	10	10
EL PASO	37	35
LAREDO	10	10
MARFA	7	8
MCALLEN	13	15
RIO GRANDE CITY	2	0
SAN ANGELO	28	26
SAN ANTONIO	8	7
TOMBALL	22	19
UVALDE	9	9
WASHINGTON	**24**	**31**
BELLINGHAM	17	25
BLAINE	4	2
SPOKANE	3	4
PUERTO RICO	**20**	**21**

⇒ Border Patrol Agent and CBP Officer FTE history for the last ten fiscal years and projected through the end of FY10; and

ANSWER: Please see the following table, which includes Full-time permanent on-board or projected staffing for BPA's/CBPO's.

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY 2009
Border Patrol Agent	10,641	10,817	11,264	12,349	14,923	17,819	20,019
CBP Officer	10,629	17,691	17,881	17,859	18,389	19,568	20,107

⇒ The overall attrition rate for CBP Officers and Border Patrol Agents for the last ten fiscal years and projected through FY10. Please include recent attrition rates by Border Patrol Sector, and, for CBPOs, for the 20 largest (in terms of numbers of CBP employees) ports of entry (air, sea, or land).

ANSWER: Attrition data prior to FY04 was maintained by separate agencies prior to the creation of DHS. Thus CBP is not able to report data prior to FY04. FY04 data is skewed due to the merger and does not represent an accurate picture of attrition during that year.

Attrition is a percentage calculation of the number of BPA's or CBPO's who left their respective occupations at the listed location compared to the total number on board and hired for the fiscal year. These numbers have been annualized for FY 2008.

Overall Attrition FY05-FY08*

	FY2005	FY2006	FY2007	FY2008**	FY2009	FY2010
Border Patrol Agent	4.0%	6.7%	9.6%	11.1%	11.1%	11.1%
CBP Officer	6.5%	8.2%	9.6%	8.9%	8.9%	8.9%

* = FY08 data as of 3/1/08.
** = FY08 attrition rate annualized.

Attrition – BPA by Sector FY08

Border Patrol - Northern Border Sectors	5.3%
BLAINE BORDER PATROL SECTOR	6.1%
BUFFALO BORDER PATROL SECTOR	9.9%
DETROIT BORDER PATROL SECTOR	5.2%
GRAND FORKS BORDER PATROL SECTOR	4.8%
HAVRE BORDER PATROL SECTOR	9.8%
HOULTON BORDER PATROL SECTOR	3.6%
SPOKANE BORDER PATROL SECTOR	1.3%
SWANTON BORDER PATROL SECTOR	3.3%
Border Patrol - Southwest Border Sectors	11.6%
DEL RIO BORDER PATROL SECTOR	8.9%
EL CENTRO BORDER PATROL SECTOR	14.7%
EL PASO BORDER PATROL SECTOR	11.6%
LAREDO BORDER PATROL SECTOR	12.4%
MARFA BORDER PATROL SECTOR	10.8%
SAN DIEGO BORDER PATROL SECTOR	11.3%
TUCSON BORDER PATROL SECTOR	11.0%
YUMA BORDER PATROL SECTOR	11.5%
RIO GRANDE VALLEY BORDER PATROL SECTOR	12.5%
Border Patrol - Coastal Sectors	13.1%
MIAMI BORDER PATROL SECTOR	15.3%
NEW ORLEANS BORDER PATROL SECTOR	16.9%
RAMEY, PUERTO RICO BORDER PATROL SECTOR	4.1%

* = FY08 data as of 3/1/08.
** = FY08 attrition rate annualized.

Attrition – CBPO at 20 ports with the largest number of FTE

AREA PORT OF NOGALES, AZ	12.2%
PORT OF HIDALGO/PHARR, TX	8.3%
PORT OF CALEXICO, CA	11.8%
AREA PORT OF HONOLULU, HI	7.0%
AREA PORT OF SAN JUAN, PR	11.8%
PORT OF BROWNSVILLE, TX	3.1%
AREA PORT OF PEMBINA, ND	6.8%

PORT OF DETROIT, MI	10.9%
AREA PORT OF BLAINE, WA	7.9%
AREA PORT OF CHICAGO, IL	8.8%
AREA PORT OF BUFFALO, NY	15.8%
AREA PORT OF HOUSTON/GALVESTON, TX	7.9%
AREA PORT OF SAN FRANCISCO, CA	11.6%
PORT OF LAREDO, TX	10.1%
PORT OF EL PASO, TX	9.9%
SAN YSIDRO PASSENGER	9.5%
NEW YORK-NEWARK PORT AREA	10.9%
PORT OF MIAMI, FL	8.0%
JFK AIRPORT AREA	7.6%
PORT OF LOS ANGELES, CA	10.5%

* = FY08 data as of 3/1/08.
** = FY08 attrition rate annualized.

Question: Size of Border Patrol and growth Issues – To hire 20,109 Border Patrol agents by the end of FY 2009 will require extraordinary recruiting and retention efforts to offset the large numbers of agents who retire or otherwise depart. Your budget calls for a net increase of 5,096, 34% over the October 2007 level, in Border Patrol Agents onboard. As of January 5th, 13% of the way towards this goal, CBP had only achieved 4% of this. In addition, the request assumes that CBP will relocate 138 supervisors and move 440 senior agents to the Northern Border – all of whom will need to be replaced by new agents.

⇒ What is CBP doing to ensure that it will stay on schedule, given the slow start in hiring in fiscal year to date?

ANSWER: CBP has aggressively increased its recruitment efforts conducting at least 8 targeted events per month across the country. We have experienced at least a 77% increase in the number of applicants from this initiative and the footprint and effect our recruiting events leave behind continue to grow. As of March 2008, we achieved our projected target for Border Patrol agent positions, with a current strength of almost 16,000 agents on board. Additionally, we have expanded our advertising campaigns and implemented "high touch" recruiting efforts to capture and retain applicants through the hiring process to improve show rates and reduce the number of applicants needed to accomplish the mission. We are seeing an increase to over 3,000 applicants a week, reflecting approximately 1,800 applicants more per week than in 2006 and the early parts of 2007. CBP streamlined the hiring process to reduce the time it takes to bring an agent on board, recently demonstrated through Operation One Stop. Separately, CBP has initiated a branding campaign to raise public awareness about the Border Patrol, its mission and career opportunities. Also, we have renewed our NASCAR sponsorship to increase awareness to a broader audience across the country and thereby increase the applicant pool.

⇒ CBP requests $5,300,000 for 24 new investigators to deal with conduct and integrity matters. This seems relatively low given the dramatic increase in hiring. Will this increase ensure that CBP can investigate and process all misconduct cases that are either now backlogged or delayed? What is the current backlog of such cases?

ANSWER: The noted boost will allow us to complete work on the backlogged cases and provide the resources to address the anticipated increase of cases in a timelier manner that will keep pace with the added workload. The initial backlog numbered around 800 cases, which has been reduced significantly over the past year. Our current inventory of approximately 500 cases includes a small number of backlog cases but is primarily composed of new work.

Question: BSFIT staffing -- Please provide a detailed summary of BSFIT staffing for FY07 and projected to be on-board at end of fiscal years 2008-09, as well as identify positions in support of the Secure Border Coordination Council.

ANSWER: The below chart shows the BSFIT staffing currently on-board and projected for FY 2008. Detailed staffing needs for FY 2009 have not yet been determined. These will be formulated based on planned program goals and requirements, and related funding. There are currently two contractor personnel supporting the Secure Border Coordination Council; it has not yet been determined what additional resources may be required in support of the Council.

	Current		Projected FY08	
	Gov't	Con	Gov't	Con
SBI Program Executive Office	**36**	**19**	**18**	**1**
SBInet Program				
SBInet Program Manager	5	7	1	0
Risk Management	1	0	1	0
Quality Management	0	1	1	0
Business Operations	4	14	1	0
Southwest Projects	7	9	5	2
C31 Projects	4	9	7	2
Mission Engineering	11	6	4	2
Chief Engineer	14	49	16	7
Environment, Land & Facilities	6	15	2	0
Integrated Logistics	11	2	2	1
SBInet Field Offices	5	7	3	1
Totals:	**68**	**119**	**43**	**15**
SBI Tactical Infrastructure Program				
TI Program Manager	3	2	0	1
Integrated Logistics Support	0	1	3	1
Projects	0	0	3	1
Finance & Program Control	0	1	2	1
Operations & Reporting	0	4	3	3
SMEs	0	2	0	7
Totals:	**3**	**10**	**11**	**14**
GRAND TOTALS:	**107**	**148**	**72**	**30**

The preceding chart includes government detailees but does not include staffing of the SBI Transportation Program or SBI Acquisition Office as these are not fully-funded through BSFIT.

Question: Arizona Border Control -- Last year you reported that the FY08 base budget includes $9,490,000 for recurring costs of the Arizona Border Control Initiative and now renamed "Operation Arizona Denial". Please provide FY07 actual costs, FY08 estimates and base estimates for FY 2009 for similar activity.

ANSWER:

FY 2007 actual costs for Arizona Border Control Initiative (ABCI IV) include the following for the 287 agent deployment to Arizona. (Total $12,232,000)

- Travel (Lodging and per diem) $8,578,000
- Overtime $3,654,000

FY 2008 costs for Operation Arizona Denial 2008 for the 200 agent deployment are projected to be approximately $7,993,000 (the requirement was 225 agents, due to the dynamics of the current operational posture in California, only 200 could be drawn on from the Texas Sectors) (Total $13,327,000)

- Travel (Lodging and per diem) $6,154,000
- Overtime $1,769,000
- Yuma Sector Initiatives (Camp Grip overtime) $404,000
- Tucson $5,000,000 in enhanced operational requirements attributable to AZ Denial-2008 (supplies, equipment, services)

FY 2009 projected costs will be dependent on several factors to include the expected positive results of Arizona Denial 2008 coupled with the development and deployment of technology and infrastructure.

Question: National Training Center -- Please provide the staffing and budget for the National Training Center at Harpers Ferry, West Virginia for fiscal years 2007-2009.

ANSWER: The figures for FY 2007 are actual expenditures for staffing and budget for the National Training Center at Harpers Ferry. The figures below for FY 2008 and FY 2009 are projected.

Harpers Ferry, West Virginia

Fiscal Year (FY)	Funding	FTE
FY07	$13.2M	41
FY08	$20.2M	54
FY09	$30.3M	66

Question: Canine Enforcement -- Please provide staffing and budget for the El Paso and Front Royal Canine Enforcement training facility for fiscal years 2007-2009, and the estimated total funding and FTE for canine enforcement teams for the same period.

ANSWER: Please see following table.

Canine Enforcement Team Funding

Fiscal Year	Funding	Canine Enforcement teams
FY 2007	130.7M	1,234
FY 2008	170.7M	1,506
FY 2009	179.6M	1,678

Canine Enforcement Training Facilities Costs

El Paso, Texas

Fiscal Year (FY)	Funding	FTE
FY07	$8.7M	23
FY08	$12.4M	35
FY09	$12.8M	41

Front Royal, Virginia

Fiscal Year (FY)	Funding	FTE
FY07	$6.7M	49
FY08	$8.7M	49
FY09	$8.9M	49

Question: Federal Career Intern Program (FCIP) -- GAO reported last year that CBP used the Federal Career Intern Program (FCIP) for most new permanent hires: 80 percent in 2006 and 87 percent in 2007. In 2006 CBP used the FCIP authorities 3,156 times – 89% of the total DHS use. DHS told GAO that such use was "uniquely situated to positions with high training requirements." However, we understand that CBP uses FCIP to hire all new CBP Officers, and bypasses competitive and other processes, such as veterans' preference.

⇒ Why and how does CBP use the FCIP, and for which positions?

ANSWER: CBP uses the FCIP for entry-level positions that lend themselves to internal formal training/developmental programs, leading to filling journey-level positions in the agency. This primarily includes the CBP officer, Border Patrol agent, and agriculture specialist positions. The CBP officer program consists of 14 weeks of Academy training, 12-24 weeks of post-Academy cross-training modules, and 12 weeks of on-the-job training. The Border Patrol agent program consists of 19 weeks of Academy training, 12 weeks of post-Academy training, and 20 months of on-the-job training. The agriculture specialist program consists of 4 weeks of pre-Academy training, 9 weeks of Academy training, up to 18 weeks of post-Academy training, and several months of on-the-job training. CBP uses the FCIP to a lesser extent for other entry-level positions that require formal training/development, including Human Resource Specialists, Auditors, etc.

⇒ According to OPM, FCIP is intended for entry positions where an internal training and development program prepares employees for journeyman level positions. We know that CBP Officers get 73 days of training at FLETC, and in theory are to get 12 weeks of on-the-job, supervised field training. In fact, as GAO has reported, some get as few as two weeks of such training. Do all FCIP participants participate in formal development programs as a condition of their employment?

ANSWER: Yes. CBP organizations must develop a detailed training and development plan that will identify the competencies that the FCIP intern would need for conversion to Federal employment at the end of the FCIP period, as well as the strategy for achieving those competencies. Plans must be submitted to the Office of Human Resources Management prior to selections being made. A plan may include, but is not be limited to:

- a listing of formal training classes to be attended, time frames, and sources of training;
- a description of developmental assignments and the associated learning objectives for each assignment and/or tour;
- the evaluation and assessment methods (including frequency) that will be used to measure the intern's progress during the internship period; and
- a certification process at the end of the 2-year excepted appointment that documents the decision on whether the intern is to be converted to the competitive service. The plan must identify the manager responsible for making this decision.

⇒ The Executive Order that created the Career Intern program required OPM to develop "appropriate merit-based procedures", and provide for "such actions as deemed appropriate to ensure equal employment opportunity and the application of appropriate veterans' preference criteria." How many employees were hired noncompetitively by CBP in fiscal years 2006 and 2007?

ANSWER: CBP utilizes many different noncompetitive hiring programs to help add flexibility to the hiring process. These programs include but are not limited to the following:

- Veterans Readjustment Act Appointments,
- 30% Disabled Veteran Program,
- Student Temporary Employment Program,
- Student Career Experience Program,
- Direct Hire Authority, and
- FCIP

The number of employees hired noncompetitively by CBP in fiscal year 2006 was 3,627 and 6,908 in FY 2007.

⇒ Is the nearly exclusive use of FCIP making CBP hiring noncompetitive, and could such use be seen as violating the spirit of merit-based hiring? How is such use advantageous to CBP?

ANSWER: No. The traditional method to enter Federal service is by appointment through the competitive examining process. Jobs filled through this process are open to the public. FCIP appointments are made under Schedule B of the excepted service and though no public notice is required, we are still required to comply with merit principles. To comply with merit principles, we announce vacancies to the public by way of OPM's external electronic job listings web site (i.e., USAJOBS). We also use scores from tests of job-related reasoning skills to rate and rank applicants. When we issue a referral list, applicants are considered according to their veteran's preference and numerical ranking, in accordance with the rule of three.

The FCIP has allowed us to rapidly identify and hire highly qualified individuals for our mission-critical CBP officer and Border Patrol agent occupations. The FCIP provides flexibility concerning the types of formal training and developmental opportunities to provide for specific positions. Since career interns serve a 2-year trial period during their excepted service appointment, the supervisor has time to fully evaluate capabilities and performance before converting the employee to a permanent career or career-conditional appointment. By contrast, the competitive hiring process entails a 1-year probationary period, which does not give the supervisor enough time to thoroughly evaluate the officer or agent.

⇒ For the record, please break out for fiscal years 2005-2007 the numbers of permanent hires, by position, who were initially hired under FCIP.

ANSWER: Over 99 percent of all FCIP hires were to agriculture specialist, CBP officer, and Border Patrol agent positions over FYs 2005-2007. The breakdown of hiring is as follows:

- FY 2005
  Agriculture Specialist – 585
  CBP Officer – 1056
  Border Patrol Agent – 728

- FY 2006
  Agriculture Specialist – 303
  CBP Officer – 1332
  Border Patrol Agent – 1869

- FY 2007
  Agriculture Specialist – 353
  CBP Officer – 2193
  Border Patrol Agent – 4004

Border Search Authority – Screening Travelers' Electronic Data

There have been numerous press reports that travelers with laptops, cell phones, and similar devices are having them searched by CBP. Concerns have been raised about whether this threatens legitimate security or privacy interests. For example, business travelers may find that data from their laptop computers, if made public, could have trade secrets or otherwise proprietary information that might harm their business. In some cases, data has been reported erased or damaged.

Question: How and when does CBP determine that it needs to search and seize data and systems, and is this practice increasing in frequency and thoroughness?

ANSWER: CBP officers are responsible for administering the broad spectrum of federal law at the border, including immigration and customs laws involving issues of admissibility, terrorism, and the entry of merchandise into the United States. In order to perform this function, CBP officers are authorized to examine international travelers and their belongings that are presented at the border. In the course of a border inspection, a CBP officer makes decisions to examine items in possession of a traveler, including any information that is presented, whether in documentary or electronic form, based upon various operational and administrative considerations.

CBP is charged with facilitating legitimate trade and travel while at the same time enforcing hundreds of U.S. laws. All persons, baggage and merchandise arriving in the United States are required to participate in CBP processing. As part of the process, CBP strives to facilitate the routine processing of all travelers while determining admissibility.

It is not the intent of CBP to subject travelers to unwarranted scrutiny. However, unless exempted, all travelers entering the United States, including U.S. citizens, are required to participate in CBP processing. As part of the process, CBP officers are verifying admissibility and looking for violators, including possible terrorists, terrorist

weapons, narcotics, and other contraband. Laptop computers may be subject to detention for violation of criminal law such as if the laptop contains information with possible ties to terrorism, narcotics smuggling, child pornography, or other criminal activity. CBP officers adhere to all requirements to protect privileged, personal, and business confidential information.

As more and more travelers carry information and merchandise across the border in electronic instead of documentary format, the frequency of the examination of such electronic devices naturally tends to increase. The Supreme Court has emphasized that the manner in which documentary material is carried across the border does not alter the authority of CBP officers to search such material to ensure compliance with law.

Question: What steps does CBP take in the exercise of its search authority to avoid exacerbating legitimate concerns that travelers have for the privacy and security of personal and proprietary data they carry?

ANSWER: In the course of normal operation at the border, CBP officers are routinely entrusted with a great deal of sensitive and proprietary information. Every day, importers file thousands of entries with CBP that contain extremely sensitive trade secrets and business information. Whether CBP officers are dealing with such sensitive commercial information or private information carried across the border by travelers, they are trained to protect this sensitive information. CBP has stringent policies that restrict access to, or disclosure of, sensitive information. Employees that violate agency policy or federal law (e.g., the Trade Secrets Act, 18 U.S.C. 1905) are subject to criminal sanctions and/or discipline as may he appropriate under the applicable law or policy.

Training Needs

Question: Last November GAO observed (in GAO-08-219) that certain training did not meet CBP guidance for 12 weeks of on the job training and was inadequate to prepare CBP officers for their tasks. The report said that some new officers received as little as two weeks of on the job training. What is being done to address GAO's recommendations to mitigate risk of failed traveler inspections, to implement cross-training program improvements and gather data on how effective such training is, and to "formalize a performance measure for the traveler inspection program that identifies CBP's effectiveness in apprehending inadmissible aliens and other violators?

ANSWER: Presently, the Office of Field Operations (OFO) is working with the Office of Training and Development (OTD) to repurpose the border unification cross-training modules in order to provide function-specific port training. OFO anticipates the development of this training will be completed in Fiscal Year 2008. Once the modified training is in place, OFO will be in a better position to accurately measure the need for training and ensure the CBP officers (CBPOs) who need the training have received it.

Part of the work to provide function specific training includes significant changes to the on-the-job training. OFO is also working with the Office of Training and Development to examine the applicability of the newly instituted Post-Academy Training program for the Border Patrol and how it might be adapted for use within OFO.

Visa Waiver Program (VWP), IAP and Knowing Your Traveler

There are presently 27 Visa Waiver countries, mainly European, that have been identified as possible vulnerabilities for non-immigrant travelers. To address these, the FY08 Appropriation included $45 million to establish a new system for electronic travel authorization (ETA) to enable CBP to get information prior to visa-waiver passengers boarding their flights to the U.S. The bill also authorized establishment of an International Registered Traveler (IRT) program to help expedite low-risk travelers from visa waiver countries.

Question: How far along is CBP in planning and staffing for these efforts? How is CBP preparing to handle additional workload or new procedures that might result from increased numbers of VWP travelers?

ANSWER:
International Registered Traveler

A Federal Register Notice (FRN) will be published announcing the US PASS pilot program. Once the US PASS Federal Register Notice is published and the pilot commences, CBP will publish a Notice of Proposed Rulemaking to initiate regulations for a permanent program. CBP has been in communication with the Netherlands, Germany, and the United Kingdom in regards to signing Joint Statements of Cooperation that would allow for reciprocal membership into the USPASS programs. Signing on the joint statements is pending the publishing of the FRN.

Electronic System for Travel Authorization

On March 12, 2008, DHS changed the name of the program from the Electronic Travel Authorization (ETA) to the Electronic System for Travel Authorization (ESTA) to avoid any possible association with "Euskadi ta Askatasuna," the Basque separatist terrorist organization that is also known as ETA.

Planning and staffing for the development of ESTA is well underway. The ESTA program has already passed the Project Initiation Review and Authorization (PIRA) gate review as well as the DHS Milestone Decision Point 1 which addresses Project Authorization. Business and Functional requirements have been documented and certified and the technical requirements are currently being written. A project plan, schedule, and funding have been approved for ESTA.

Funding for the ESTA in FY 2008 is $36 million which will cover development, testing, and staffing. ESTA currently has filled four (4) positions and has initiated aggressive recruitment efforts to fill remaining positions in the Program Management Office and the National Targeting Center in FY 2008.. DHS plans to implement ESTA in the summer of 2008.

Additional workload / new procedures

Using historical data, CBP has conducted an analysis to forecast the additional transaction volumes that can be expected as a result of the increased numbers of VWP travelers. Based on the results of that analysis, CBP has identified the increase in storage capacity and communication band-with as well as the other system resources that will be required to process the anticipated increases in workload. These resources have been funded and are being procured.

For the CBP officers, CBP plans to develop and distribute Standard Operating Procedures, a documented training plan, training materials, and field musters to ensure adequate preparation for the implementation of the Electronic System for Travel Authorization (ESTA) system has taken place.

Question: The European Commission is seeking to negotiate continuation and extension of Visa Waiver has approved, at the same time that individual countries such as Estonia, Latvia, and the Czech Republic seek to negotiate these agreements. Are data agreements relating to air passenger data that are transferred to CBP going to be bilateral or will they be the subject of US-EU agreement, and what is the status of those agreements?

ANSWER: Pursuant to the Joint Statement at the JHA Ministerial in Brdo, Slovenia on March 13, 2008, the United States and the European Union (EU) have agreed to the "Twin Track" approach. The heart of the "twin track" approach is that the U.S. will continue to discuss with EU member states those issues within the competency of the member states, and will discuss with the EU those issues within the competency of the EU.

By agreeing to this approach, DHS and the EU have committed to developing a deeper trans-Atlantic relationship to address many of the vulnerabilities both sides face when lifting visa requirements for international travel.

In July 2007, DHS and the EU signed an Agreement governing the use of Passenger Name Record (PNR) information. Pursuant to U.S. law, however, DHS and the Department of State (DOS) can only make decisions about a country's qualifications for designation as a VWP participant on a bilateral, country-by-country basis. This bilateral track, which DHS and DOS are currently pursuing with a number of aspirant countries, including the Czech Republic, Estonia, Latvia and others, is well advanced and will continue to move forward expeditiously with the goal of admitting those countries fully qualified for designation in the VWP. Any negotiations on matters within the competency of the EU, such as the recently-concluded US-EU PNR Agreement, will be conducted in parallel to the bilateral VWP negotiations. Negotiations with the EU are beneficial in their own right, but entry into the VWP will not be contingent upon their conclusion.

Question: The EU and other visa waiver countries are considering setting up their own requirements for biometric and travel information for U.S. travelers. How is DHS working with those countries on ways to reduce negative impact on travel, share law enforcement information and protect privacy of U.S. citizens?

ANSWER: Enhanced information sharing is essential to reduce possible vulnerabilities for non-immigrant travelers. In July 2007, for example, DHS entered into an agreement with the European Union to share Passenger Name Records. In March 2008, Secretary Chertoff, joined by Attorney General Mukasey, initiated a ground-breaking watch list and fingerprint-sharing agreement with Germany. This new agreement will deepen counter-terrorism cooperation with Germany, where last September, U.S. and German officials together dismantled a serious terrorist plot.

In addition to these efforts, DHS conducts other information sharing and partnership activities with our foreign partners to address security concerns of mutual interest. For example, DHS and Interpol have worked together to enable U.S. Customs and Border Protection (CBP) screening of Advance Passenger Information System

manifests against Interpol's Stolen and Lost Travel Documents database. This real-time sharing capability went online first at New York's John F. Kennedy International Airport in October 2007, and has since been expanded to 11 additional major international airports. DHS plans to continue to expand the availability of this resource to strengthen the ability to identify and interdict illicit and *mala fide* travel documents and the travelers who use them. DHS also engages with multilateral entities such as the Centre for Information, Discussion, and Exchange on the crossing for Frontiers and Immigration, which collects information on legal immigration, illegal immigration, unlawful residence, use of falsified documents, etc.

Additionally, as required under Section 711 of the "Implementing the 9/11 Commission Recommendations Act of 2007" (9/11 Act), the governments of the countries that participate in the Visa Waiver Program (VWP) will be required to enter into more robust data-sharing arrangements with the United States with respect to both passenger information and reporting of blank and issued lost and stolen passports. These information-sharing provisions have been at the forefront of national and international initiatives to combat crime and terrorism throughout the world, and will provide our operators and analysts with new tools to secure the United States as well as help prevent terrorist and criminal activities in VWP partner nations.

These new security frameworks will facilitate transatlantic travel for the vast majority of travelers who pose no security or law enforcement risks, but make it increasingly difficult for terrorists and other criminals. Another critical tool for substantially strengthening the security of the VWP, and, therefore, countering potential threats from VWP countries, is the Electronic System for Travel Authorization (ESTA).* ESTA, which is also required by the 9/11 Act, will provide DHS with the capability to conduct enhanced advance screening of VWP travelers. Under ESTA, VWP travelers will be required to electronically submit biographic and other information that is largely the same as that currently collected via the I-94W Nonimmigrant Alien Arrival/Departure Form to DHS prior to their departure for the United States. ESTA applications will then be queried against appropriate law enforcement databases and watchlists, enabling DHS to make a determination on each individual's eligibility to travel to the United States under the VWP. Travelers denied an ESTA will be referred to the U.S. embassy or consulate to apply for a non-immigrant visa. ESTA counterbalances known VWP vulnerabilities that may be exploited by those with malicious intent, by providing an additional layer of advance scrutiny that illicit travelers must overcome prior to boarding a carrier en route to the United States.

To reduce the impact on legitimate travel, DHS and CBP are working with the Department of State to develop a joint, comprehensive outreach plan to communicate the ESTA requirements to the traveling public. This comprehensive communication and outreach effort will inform the foreign public of the need to use the ESTA and to plan for travel accordingly.

We expect that the information exchanged between the United States and the VWP countries will be subject to the same strict privacy provisions, use limitations, and access controls of other similar information sharing programs. These provisions will ensure that necessary technical measures and organizational arrangements are utilized to protect personal data against accidental or unlawful destruction, accidental loss or unauthorized disclosure, alteration, access or any unauthorized form of processing. In particular, these provisions shall ensure that only those authorized to access personal data will have access to such data.

Another way that DHS is working to facilitate travel is through International Registered Traveler (IRT). Evolving from DHS's prior work on international trusted-traveler programs and from work related to the Rice-Chertoff Initiative, CBP has developed a pilot to automate and expedite the arrival of pre-approved, low-risk, international air travelers.
CBP is preparing a Federal Register Notice regarding the IRT pilot and is seeking to begin operations in summer 2008. The three locations selected for the pilot are New York's John F. Kennedy International Airport,

* On March 12, 2008, DHS changed the name of the program from the "Electronic Travel Authorization" or "ETA" to the "Electronic System for Travel Authorization" or "ESTA" to avoid any possible association with "Euskadi ta Askatasuna," the Basque separatist terrorist organization that is also known as "ETA."

Washington Dulles International Airport, and George Bush Houston Intercontinental Airport. These airports are Model Ports and are generally amongst the highest volume locations. IRT is initially being implemented for U.S. citizens and lawful, permanent residents only to expedite their return to the United States.

CBP expects to expand the IRT membership to citizens of other countries through bi-lateral agreements with other nations that have similar trusted-traveler programs. The United States will realize two benefits upon entering into additional bi-lateral agreements: 1) the expedited entry processing of U.S. citizens traveling to other countries and 2) the additional vetting of foreign nationals performed by their governments based on guidelines agreed to with DHS. With travelers having to be pre-approved by each country for participation in the bi-lateral programs, CBP will gain better information on those travelers deemed to be low-risk. The governments of the Netherlands, Germany, and the United Kingdom are nearly ready to sign Joint Statements of Cooperation with the United States; however, the pilot mnst be implemented before this can occur. In the meantime, foreign travelers should realize a positive impact indirectly IRT as additional CBP resources will be freed up for such arrivals.

Question: Please provide funding and staffing for ETA for FY08-09, as well as the current timetable for its implementation. Please describe the role of ETA in facilitating the processing of Estonian, Latvian or other potential new VWP countries. Will it be a condition of granting VWP status that ETA and associated data sharing be fully implemented before granting such status?

ANSWER: Funding for Electronic System for Travel Authorization (ESTA) in FY 2008 is $36 million which will cover development, testing, and staffing.. ESTA currently has filled four (4) positions and has initiated aggressive recruitment efforts to fill remaining positions in the Program Management Office and the National Targeting Center in FY 2008. DHS expects to have ESTA operational during summer 2008.

The Electronic System for Travel Authorization (ESTA) will be utilized to screen travelers from VWP countries in advance of their travel, enabling DHS to determine whether the applicant is eligible to travel under VWP and whether he or she poses a law enforcement or security risk. ESTA applications will be queried against appropriate law enforcement databases, including lost and stolen passports and appropriate watchlists. Travelers who do not pose a threat to the United States will be granted an "Approved" status under ESTA. If an ESTA application is not approved, a message will refer the applicant to the local U.S. embassy or consulate to apply for a non-immigrant visa to travel to the United States.

One of the principal security enhancement requirements of the "Implementing Recommendations of the 9/11 Commission Act of 2007" is the requirement that DHS implement the Electronic System for Travel Authorization (ESTA). ESTA will counterbalance VWP vulnerabilities by establishing an additional layer of advance scrutiny to identify individuals ineligible to travel to the United States under the VWP and those individuals for whom such travel would constitute a law enforcement or security risk to the United States. An ESTA application must be completed by prospective VWP travelers, whose application information will be queried against appropriate and relevant databases and watchlists. ESTA must be implemented before DHS will expand the VWP.

Question: Please describe the legislative and regulatory changes necessary to implement the US PASS air program, the status of and current timetable for implementation efforts, and funding and staffing required in FY 2008-09 for this program.

ANSWER: The pilot formerly known as USPASS will go forward under the name International Registered Traveler (IRT) without the need for additional legislative changes. A Federal Register Notice will be published announcing the IRT pilot in 2008. Following the launch of the IRT pilot and informed by lessons from its

implementation, CBP will publish a Notice of Proposed Rulemaking to initiate regulations for a permanent program.

CBP expects to publish the Federal Register Notice for the International Registered Traveler pilot in April 2008. The pilot will begin 60 days after publication of this notice unless comments received from the public otherwise warrant. Initial launch will be at John F. Kennedy International Airport, Jamaica, New York (JFK); the George Bush Intercontinental Airport, Houston, Texas (IAH); and the Washington Dulles International Airport, Sterling, Virginia (IAD). Any additional airports for the pilot will be announced through notices in the Federal Register.
The time frame of the pilot will vary, depending on the progress of an evaluation of the pilot that will be conducted by CBP.

The total cost estimate for equipment for three kiosks at one airport is approximately $120,000. Additional kiosks are approximately $16,000 each to include maintenance and support. An additional 5-6 Officers, depending on passenger volume, per location, will also be required.

Advanced Targeting System – Passengers

In a 2007 report (OIG-08-06) the DHS Inspector General identified gaps and management weaknesses in the administration of the advanced targeting system for passengers.

Question: What actions have been taken to ensure security and privacy controls CBP said it would implement are in fact being put in place? What actions are planned for this year?

ANSWER: In summer 2007, the DHS Office of Inspector General (OIG) conducted an audit of security and oversight functions in ATS-P. The purpose of the audit was to determine whether CBP had implemented sufficient controls in ATS-P to protect the personally identifiable information (PII) contained within the system. In its subsequent report (OIG-08-06), issued in October 2007, OIG found that CBP has implemented robust operational and system security controls to protect the PII contained in ATS-P. However, OIG found three areas in which CBP can strengthen its protection of PII data. CBP concurred with this finding and provided plans to OIG identifying actions to implement the three recommendations. OIG agreed these actions would satisfy its recommendations.

CBP provided updates on the progress of the action items to OIG on January 3, 2008. CBP believes this response completes its implementation of all corrective actions recommended by the security audit. As of March 19, 2008, OIG has closed out the recommendations.

Recommendation #1: Periodically review ATS access control lists to verify that users were granted only the level of access privileges authorized.

CBP response: CBP's Office of Intelligence and Operations Coordination (OIOC) contacted the ATS-P user community to validate the permissions for all ATS users' access. The validation resulted in many user account modifications to reflect the correct level of access for the users' job functions, and inactive user accounts were deactivated. As a follow-on to this process, CBP-OIOC plans to review ATS user account privileges twice a year.

Recommendation #2: Disable ATS user accounts that have been inactive for 90 days or perform a risk assessment to determine whether management is willing to accept the risk of not disabling user accounts according to CBP policies.

CBP response: CBP-OIOC conducted a review of user activity and identified ATS accounts which were disabled by the Office of Information and Technology (CBP-OIT). CBP-OIT has also developed and implemented an automated mechanism to disable accounts after 30 days of inactivity.

Recommendation #3: Address ATS security vulnerabilities regarding passwords and patch management.

CBP response: CBP-OIT implemented appropriate software changes, including strengthening password methodology and addressing patch management vulnerabilities, during a database management upgrade in September 2007.
For this year, the DHS OIG report recommended that CBP periodically review ATS access control lists to verify that users were granted only the level of access privileges authorized. CBP's Office of Intelligence and Operations Coordination (OIOC) conducted a validation of the permissions for all ATS users' access. The validation resulted in many user account modifications to reflect the correct level of access for the users' job functions, and inactive user accounts were deactivated. As a follow-on to this process, CBP-OIOC plans to review ATS user account privileges twice a year; these will occur in April and October 2008.

Question: You have requested an additional $5 million for the passenger targeting system, mainly for system improvements to make the screening capability available on a 24-7 basis. However, $500,000 is for advanced "analytics". Please provide more detail on this "advanced analytics." Would this involve capturing new data on citizens or others not already collected by government?

ANSWER: Advanced analytics will involve several initiatives on a single front to improve passenger targeting efforts:

- Develop and implement computer and mathematical targeting models for identifying travelers as potential candidates for secondary examinations.
- Predictive analysis of the underlying event structure (e.g., associative, chronological) of criminal activity based upon CBP's contraband seizures and previous encounters of violators.
- Build visual displays that maximize information assimilation for the analyst/officer.

Tunnels

Question: The CBP website in 2007 displayed the discovery of a Nogales tunnel, using remote video surveillance. This was the 21st tunnel found in the Tucson sector since 2003. As we know, tunnels under the border with Mexico have been a problem for years and in 2005 ICE found the first major Northern Border tunnel between Washington and British Columbia. What is being done to improve CBP ability to detect and close tunnels, and how does that priority rate against other CBP funding? What is fiscal 2007-09 planned and proposed funding for tunnel detection and counter tunnel task force efforts?

ANSWER: The discovery of a new tunnel is a high visibility event that attracts intense media attention. While tunnel discovery and remediation is proportionately small in dollar value when compared to the operational costs of controlling the border, tunnels are a high priority for CBP operations.

In 2007, CBP hosted a workshop and a conference to address tunnel detection and remediation. The July 2007 workshop focused on lessons learned from previous tunnel remediation projects, and improving the process to increase turnaround for making tunnels unusable after discovery. The August 2007 conference brought together stakeholders to focus on identifying, detecting, and interdicting the threat, as well as remediation efforts. The objectives of the conference were to discuss recent tunnel activity, Government of Mexico tunnel information, the tunnel detection mission, tunnel detection technology, tunnel interdiction, tunnel remediation, tunnel activity reporting, and maintaining the tunnel database.

As part of these conferences, there were different experimental technologies for tunnel detection purposes that were presented, although most were determined not to be effective for tunnel detection. The CBP National Tunnel Remediation Task Team (NTRTT) continues to evaluate proposals as presented for tunnel detection technology and is evaluating new emerging tunnel detection technologies. Should any detection technology prove to be successful, NTRTT team will provide a recommendation to CBP Headquarters to apply said technologies for further evaluation. The information from these meetings has been used to improve tunnel remediation processes, tunnel mapping, detection, interagency coordination, and communications strategies for border tunnels.

U.S. Customs and Border Protection assumed the lead for tunnel remediation for the Department of Homeland Security in FY 2007. Since the beginning of FY07, CBP has committed $3.51M to these remediation activities. The amount spent on tunnel remediation each year depends on the number and type of tunnels detected.

Border Safety Initiative

Question: Please provide data by sector of rescues, recoveries and deaths for fiscal years 2006-2008 (to date).

ANSWER:

Death by Sector
FY06 - FY08 Fiscal Year Comparison

Sector	FY06	FY07	FY08*
McAllen Sector	81	61	21
Laredo Sector	36	52	7
Del Rio Sector	34	18	6
Marfa Sector	4	0	0
El Paso Sector	33	27	5
Tucson Sector	169	202	37
Yuma Sector	40	11	4
El Centro Sector	21	12	4
San Diego Sector	36	15	14
Totals	454	398	98

Rescues By Sector
FY06 - FY08 Fiscal Year Comparison

Sector	Incidents			People		
	FY06	FY07	FY08	FY06	FY07	FY08
McAllen Sector	126	125	38	545	497	101
Laredo Sector	90	101	24	588	320	134
Del Rio Sector	54	73	4	61	89	6
Marfa Sector	2	1	1	8	1	1
El Paso Sector	189	76	10	504	119	26
Tucson Sector	141	187	36	622	573	93
Yuma Sector	83	31	4	370	77	6
El Centro Sector	17	19	3	30	34	5

San Diego Sector	63	93	45	117	137	58
Totals	765	706	165	2845	1847	430

*Last Updated: Thursday, March 20, 2008 8:00:37 AM
*Information reported for the current FY is inclusive of Wednesday, March 19, 2008.

Apprehension/Seizure Data

Question: Please provide data by sector on entries, apprehensions, "turned back south" (TBS), and "getaways".

ANSWER: Please see following table.

Border Patrol Apprehensions and Known Entries
Data Source: EID (unofficial)

	Apprehensions		Known Entries	
SECTOR	FY2007	FY2008TD	FY2007	FY2008TD
DRT	22,920	8,107	20,500	6,553
ELC	55,883	15,574	53,052	15,089
EPT	75,464	15,681	69,839	14,004
LRT	56,714	17,354	49,371	15,634
MAR	5,536	2,187	1,387	483
MCA	73,430	26,760	63,600	23,872
SDC	152,460	54,709	147,844	52,969
TCA	378,239	112,323	377,892	113,013
YUM	37,992	5,159	33,889	3,316
BLW	749	326	156	31
BUN	2,191	1,458	34	3
DTM	902	381	11	2
GFN	497	262	26	21
HLT	95	41	10	16
HVM	486	249	12	0
SPW	341	135	31	17
SWB	1,119	452	249	40
MIP	7,120	2,729	3,951	1,380
NLL	4,018	2,096	7	3
RMY	548	214	473	188
Southwest	**858,638**	**257,854**	**817,374**	**244,933**
Northern	**6,380**	**3,304**	**529**	**130**
Coastal	**11,686**	**5,039**	**4,431**	**1,571**
Nationwide	**876,704**	**266,197**	**822,334**	**246,634**

*FY2008TD Data includes October 1, 2007 - February 29, 2008
NOTES: Apprehensions include Deportable Aliens Only. Known Entries include Border Patrol Apprehended Aliens claiming entry through Border Patrol's Area of Responsibility.

Question: Please list illegal immigrants, including data on special interest aliens, apprehended in FY 2007 and to date in FY 2008 by Border Patrol and OFO, with data by sector, port of entry (if available), and for preclearance sites, broken out by categories: aliens refused, withdrawn, expedited cases withdraw, paroled, deferred, referred for credible fear, and referred to an immigration judge.

ANSWER: Please see following table.

Border Patrol Apprehensions, Other than Mexicans (OTMs), and Aliens from Special Interest Countries (ASICs) Data Source: EID (unofficial)						
	Apprehensions		OTMs		ASICs	
SECTOR	FY2007	FY2008TD	FY2007	FY2008TD	FY2007	FY2008TD
DRT	22,920	8,107	6,634	1,463	5	3
ELC	55,883	15,574	612	290	3	3
EPT	75,464	15,681	3,171	599	11	13
LRT	56,714	17,354	11,883	2,637	20	10
MAR	5,536	2,187	534	240	35	8
MCA	73,430	26,760	21,455	6,467	138	83
SDC	152,460	54,709	1,320	565	48	11
TCA	378,239	112,323	11,783	2,798	27	4
YUM	37,992	5,159	612	142	10	4
BLW	749	326	231	118	11	6
BUN	2,191	1,458	920	743	53	52
DTM	902	381	216	129	20	5
GFN	497	262	163	87	12	9
HLT	95	41	78	37	1	1
HVM	486	249	77	19	5	1
SPW	341	135	51	26	2	2
SWB	1,119	452	835	351	18	13
MIP	7,120	2,729	5,508	2,038	21	10
NLL	4,018	2,096	1,385	637	22	12
RMY	548	214	548	214	0	0
Southwest	**858,638**	**257,854**	**58,004**	**15,201**	**297**	**139**
Northern	**6,380**	**3,304**	**2,571**	**1,510**	**122**	**89**
Coastal	**11,686**	**5,039**	**7,441**	**2,889**	**43**	**22**
Nationwide	**876,704**	**266,197**	**68,016**	**19,600**	**462**	**250**

*FY2008TD Data includes October 1, 2007 - February 29, 2008
Data Source: EID (unofficial)
NOTES: Apprehensions include Deportable Aliens Only. Known Entries include Border Patrol Apprehended Aliens claiming entry through Border Patrol's Area of Responsibility.

Question: Please provide the number of Terrorist Identities Datamart Environment (TIDE) encounters by sector or port of entry for fiscal years 2006-08 (to date).

ANSWER: Please see following table.

POE / BPS	COUNT
AGANA, GUAM PRECLEARANCE	3
Ajo, AZ BP	2
Albuquerque PD New Mexico	1
ALEXANDRIA BAY, NEW YORK	30
AMSTERDAM, NETHERLANDS IAP	8

ANCHORAGE, ALASKA	19
ANDRADE, CALIFORNIA	3
ARUBA, BAHAMAS PRE	3
ATLANTA, GEORGIA - ATL	484
BALTIMORE, MARYLAND	21
BALTIMORE, MARYLAND SEAPORT	3
BANGOR, MAINE	3
BEAUMONT, TEXAS SEAPORT	1
BELLINGHAM, WASHINGTON	1
BERMUDA PRECLEARANCE	4
BLAINE, WASHINGTON	132
BLYTHE, ARIZONA	1
BOSTON, MASSACHUSETTS-LOGAN	145
BROWNSVILLE, TEXAS	4
BRUNSWICK, GA SEAPORT	1
BUFFALO RAINBOW BRIDGE, NEW YORK	17
BUFFALO-NIAGARA FALLS, NEW YORK	366
BUFFALO-NIAGARA FALLS, NY - TRAIN	1
BUN-NIAGARA FALLS NEW YORK STATION	6
CALAIS, MAINE	1
CALEXICO, CALIFORNIA	16
CALGARY, ALBERTA, CANADA PRECLEARANCE	16
CALGARY, CA PRECLEARANCE	27
OTHER	811
CHAMPLAIN-ROUSES POINT, NEW YORK	53
CHARLESTON, SC SEAPORT	1
CHARLOTTE AMALIE, VI	4
CHARLOTTE AMALIE, VI SEAPORT	3
CHARLOTTE, NORTH CAROLINA	46
CHECKPOINT - BP	3
CHICAGO, ILLINOIS-O`HARE	1154
CHRISTIANSTED, VI	4
CINCINNATI, OHIO	58
CLEVELAND, OHIO	4
DALLAS/FT. WORTH, TEXAS	167
DAYTON, OHIO	1
DEL RIO, TEXAS	5
DENVER, COLORADO	85
DERBY LINE, VERMONT	10
DETROIT, AMBASSADOR BRIDGE MICHIGAN	54
DETROIT, METRO AIRPORT MICHIGAN	192
DETROIT, MI SEAPORT	3
DETROIT, MICHIGAN	307
DETROIT, MICHIGAN-WAYNE CO	166
DETROIT/ WAYNE, MICHIGAN - DTW	37
DHL EXPRESS, WILMINGTON, OHIO	4
DNM-DEMING NEW MEXICO STATION	1
DOUGLAS, AZ	2

DRT-ABILENE TEXAS SUBSTATION BP	1
DTM-DETROIT MICHIGAN STATION	1
DUBLIN IRELAND PRECLEARANCE	28
DUBLIN, IRELAND PRECLEARANCE	4
DULUTH, MN SEAPORT	1
DUNSEITH, NORTH DAKOTA	1
EAGLE PASS, TX	2
EASTPORT, ID	1
EDMONTON, ALBERTA-INTL, CANADA PRECLEARANCE	7
EL PASO, TEXAS	31
EL PASO, TEXAS BP	1
EL PASO, TEXAS PEDESTRIAN	1
EPT-ALAMOGORDO NEW MEXICO STATION BP	1
EPT-EL PASO BORDER PATROL SECTOR HQS	3
EPT-LORDSBURG NEW MEXICO STATION BP	1
ERI-ERIE, PENNSYLVANIA BP	1
FABENS, TEXAS	1
FORT FAIRFIELD, ME	1
FORT PIERCE, FL SEAPORT	1
FRANKFURT, GERMANY - IAP	4
FREEPORT, BAHAMAS	1
FT. LAUDERDALE, FLORIDA	38
FT. LAUDERDALE, FLORIDA SEAPORT	2
FT. MEYERS, FLORIDA	1
GALVESTON, TEXAS	1
GRAND FORKS AIRPORT, ND	1
GRAND PORTAGE, MN	1
GUAM PRECLEARANCE	12
HALIFAX, NS, CANADA PRECLEARANCE	7
HARTFORD, CT	2
HIGHGATE SPRINGS/ALBURG, VERMONT	26
HILDALGO, TEXAS	16
HLT-HOULTON, MAINE STATION BP	1
HONOLULU, OAHU, HAWAII	33
HOULTON, ME	1
HOUSTON INTERCONTL, HOUSTON, TX	139
HOUSTON, TEXAS - IAH	191
HOUSTON, TX SEAPORT	3
INDIANAPOLIS, INDIANA	2
JMB-JACKMAN, MAINE	1
JUNEAU, AK SEAPORT	2
KAHULUI, HI	1
KEY WEST, FLORIDA	3
LAREDO, TEXAS	16
LAS VEGAS, NEVADA	10
LEWISTON BRIDGE, NEW YORK	17
LONDON, ENGLAND - GATWICK	1
LONDON, ENGLAND - HEATHROW - IAP	5

LONDON-HEATHROW, ENGLAND UK-IAP	5
LONG BEACH, CALIFORNIA SEAPORT	30
LOS ANGELES INTL AIRPORT, CALIFORNIA	721
LOS ANGELES, CA SEAPORT	3
LOS ANGELES, CALIFORNIA SEAPORT	1
LOUISVILLE, KY AIRPORT - UPS	4
LRT-LAREDO DEL MAR TEXAS STATION	2
LUKEVILLE, ARIZONA	3
LYNDEN, WASHINGTON	5
MANCHESTER, ENGLAND - IAP	1
MASSENA, NEW YORK	10
MAYAGUEZ, SEAPORT	2
MCALLEN, TEXAS BP	1
MEMPHIS, TENNESSEE	32
MIAMI INTL AIRPORT, FLORIDA	484
MIAMI, FLORIDA SEAPORT	24
MILWAUKEE AIRPORT, WISCONSIN	2
MINNEAPOLIS/ST. PAUL, MN	117
MIP-TAMPA FLORIDA STATION BP	1
MONTREAL DORVAL, QUEBEC, CANADA	113
NASSAU BAHAMA PRECLEARANCE	41
NEW HAVEN, CT SEAPORT	1
NEW ORLEANS, LOUISIANA SEAPORT	5
NEW YORK NY/NEWARK, NJ TRAIN	1
NEW YORK, NEW YORK-KENNEDY	2770
NEW YORK, NEW YORK-LA GUARDA	5
NEW YORK, NEW YORK-NEWARK	424
NEW YORK, NEW YORK-NEWARK SEAPORT	3
NEW YORK, NEWARK SEAPORT	17
NOGALES, ARIZONA	19
NOGALES, ARIZONA - BP	1
NORFOLK, VA SEAPORT	6
NTC - RESTON	1
OGDENSBURG, NEW YORK	6
ORLANDO, FLORIDA-INTL	47
OROVILLE, WASHINGTON	3
OTAY MESA, CALIFORNIA	12
OTTAWA, ON, CANADA PRECLEARANCE	37
PEACE BRIDGE, NEW YORK	24
PEMBINA, ND	7
PHARR, TEXAS	1
PHILADELPHIA, PA/WILMINGTON, DE - PHL	141
PHM-PORT HURON, MI (BPS)	2
PHOENIX, ARIZONA	34
PITTSBURGH, AIRPORT, PA	1
PORT ARTHUR, TEXAS SEAPORT	1
PORT CANAVERAL, FL SEAPORT	14
PORT EVERGLADES, FLORIDA SEAPORT	19

PORT HURON, MICHIGAN	71
PORTAL, ND	2
PORTHILL, ID	1
PORTLAND, OREGON	47
PROGRESO, TEXAS	11
RALEIGH/DURHAM, NORTH CAROLINA	6
RGV-HARLINGEN TEXAS STATION BP	2
ROC-ROCHESTER, NEW YORK BP	1
ROMA, TEXAS	1
ROOSVILLE, MONTANA	2
ROUSES POINT, NEW YORK	1
SAN ANTONIO, TEXAS AIRPORT	5
SAN DIEGO, CA SEAPORT	1
SAN DIEGO, CALIFORNIA	1
SAN FRANCISCO INTL AIRPORT, CALIFORNIA	293
SAN FRANCISCO, CALIFORNIA SEAPORT	2
SAN JUAN INTL AIRPORT	96
SAN JUAN SEAPORT	7
SAN LUIS, AIRPORT, AZ	1
SAN LUIS, AZ	11
SAN YSIDRO, CALIFORNIA	87
SAN YSIDRO, CALIFORNIA PEDESTRIAN	1
SAN-SAN DIEGO, CALIFORNIA BP	1
SANTA TERESA, NEW MEXICO	3
SASABE, ARIZONA	1
SAULT STE. MARIE, MI SEA - FERRY	4
SAULT STE. MARIE, MI SEAPORT	2
SAVANNAH, GEORGIA SEAPORT	6
SCP-SIERRA BLANCA CP BP	1
SDC-CAMPO STATION, CA BP	1
SEATTLE, WA SEAPORT	10
SEATTLE, WASHINGTON - BOEING	1
SEATTLE/TACOMA, WASHINGTON	110
SEATTLE/TACOMA, WASHINGTON - SEA	14
SHANNON IRELAND PRECLEARANCE	14
SKAGWAY, ALASKA	1
ST CROIX, VIRGIN ISLAND PRE	3
ST. ALBANS, VERMONT	3
ST. CROIX, VIRGIN ISLANDS	25
ST. CROIX, VIRGIN ISLANDS SEAPORT	1
ST. THOMAS, VIRGIN ISLANDS	44
SWB-SWANTON VERMONT STATION	1
SWEETGRASS, MONTANA	5
TAB-TAMPA/ST. PETERSBURG, FLORIDA	1
TACOMA, WAHSINGTON SEAPORT	2
TAMPA, AIRPORT, FLORIDA	5
TAMPA/ST. PETERSBURG, FLORIDA - SEAPORT	16
TCA-CASA GRANDE STATION BP	2

TCA-TUCSON AZ STATION BP	1
TECATE, CALIFORNIA	3
TOKYO-NARITA, JAPAN - IAP	1
TOLEDO, OHIO - SEAPORT	1
TORONTO, ON, CANADA PRECLEARANCE	340
TRENTON, MICHIGAN	1
TROUT RIVER, NEW YORK	4
TUCSON, AZ	1
TUKTOYAKTUK, NWT, CANADA	1
VAN BUREN, ME	1
VANCOUVER, BC, CANADA PRECLEARANCE	91
VANCOUVER, BC, CANADA SEAPORT	4
VICTORIA, BC, CANADA PRECLEARANCE	6
VICTORIA, BRITISH COLUMBIA, CANADA - FERRY	3
WARSAW, POLAND - IAP	1
WASHINGTON DULLES DC	839
WELLTON STATION, AZ	2
WEST PALM BEACH, FL - SEAPORT	1
WESTCHESTER COUNTY, NY	2
WILMINGTON, DE - SEAPORT	5
WINNIPEG, MB, CANADA PRECLEARANCE	12
YSLETA, TEXAS	1
YUMA, ARIZONA	4
UNKNOWN	404
Grand Total	**12,980**

Question: Please provide drug seizure data overall and by sector for cocaine, heroin, marijuana, methamphetamines, club/synthetic/other drugs, for fiscal years 2006-08 to date.

ANSWER: Please see following tables.

US BP Cocaine Seizures (LBS)			
SECTOR	FY2006	FY2007	FY2008TD
DRT	403	421	0
ELC	388	1,164	271
EPT	1,175	422	133
LRT	2,662	2,716	273
MAR	262	407	0
MCA	7,186	7,343	3,003
SDC	309	1	435
TCA	105	177	137
YUM	0	53	0
BLW	224	76	0
BUN	0	2	0
DTM	0	1	0
GFN	0	0	0
HLT	0	0	0
HVM	0	0	0
SPW	98	136	158
SWB	1	29	0
LIV			
MIP	33	1,284	3
NLL	37	10	2
RMY	0	0	221
Southwest	**12,493**	**12,703**	**4,254**
Northern	**323**	**245**	**159**
Coastal	**69**	**1,294**	**226**
Nationwide	**12,885**	**14,242**	**4,638**

*FY2008TD Data includes October 1, 2007 - February 29, 2008
Data Source: EID (unofficial - FY06 - FY08)

US BP Heroin Seizures (OZS)			
SECTOR	FY2006	FY2007	FY2008TD
DRT	0	0	0
ELC	591	0	1
EPT	247	1,039	76
LRT	1,265	353	0
MAR	0	33	1
MCA	626	397	0
SDC	10	0	0
TCA	0	42	22
YUM	1	0	0
BLW	0	0	0
BUN	16	0	0
DTM	0	0	0
GFN	0	0	0
HLT	0	0	0
HVM	0	0	0
SPW	0	0	0
SWB	3	0	0

LIV			
MIP	0	0	0
NLL	0	0	0
RMY	0	0	0
Southwest	**2,740**	**1,866**	**100**
Northern	**18**	**0**	**0**
Coastal	**0**	**0**	**0**
Nationwide	**2,758**	**1,866**	**100**

*FY2008TD Data includes October 1, 2007 - February 29, 2008
Data Source: EID (unofficial - FY06 - FY08)

US BP Marijuana Seizures (LBS)			
SECTOR	**FY2006**	**FY2007**	**FY2008TD**
DRT	53,106	60,509	21,451
ELC	40,949	61,262	10,293
EPT	138,922	128,677	44,441
LRT	113,291	135,748	38,395
MAR	75,200	75,347	36,578
MCA	227,842	406,806	127,051
SDC	50,416	37,459	28,874
TCA	616,534	897,289	381,410
YUM	46,116	49,429	20,349
BLW	714	599	803
BUN	41	154	29
DTM	66	3	68
GFN	1	3	150
HLT	223	35	11
HVM	0	19	0
SPW	1,896	688	3
SWB	3,790	3,387	699
LIV			
MIP	419	1,331	42
NLL	76	554	37
RMY	0	0	0
Southwest	**1,362,376**	**1,852,525**	**708,843**
Northern	**6,731**	**4,889**	**1,764**
Coastal	**495**	**1,885**	**79**
Nationwide	**1,369,602**	**1,859,299**	**710,686**

*FY2008TD Data includes October 1, 2007 - February 29, 2008
Data Source: EID (unofficial - FY06 - FY08)

Question: To the extent that illegal border crossings (as estimated by apprehension data) appear to be declining on the Southwest Border, but human smuggling activity has increased, please provide data on where smugglers and their victims entered the U.S. (e.g., between the ports of entry or at ports of entry) for fiscal years 2006-09. This should include data on those persons discovered in so-called "drop houses" that generally fall under jurisdiction of U.S. Immigration and Customs Enforcement.

ANSWER: Illicit activities along the southwest border have been decreasing due to CBP enforcement operations, such as Operation Jump Start. South Texas and San Diego continue to see alien smuggling

activities. For example, recent smuggling trends indicate that Cubans are using the Yucatan Vector to transit Mexico en route to the US-Mexico Border to claim asylum.

US BP Apprehensions			
SECTOR	FY2006	FY2007	FY2008TD
DRT	42,636	22,920	8,107
ELC	61,465	55,883	15,574
EPT	122,256	75,464	15,681
LRT	74,840	56,714	17,354
MAR	7,520	5,536	2,187
MCA	110,528	73,430	26,760
SDC	142,104	152,460	54,709
TCA	392,074	378,239	112,323
YUM	118,549	37,992	5,159
BLW	811	749	326
BUN	1,517	2,191	1,458
DTM	1,281	902	381
GFN	518	497	262
HLT	175	95	41
HVM	568	486	249
SPW	185	341	135
SWB	1,544	1,119	452
LIV			
MIP	6,032	7,120	2,729
NLL	3,053	4,018	2,096
RMY	1,436	548	214
Southwest	**1,071,972**	**858,638**	**257,854**
Northern	**6,599**	**6,380**	**3,304**
Coastal	**10,521**	**11,686**	**5,039**
Nationwide	**1,089,092**	**876,704**	**266,197**

*FY2008TD Data includes October 1, 2007 - February 29, 2008
Data Source: EID (unofficial - FY06 - FY08)

Question: There has been recent press reporting of increasing apprehensions of smuggled aliens by sea in the San Diego area. Please provide data on apprehensions or smuggling attempts (e.g., in cases where evidence is found, such as abandoned vessels, but not undocumented aliens) in fiscal years 2006-08 (to date) on the West Coast.

ANSWER: The following numbers of individuals have been apprehended in the San Diego area attempting to be smuggled via maritime means:

Calendar Year 2006 – 24
Calendar Year 2007 – 88
Calendar Year 2008 (3 months) - 15

Admissibility Review Office (ARO)

Question: The CBP budget justification describes the role and missions of the ARO. Please clarify the role of ARO vis-à-vis CBO field offices in processing and adjudicating determinations of admissibility based on legal authority to exercise discretion under the Immigration and Nationality Act, and the timetable to transition any decisionmaking authority (such as for National Security Entry Exit Registration System waivers) from field offices to the ARO.

ANSWER: Background: Before the creation of DHS in 2003, the adjudication of temporary waivers was performed by the Immigration and Naturalization Service (INS) both abroad and domestically.

In 2005, it was decided that U.S. Customs and Border Protection (CBP) would be responsible for the adjudication of nonimmigrant waivers.

In March of 2005, CBP created a centralized operations center, the Admissibility Review Office (ARO), as a pilot program in Minneapolis, Minnesota.

The ARO was established as a permanent office within CBP Headquarters office of Admissibility and Passenger Programs (APP) – Office of Field Operations (OFO) in July of 2006, and transition of the adjudicative workload from the CBP field offices to the ARO began in earnest.

In August of 2007, the workload transition of new temporary waiver application filings from the CBP field to HQ OFO - ARO was realized. To date, all new applications are adjudicated by the ARO. The only cases remaining in the field are those initiated and still awaiting a decision from the field, in the appeal process or awaiting completion of security checks.

Adjudication Process and Determination: The U.S. Government nonimmigrant waiver process has two different paths for the adjudication of nonimmigrant waivers.

- ARO Consular Processing: The nonimmigrant who is inadmissible to the United States, and requires a visa, must apply in advance for a waiver at a U.S. Embassy or Consulate. The alien usually discusses the matter of a waiver when he/she meets with the Department of State (DOS) consular officer during the nonimmigrant visa application process. The consular officer can *recommend* that the CBP ARO authorize a waiver. The consular officer will clearly state the reasons for the recommendation to the ARO and transmit the same electronically to the ARO for a final decision.

  In the past this workload was adjudicated by INS staff stationed abroad at a U.S. Embassy or Consulate.

- ARO Form I-192, "Application for Advance Permission to Enter as a Nonimmigrant" Processing: The inadmissible nonimmigrant who is already in possession of appropriate documents or granted a waiver thereof and is seeking admission applies for his/her waiver using the Form I-192. In this scenario the alien submits his application at a pre-clearance operation (PCO) or CBP northern border port-of-entry. The application is mailed by the CBP PCO or northern border port of entry to the ARO for a further processing and decision.

In the past this workload was adjudicated by CBP field offices. (Please see above "background" section for timeline)

The HQ ARO is expected to relieve the CBP field office network of National Security Entry-Exit Registration System (NSEERS) waiver adjudication responsibilities beginning the last month of Fiscal Year 2008.

Private Aircraft and Small Boat Initiatives

Question: Secretary Chertoff has discussed plans to implement new advance notification requirements for private aircraft before taking off for the U.S., and has indicated plans to implement a new small boat program. Please describe the status of these efforts, timetables and key decision points (including regulatory action) for their implementation, and any staffing and funding associated with these efforts if fiscal year 2008 and requested in fiscal year 2009.

ANSWER: The Department of Homeland Security's Small Vessel Security Strategy is currently under development. Once the strategy is completed and approved by the Secretary, an implementation plan identifying department-wide requirements including authorities, staffing, funding and an implementation timeline will be developed. There is no dedicated funding or staffing associated with this project in the FY 2008 budget or FY 2009 request.

Model Port of Entry Program

Question: The FY 2008 appropriation included $45 million to support the Model Port of Entry program with technology and an infusion of 200 additional CBP Officers at the top 20 international airports in this country, as called for by the 9/11 Commission Act. When will additional CBP Officers be deployed? How will CBP decide the allocation of additional staff by airport?

ANSWER: The 200 hundred additional CBP officers for the Model Ports Initiative will be deployed before the end of FY 2008 to the top 20 airports by volume. The Office of Field Operations, Mission Support—Human Capital, is continuously recruiting CBP officers at the entry level ensuring that CBP maintains a sufficient applicant supply file in meeting this initiative. CBP is working diligently to expedite the required background investigation by streamlining the process allowing for candidates to enter on board to the agency under a modified background investigation process. CBP is also attempting to ensure that training classes are filled to the maximum which is a mechanism that allows candidates to attend Basic Officer training while they are undergoing the initial background as required. CBP has found this process to be quite successful based upon the candidate successfully clearing his/her background investigation, as well as, to complete basic training simultaneously. Therefore, the applicant can report immediately for work to his/her assigned Port of Entry.

CBP will base its staffing decisions on a number of factors, including the relative workload and threat at each airport as well as each airport's staffing needs as compared against existing staff. The Workforce Staffing Model will be used to consider the relative workload and threat at each airport to determine the relative staffing needs and these results will be compared against the current staff deployed to those airports. CBP will also consult with its port directors in making a final staffing allocation determination for the Model Ports Initiative.

Western Hemisphere Travel Initiative (WHTI)

Question: Impact of New Border Document Requirements -- On January 31, DHS implemented new document requirements for travelers entering the U.S. by land, to include, at a minimum, a government issued i.d. and some form of citizenship documentation, such as a birth certificate. Although we understand that in practice the enforcement of these requirements is being phased in, we have heard concerns from border communities that the policy may contribute to delays at the border and chill cross-border travel. It could also easily be interpreted as a way of circumventing the provision in the FY08 appropriation that delayed implementation of WHTI until June 2009.

- ⇒ With implementation on January 31, 2008 of new document requirements for those crossing U.S. land borders, is experiencing increased delays or increased workload at primary and secondary inspection lanes in your ports of entry?

ANSWER: Since the January 31 changes at the border, there have been no reported adverse impact on wait times on U. S. Customs and Border Protection (CBP) land border operations. Compliance rates are high – U.S. and Canadian citizens are presenting the required documents when crossing the border. We also continue to remain flexible and practical in our approach to overall implementation.

Wait times have trended at levels consistent with previous years' data. The Western Hemisphere Travel Initiative (WHTI) Program Management Office (PMO) has been monitoring wait time data to identify any associated impact the transition has had on inspection time since January 31.
In instances where a reported wait time went significantly above previous year's data, the port is contacted and asked if the increase is attributable to the transition or if there is an alternative explanation. Ports have reported that there is no noticeable impact attributable to the change in documentation requirements. Reports received by the WHTI PMO, related to wait times, reflect issues associated with heavy traffic volume and matters such as holiday travel, weather, and construction.

There has been no increase in referrals to secondary inspection for U.S. citizens due to the end of accepting oral declarations alone for identity and citizenship. On first and subsequent applications for admission during the transition, once citizenship has been established, U.S. citizens not in possession of required travel documents are admitted on primary after issuance of verbal and written advisories of the document requirements. The verbal advisory follows recommended language provided to the field by CBP Headquarters and the written advisory is provided in the form of a standardized Tear Sheet (see attachment 2) provided to the traveler detailing the documentary requirements.

CBP used its existing authority to institute new document procedures ahead of WHTI implementation to close a vulnerability that has existed for years at the border. CBP and DHS will use the next 14 months to communicate to the public about upcoming changes requirements to ensure that they have necessary documents in hand before WHTI is implemented on June 1, 2009.

⇒ How do CBP wait time statistics for February of 2008 compare with February 2007, and what preparations are being made to handle increased volume during the summer travel season?

ANSWER: Wait times have trended at levels consistent with previous year's data. The Western Hemisphere Travel Initiative (WHTI) Program Management Office (PMO) has been monitoring wait time data to identify any associated impact the transition has had on inspection time since January 31. In instances where a reported wait time went significantly above previous year's data, the port was contacted and asked if the increase was attributable to the transition or if there was an alternative explanation. Ports have reported that there is no noticeable impact attributable to the change in documentation requirements. Reports received by the WHTI PMO, related to wait times, reflected issues associated with heavy traffic volume and matters such as holiday travel, weather, and construction.

Our recent change in document procedures on January 31, 2008 has been successful with no discernable increase in wait times. Wait times have trended at levels consistent with previous year's data. Since the January 31 transition to more secure documents, there has been no apparent adverse effect reported related to wait times on U. S. Customs and Border Protection (CBP) land border operations. Compliance rates are high – U.S. and Canadian citizens are presenting the required documents when crossing the border. We also continue to remain flexible and practical in our approach to overall implementation.

In preparation for the summer travel season, CBP is taking a number of proactive steps to facilitate the entry of legitimate travelers while at the same time ensuring our priority border security mission is accomplished. These steps include working closely with our field offices and ports to ensure that we are prepared in advance of the summer travel season, assessing our internal processes to look for added efficiencies, assessing how we measure and report wait times so that CBP can provide more timely and accurate information to the public, and

using our public affairs resources to disseminate information to stakeholders and travelers on how to more efficiently cross the border. This includes the bi-annual "Know Before You Go" messages and news releases in advance of peak summer travel season, to raise awareness of the new document requirements as well as other helpful travel tips.

Question: WHTI Planning and Use of Contractors--GAO in December (in GAO-08-274R") raised concerns relating to the need to establish adequate WHTI planning timelines for technology, staffing and training for WHTI implementation in 2009, and that plans will not be in place until contractors are hired to produce the plans.

⇒ Isn't planning for WHTI implementation an inherently governmental function?

ANSWER: While always carefully defined to avoid potential conflicts of interest, program planning support is provided by contractors to major acquisitions programs throughout the government. Developing requirements and plans to ensure successful program execution is the responsibility of the program management office, which determines the proper resource and skills sets needed. Those resources are most often obtained from the mix of government and contract staff.

The WHTI Program Management Office (PMO) is led by a DHS certified program manager government employee who sets the overall strategic direction for scope, schedule, and cost. The WHTI PMO is supported by a team of highly qualified contractors who are knowledgeable in all aspects of Program Management as well as the business functions of CBP. The team is led by a certified Program Manager Professional (PMP). The team provides fully "matrixed" support to the WHTI government complement of program managers and staff who support the full range of WHTI requirements.

⇒ What is the status of hiring or contracting staff to product the plans for WHTI, and are there other instances in which CBP relies on contractors to produce critical plans?

ANSWER:

- Planning Timeline for Technology:

On January 10, 2008, CBP awarded a contract to Unisys Corporation to implement vicinity Radio Frequency Identification (RFID) and new License Plate Reader technologies along the northern and southern borders. Unisys developed an implementation plan as part of their CBP proposal, providing a best estimate for the timeframe in which to complete implementation. CBP has received the initial schedule, which is being further refined, and is meeting with Unisys regarding CBP requirements. The schedule is being revised. CBP anticipates the schedule will be available in April 2008

- Planning Timeline for Staffing:

For FY 2008, the Administration submitted to Congress a request for 205 CBP officers at a cost of $22,184,000 to support the implementation of WHTI. In preparation for WHTI and to mitigate any potential surge activity surrounding the increase of trusted traveler enrollments, additional CBP officers will be deployed across enrollment centers and in land border field locations in FY 2008.

The deployment of CBP officers is focused on current and proposed enrollment centers and land border secondary locations where increases in secondary referrals are expected once WHTI is implemented. As of February 29, 2008, 97 of the 205 CBP officers have been hired for designated pre-clearance and land border locations.

- Planning Timeline for Training:

As indicated in CBP's Comment in GAO-08-274R, DHS and CBP have produced an overall training strategy and comprehensive training plan for training officers to use the new Vehicle Primary Client software, and a training strategy for the new document requirements and related changes in policies and procedures.

CBP has technology currently in place at all ports of entry to read any travel document with a machine-readable zone, including passports, Enhanced Driver's Licenses (EDLs), and the new Passport Card. All CBP officers at the ports of entry are currently trained in the use of this technology. In preparation for full implementation of WHTI on June 1, 2009, CBP awarded a contract on January 10, 2008, to begin the process of deploying vicinity RFID facilitative technology and infrastructure to 354 vehicle primary lanes at 39 high-volume land ports over the next two fiscal years.

CBP deployed the new primary client (software application) in the vehicle primary lanes at the ports of Blaine and Nogales on February 12, 2008, in support of the anticipated RFID hardware installation. This deployment will quickly and effectively provide officers with information on border crossers and focus attention on the traveler and the vehicle. The approved training plan and associated training tools, which covers both the policy and systems/on site support requirements, were successfully delivered to 245 CBP officers in Blaine and Nogales by February 12, 2008.

There are situations where CBP does find it beneficial to use contractors to facilitate the creation of various work products, including specific plans. The CBP management approach strives to employ the appropriate combination of government and contract staff to assure we have the right blend of expertise and maintain flexibility of resources. CBP staff work together with the contractors to deliver the best product for the most reasonable price. However it is CBP's responsibility to oversee and approve every project. CBP staff monitor and validate contractor performance to ensure that work products adhere to CBP and DHS standards. CBP takes action to address any change necessary.

Question: RFID Security -- The plan to use the new Passport Cards issued by the State Department is a key element of WHTI implementation, although there have been concerns raised about the susceptibility of RFID-enabled technology to attacks by hackers.

⇒ Please describe what steps are being taken to guard against the vulnerability such as that recently identified by University of Virginia researchers for the commonly used "Mifare Classic" RFID chip?

ANSWER: The Mifare Classic Radio Frequency Identification (RFID) chip is not the technology chosen to be incorporated into travel documents for use at the border. Mifare Classic and other similar implementations operate at a different frequency and utilize a different type of RFID called 'smartcard' - a "contact-less," 'proximity' RFID implementation. Proximity refers to the ability to read a tag within a few inches. DHS is using a contactless 'vicinity' RFID tag that does not contain any personally identifiable information, further protecting private information from potential misuse. As such, the vulnerability exhibited in the Mifare Classic card implementation does <u>not</u> exist in the Passport Card or other travel documents, such as the enhanced driver's license or trusted traveler card, supporting the Western Hemisphere Travel Initiative for land and sea border crossings.

In selecting vicinity RFID technology, CBP has also implemented many security procedures to prevent hacking and identity theft. These procedures include:

- Visual Inspection Safeguards: Travel documents employ detailed macro and micro visual security features that make it extremely difficult to duplicate or clone the physical document itself. In addition, the photo and biographic data for all travelers issued an RFID-enabled travel document will be displayed and compared in real time to the photo on the card, and to the person presenting the document, by a highly trained CBP officer, who will quickly be able to verify the identity of the holder. In the unlikely

event a cloned tag is used at the border, a CBP officer will have the ability of detection almost immediately.

- Data Safeguards: The RFID vicinity tag only contains and transmits a unique number that has relevance to a remote, highly-secure database that resides on a private, secure network. The tag does not contain any personally identifiable information, only a unique number. In addition, the number is permanently locked so that it can never be changed or overwritten. No hacking attempts have ever successfully changed an RFID number once it has been permanently locked (a technique called 'permalocking'). All personally identifiable information is stored and transmitted over secure back-end networks from secure databases to the CBP Officer at the border. Data is only available to officers with a need to know and only in the performance of official law enforcement duties.

- Technology Safeguards: The vicinity RFID standard selected for use in travel documents offers CBP an opportunity to use a new feature called a unique Tag Identifier (or TID). RFID tags that have a TID can be used to identify and remove the risk of duplicate RFID tags used at the border. At the time of chip manufacture, the TID is factory-locked using the same 'permalocking' technique for the RFID number. The TID has never been successfully changed or cloned by a hacker. In addition, a Faraday cage will be made available to all RFID card holders. A Faraday cage (also called an attenuation sleeve) is a shielding device that prevents RFID chips from being read surreptitiously when the document is not used at a border crossing facility.

⇒ Please update the implementation/deployment timeline for this project, as submitted in the record to the Subcommittee last year.

ANSWER: The Department of State has primary oversight for the new Passport Cards and should be consulted about the timeline for their deployment.

Automation Modernization

Question: Funding was provided in FY08 and additional funding is requested in FY09 tor Terrorism Prevention System Enhancements (TPSE) and Critical Operations Protection and Processing Support (COPPS), in part to attain 100 percent systems and network availability for critical CBP systems. Please provide data on system availability for fiscal years 2006-2007 and to date in fiscal year 2008, with annotation as appropriate as to the reason for any significant lapses in service or connectivity.

ANSWER: These are all examples of events that affected last year's percentages: Hurricane season, LAX outage, Sprint core routers outages, Verizon Edge router outages and an e-Health outage that lasted 5 days last year which caused e-health not to collect stats from any of the sites. Also, the significant increase in CBP users since 2006 has impacted the systems and network availability.

Measure	FY06 Qtr 1	FY06 Qtr 2	FY06 Qtr 3	FY06 Qtr 4	FY 06 Actual
Percentage of Network Availability	99.9	99.9	99.9	99.9	99.9
Measure	FY07 Qtr 1	FY07 Qtr 2	FY07 Qtr 3	FY07 Qtr 4	FY 07 Actual
Percentage of Network Availability	99.9	99.2	98.7	99.9	99.4
Measure	FY08 Qtr 1	FY08 Qtr 2	FY08 Qtr 3	FY08 Qtr 4	FY 08 Actual
Percentage of Network Availability	99.9				

CONSTRUCTION

Question: Please detail by location, with project description (e.g., by the type/capacity and function of facility), intended use of the $255,286,000 for Border Patrol facilities (including an increase of $149,513,000) and $16,600,000 in current services funding for Air and Marine facilities.

ANSWER: Projects are subject to funding and CBP mission requirements. Should CBP priorities or funding be altered the projects listed may be altered to meet changed requirements.

FY2009 Border Patrol Construction		
FY2009 Base		
Project Location	Size/Type	Total
Blythe, CA	250 Agent Border Patrol Station	$28,900,000
Boulevard, CA	150 Agent Border Patrol Station	$31,000,000
Calexico, CA	450 Agent Border Patrol Station	$28,000,000
Tucson, AZ	Checkpoints SR 85, SR 90 & I-19	$17,873,000
FY2009 Base Total		***$105,773,000***
FY2009 Enhancement		
Project Location	Size/Type	Total
Calexico, CA	450 Agent Border Patrol Station	$6,000,000
Comstock, TX	225 Agent Border Patrol Station	$25,000,000
El Centro, CA	Sector HQ Vehicle Maintenance Facility	$18,000,000
El Paso, TX	Expand Checkpoints	$1,513,000
Indio, CA	175 Agent Border Patrol Station	$18,000,000
Naco, AZ	450 Agent Border Patrol Station	$47,000,000
Presidio, TX	100 Agent Border Patrol Station	$3,000,000
Sonoita, AZ	250 Agent Border Patrol Station	$27,000,000
Swanton, VT	Checkpoints I-91 & I-87	$4,000,000
FY2009 Enhancement Total		***$149,513,000***
FY2009 Border Patrol Construction		**$255,286,000**

FY2009 Air & Marine Construction		
Yuma, AZ	46K SF Hangar, Maintenance & Admin	4,000,000
Uvalde, TX	19K SF Hangar, Maintenance & Admin	2,000,000
Laredo	32K SF Hangar, Maintenance & Admin	4,000,000
Marfa	24K SF Hangar, Maintenance & Admin	3,000,000
El Centro, CA	25K SF Hangar, Maintenance & Admin	2,100,000
El Paso, TX	Consolidation of various facilities	1,500,000
FY2009 Air & Marine Construction		**$16,600,000**

International Advisory Program (IAP) and Carrier Liaison Program (CLP)

Question: The budget justification identifies five current IAP locations, but additional locations have been identified as candidates for expanded IAP operations. Please provide a description of planned activities (and locations) for the IAP and the Carrier Liaison Program for FY 08 and projected for FY 09, to include a staffing/budget breakout for fiscal years 2007-09 (to include training, travel and equipment costs).

ANSWER:

- **Immigration Advisory Program (IAP)**

To date in FY 2008, IAP has expanded to locations in Seoul, Madrid, Gatwick (Eng), and Manchester (Eng), which supplement the current IAP deployments in Amsterdam, Warsaw, Tokyo, London-Heathrow and Frankfurt. Currently there are 36 IAP personnel posted on temporary duty assignments to: Amsterdam (4), Warsaw (3), Tokyo (4), London (8), Frankfurt (4), Seoul (3), Madrid (3), Gatwick (4) and Manchester (3).

FY2007's initiative to convert three sites (Amsterdam, London, and Tokyo) to permanent positions is proceeding accordingly. The IAP vacancy announcements for permanent positions for these locations have been completed and recommendations for selections concluded. The Office of Field Operations OFO anticipates these permanent employees to be in place by the end of calendar year 2008.

OFO is also seeking to pilot IAP deployments to Mexico City and Bangkok in FY 2008.
In FY 2009, OFO plans to pilot IAP operations to Taipei, Paris and Hong Kong.

Immigration Advisory Program Budget Summary

Cost	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate
Personnel & Benefits	2,315,278	881,728	1,000,000
Travel	2,948,500	5,000,000	5,000,000
Training	**	**	**
Equipment	14,999	0	0
Other	1,361,821	198,258	200,000
TOTAL	$6,640,598	$6,079,986	$6,200,000

** CBP trains its IAP officers before they deploy to overseas locations, but these expenditures are indistinguishable from the per diem travel expenses for the officers to travel to the site where the training occurs.

- **Carrier Liaison Program (CLP)**

Planned Activities for FY 2008

Training:
In Fiscal Year 2008, the CLP will identify and coordinate 25 overseas training missions based on the Congress' mandated Top 50 list, industry requests and fraud trends. The CLP will provide training in Washington, D.C. on the Foster and Freeman VSC 5000 machine located at 11 ports of entry. The Video Spectral Comparator 5000 is a comprehensive document examination instrument. Foster & Freeman created this workstation specifically to examine travel documents, especially passports. Without disturbing the passport's integrity the workstation allows it to be examined under high magnification and different kinds of light, including ultra violet, infra red, high intensity, and oblique light. The workstation contains many features to assist in detecting document forgeries and characterizing the differences between them and genuine documents. It allows the comparison of live document images to stored images by placing them side-by-side or superimposing them. The VSC 5000 is an essential tool in the determination of fraudulent documents and an excellent resource for CLP training material.

Curriculum:
In an effort to provide the most up to date and accurate training material, the CLP will formulate a work group in Fort Lauderdale, Florida, to review and update the 2001 Vessel Inspection Guide. The Vessel Inspection Guide is a comprehensive guide on arrival and departure processing and documents required for the cruise and cargo industry. The former Carrier Consultant Program (CCP) under the direction of the former Immigration and Naturalization Service (INS) created this guide. The original guide included exemplars of required forms, step-by-step instructions on port of entry procedures and an interactive PowerPoint presentation. The CLP is also in the process of reviewing and updating current publications such as the Carrier Information Guide and Documentary Requirements Flyer). The Carrier Information Guide (CIG) was created by the CLP and published in February of 2006 and contains pertinent information on documentary entry and departure requirements for the United States. The CIG also consists of exemplars of acceptable documents, quick reference guides and fines information. The Documentary Requirements Flyer was also created by the CLP and contains photos of all acceptable documents for entry and departure for the United States. Both publications are excellent reference tools for airline industry and security company personnel.

Material:
The CLP will purchase ultraviolet lights and handheld loupes along with other necessary training material for overseas and domestic training missions. The ultraviolet (UV) lights and handheld loupes are used in conjunction with the CLP training document, workbook and PowerPoint presentation. The CLP training document was created and produced by CLP and contains virtually all security features found in travel documents used today. The UV Lights and loupes allow for class participants to gain hands on experience examining documents and security features.

Projected Activities for FY 2009

Training:
In Fiscal Year 2009, the CLP will identify and coordinate 30 overseas training missions based on the Congress' mandated Top 50 list, industry requests and fraud trends. Due to natural attrition, change in job responsibilities and additional needs, the CLP will identify 25 CBP officers to be formally trained as CLP officers at a train-the-trainer CLP course in Washington, DC. Once trained, CLP officers introduce the program to station managers at their ports of entry, liaise with airline personnel and provide the carriers with any releasable information/intelligence on the illegal movement of people and the use of fraudulent documents. These trained officers also provide CLP training to airline and security personnel both domestically and on overseas CLP training missions.

Outreach:
The CLP will coordinate a national CLP conference at a designated port of entry. This conference will invite industry and government personnel to attend numerous workshops on CLP curriculum and additional CBP/OFO programs that effect the industry. The conference is designed to educate airline personnel on all aspects of CBP in an effort to assist in CLP's mission; to enhance border security by increasing commercial carrier effectiveness in identifying improperly documented passengers destined to the United States. Attendees will have the opportunity to sit in on sessions presented by, but not limited to, CLP, Advanced Passenger Information System (APIS), Alien Smuggling and Interdiction (ASI) and Western Hemisphere Travel Initiative (WHTI).

Material:
The CLP will purchase ultraviolet lights and handheld loupes along with other necessary training material for overseas and domestic training missions. The ultraviolet (UV) lights and handheld loupes are used in conjunction with the CLP training document, workbook and PowerPoint presentation. The CLP training document was created and produced by CLP and contains virtually all security features found in travel documents used today. The UV Lights and loupes allow for class participants to gain hands on experience examining documents and security features.

Carrier Liaison Program Budget Summary

Cost	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate
Personnel & Benefits (35%)	331,712	341,663	351,913
Travel	398,673	500,000	550,000
Training	811	100,000	100,000
Equipment	109,566	50,000	75,000
Other	49,785	60,000	50,000
TOTAL	$912,123	$1,051,663	$1,126,913

Note: Salaries are current for FY 2008 and adjusted for 3% inflation FY 2007 – FY 2009.

CBP AIR AND MARINE

Question: Please provide actual and projected staffing and funding associated with the CBP Air and Marine Program Office for fiscal years 2007-09. Notwithstanding current budget constraints, what levels are required to fully support Air and Marine operations and procurement, in particular with the multiple initiatives and activities A&M is required to support both regionally and nationally?

ANSWER: CBP A&M actual and projected staffing and associated funding for FY 07-09 are as follows:

FY 2007 Enacted and Supplemental: 1,315 FTE @ $191.9M
FY 2008 Enacted and Omnibus: 1,513 FTE @ $226.7M
FY 2009 Request: 1,674 FTE @ $254.3M

In August 2006, CBP Air and Marine (A&M) submitted its first strategic plan to the Committees on Appropriations. It outlined the long term approach A&M would take to recapitalize its air force, expand its staffing, upgrade and expand its support infrastructure, and ensure its homeland security mission could be sustained. In February of this year, the plan was updated to include a marine recapitalization strategy and a more detailed approach for unmanned aircraft systems. Each document contains a resource model that projects the potential costs for the recapitalization and expansion efforts over a ten-year period. The model is not tied to any particular budget year, but provides sufficient detail to understand the magnitude of the potential investment. As requested by the Committees, CBP A&M will continue to submit annual updates to the strategic plan, and will advise the Committees of any emerging conditions that would lead to a significant change to the plan.

56. Please provide actual and projected Air and Marine Operations Center (AMOC) staffing for fiscal years 2007-09. What additional staffing, equipment and associated funding is needed to achieve 24/7 coverage for the Southern and Northern Borders?

ANSWER: Actual on boards for FY 2007 for AMOC was 104 personnel. The FY 2007 enacted budget provided an additional 22 positions for AMOC. Year to date on board in FY 2008 for AMOC is 110 personnel. The FY 2008 enacted budget provides an additional 27 positions for AMOC. The FY 2009 submitted budget did not request additional positions for AMOC.

AMOC currently requires an additional 88 FTE to achieve its desired end state of 224 personnel. The Air and Marine Operations Center (AMOC) is one of two national centers designated to coordinate interdiction operations in the Western Hemisphere. It is a 22,419 square-foot national asset and is currently undergoing an expansion that will add 6,000 sq. ft. of floor space. This additional space will allow for a Sensitive

Compartment Information Facility and for operations associated with the identification and tracking of suspect targets.

In Summer 2008, CBP will establish an AMOC Phase B Program Office. This program office will be responsible for defining requirements, establishing program milestones and schedule, and managing execution of the program to meet the requirements of achieving coverage for the southern and northern borders.

The AMOC Phase B expansion will facilitate UAS operations from this facility and accommodate its associated support staff. Additionally, the mission expansion of AMOC will potentially require expansion of the current facility as interagency missions are accommodated.

Future planning also includes a new facility for the Caribbean Air & Marine Operations Center (CAMOC). This facility will be included as a component of the Caribbean Air and Marine Branch with a requirement for approximately 6,000 sq. ft. of floor space to support operations and office space.

A comprehensive review of AMOC's total equipment and funding requirements to achieve 24x7 coverage for all borders is currently being conducted.

Question: Please describe CBP actions to date and planned to fill vacant Detection Systems Specialist (DSS) positions.

ANSWER: CBP Air and Marine opened a vacancy announcement for the Detection Enforcement Officer (Ground) GS-1801-11/12 on Wednesday May 16, 2007 and closed it on Wednesday May 30, 2007. As an outcome of this effort, seven selections were made. Additionally, on March 18, 2008, a Career Fair was held at the March AFB, CA to recruit for the Detection Enforcement Officer.

Question: Please provide CBP A&M staffing details per location/air wing (on board for FY 07 and projected for fiscal years 2008-09). For those locations, please also provide total funding, including base funding (broken out by Salaries and Expenses vs. the Air and Marine Interdiction, Operations, Maintenance and Procurement accounts) by air and marine branch/location.

ANSWER: Please see tables on following pages.

A&M FY07 OBLIGATIONS

LOCATION	FTE	S&E	O&M	2007 PROCUREMENT & 2007 SUPPLEMENTAL
HQ*	81	27,448,183	168,274,483	355,542,786
St. Augustine	7	833,582	7,104,981	
Jacksonville	45	5,920,972	1,786,110	
New Orleans	44	6,269,273	1,362,565	
Miami	84	11,887,911	3,637,221	
Puerto Rico	51	5,069,178	9,227,518	
San Diego	98	12,716,360	3,158,012	
Rio Grande Valley	65	6,701,728	1,961,278	
Bellingham	35	4,109,261	2,208,807	
Detroit	9	551,667	175,617	
Buffalo	9	660,577	126,738	
Yuma	19	1,596,151	341,913	
Del Rio	75	7,888,882	1,877,626	
Laredo	15	1,530,758	940,426	
Spokane	3	449,410	78,329	
Grand Forks	27	3,378,177	310,817	
Plattsburgh	37	4,179,408	1,891,729	
Houlton	2	327,214	68,420	
Great Falls	29	4,078,476	3,933,966	
Riverside CA (AMOC)	94	9,742,937	39,257,422	
Oklahoma City	42	6,043,780	12,190,304	
El Paso Logistics Center	9	1,085,955	13,897,817	
Corpus Christi - P3	121	17,451,901	19,999,304	
Jacksonville - P3	81	11,779,484	11,772,496	
El Centro	11	1,570,219	148,666	
Tucson	115	15,116,280	9,356,790	
Marfa	8	743,971		
El Paso	72	8,340,992	1,772,754	
TOTALS	1288	177,472,687	316,862,110	355,542,786

*HQ obligatons includes all national program acquisitions (uniforms, vehicles, etc.) and relocations

A&M FY08 PROJECTED OBLIGATIONS

LOCATION	FTE	S&E	O&M	PROCUREMENT
HQ*	96	30,250,188	222,236,194	204,433,000
St. Augustine	7	905,195	11,407,140	
Jacksonville	52	6,895,897	2,038,209	
New Orleans	47	6,677,019	1,842,125	
Miami	85	13,406,795	4,368,334	
Puerto Rico	53	4,430,861	11,806,542	
San Diego	105	14,890,052	4,741,500	
Rio Grande Valley	63	8,739,760	3,109,815	
Bellingham	47	6,134,572	2,652,048	
Detroit	23	2,149,603	1,005,314	
Buffalo	14	1,795,525	573,454	
Yuma	20	2,440,323	632,703	
Del Rio	61	8,861,327	3,151,800	
Laredo	25	3,472,018	1,611,250	
Spokane	4	587,832	262,968	
Grand Forks	29	4,935,143	2,405,194	
Plattsburgh	39	5,482,641	2,278,869	
Houlton	4	300,192	251,640	
Great Falls	35	4,560,010	2,563,960	
Riverside CA (AMOC)	99	11,550,342	4,700,000	
Oklahoma City	44	6,043,168	15,415,054	
El Paso Logistics Center	11	1,054,174	11,645,481	
Corpus Christi - P3	115	16,581,960	20,790,248	
Jacksonville - P3	79	11,865,786	13,647,654	
El Centro	15	1,963,870	516,800	
Tucson	115	15,559,051	10,486,716	
El Paso	78	10,357,855	2,343,848	
TOTALS	1,365	201,891,159	358,484,859	204,433,000

* HQ projections includes all national program acquisitions (uniforms, vehicles, etc.) and relocations.

The following costs will be spread out among all the field locations:

OT/Premium Pays	5,182,938
New Hires & Backfills	18,912,773
	24,095,711

FY 2009 projected funding request is $254.8M for salaries and expenses, $380.0M for operations and maintenance and $148M for procurement.

The following identifies the funded FY 2008 new hires by location for a total of $36M. These dollars are not included in the FY 2008 chart shown above as exact hiring dates are not known at this time.

	Hires from FY 08 SBI 151 Total			Hires from FY 08 Omnibus 82 Marine (11 Units)	
Bellingham/Blaine	3				
Buffalo	2	1			
Caribbean	4				
Del Rio	2	1			
Detroit	7				
El Paso - Air	2	1			
Grand Forks, ND	2	2			
Great Falls /Havre, MT	3				
Houlton	2	1			
Jacksonville	6	1			
Laredo	3	1			
Marfa	4	1			
Miami	4	1			
New Orleans	6	1			
Plattsburgh/Swanton	1	1			
Rio Grand Valley	5	1			
San Diego	1	1			
Sierra Vista		1			
Spokane	2	1			
Tucson	1	1			
UAS	5	15			
Yuma	3				
Calais, MA				7	1
Corpus Christi, TX				7	1
Duluth, MN				6	1
Galveston, TX				7	1
Gulf Port,		1			
Key Largo	2				
Key West	4				
Miami Marine	2				
Morgan City, LA				6	1
Oswego, NY				7	1
Panama City, FL				7	1
Pot Angeles, WA				6	1
Port Huron, MI				6	1
Sandusky, OH				6	1
San Diego - Marine		1			
Sault Ste. Marie, MI				6	1
AMOC		27			
El Paso - Nat'l Logis		1			
Headquarters		13			
Total	76	75	0	71	11

Question: Please describe of planned and executed P-3 Transit Zone Operations in fiscal year 2007 and projected for fiscal years 2008-09, and update the status of depot maintenance and Service Life Extension Program efforts to extend the life of the P-3 fleet.

ANSWER: CBP A&M operational flight hours in the Transit Zone anticipated for FY 2007 were limited by maintenance and parts availability issues. The initial return-to-service schedule indicated a potential of as many as 9,400 total flight hours. Allowing a 10% variable for training and maintenance hours, the pre-year goal was estimated at 8,500 operational flight hours. Realized year end aggregates reaching 5,900 total flight hours and 5,100 operational flight hours were due to contractor missed aircraft delivery dates.

With the reduction in available airframes during FY 2007, CBP A&M was able to provide 70.5% of its normal 7200-hour commitment to JIATF-South for CD/CNT operations, which accounted for 29% of the total JIATF-S Air Mission On-Station hours for FY 2007.

CBP A&M P-3 missions in the Transit Zone have been the premier catalyst for directing partner agencies in seizing, destroying or sinking more than 78 metric tons of cocaine and denying street level drug dealers illicit revenue nearing $5.7 billion in FY 2007. These missions led to seizures of vessels, detaining of undocumented aliens, arrest of smugglers and identification of smuggling techniques, means and methods.

The cocaine seizure rate per Counter Drug flight hours flown for FY 2007 is the highest that CBP A&M P-3 Operations Centers have achieved in a single fiscal year. Interpreted as a seizure rate per flight hour, the P-3 provided a substantial 'return on investment' supporting U.S. layered counter-narcotic interdictions by seizing or disrupting 33.8 pounds of cocaine per flight hour.

FY 2007 has seen some significant changes in the drug cartels smuggling tactics in the Eastern Pacific. On different occasions Self-Propelled-Semi-Submersible (SPSS) craft were detected and seized/scuttled on three different occasions resulting in significant drug seizures/disruptions. In addition, bulk smuggling of liquefied cocaine (cocaine mixed with diesel fuel) has surfaced, with the most significant seizure being the Fishing Vessel (F/V) Mar Pacifico on September 25, 2007. A total seizure/disruption of over 16,000 pounds resulted when liquefied cocaine was discovered in a hidden tank.

On April 4, 2007, a CBP A&M P-3 aircraft located the F/V Emperador in the Eastern Pacific, which was boarded and searched, resulting in the seizure of 11,000 pounds of liquid cocaine. Coast Guard personnel discovered the drugs concealed in 3,850 gallons of a diesel fuel mixture.

On August 21, 2007, the USCG arrested four suspected smugglers after a CBP A&M P-3 aircraft detected and directed law enforcement assets to an SPSS that was carrying approximately 5 metric tons of cocaine.

The continuing metamorphosis of drug trafficker tactics persisted throughout FY 2007. There was a predominant transportation change from distant southern Galapagos Islands routing to a much more littoral course. This major shift in transshipment methodology intensified throughout the year and was an instrumental element of developing compulsory involvement of those countries bordering the respective coastlines. These cooperative engagements against illegal clandestine drug movements were, and continue to be an unqualified success. CBP A&M P-3 Air Wing successful analysis on variances in trafficker transportation patterns is an A&M cornerstone to swift operational adjustment leading the way in detection and apprehension.

Flight Operations for FY 2008 and 2009 will continue to experience wide volatility in the reasonable projection of flight hour support to core mission objectives. Most critical in attaining these objectives, it is essential the A&M P-3 Air Wing return to service Fully Mission Capable (FMC) aircraft through a more confident, responsible and viable contractor delivery schedule. Anything short will render further projections ineffectual

The forecast FMC aircraft delivery matrix corroborated a FY 2008 projection of 6,400 total flight hours for the CBP A&M P-3 Air Wing. Allowing a 10% variable for training and maintenance hours, the pre-year goal was estimated at 5,760 operational flight hours. Counter Terrorism missions and other high priority taskings will further diminish the directed CD/CNT support level for JIATF-S and the Transit Zone.

Nearing the end of the second quarter of FY2008, CBP A&M Air Wing adjusted total possible flight hours to 5,550. Due to contractor missed delivery dates and unforeseen maintenance issues, 4,995 operational flight hours are projected to be completed in the Transit Zone in FY2008. The CD/CNT flight hour allotment amounts to 7200 operational flight hours and is unachievable in FY 2008.

In FY 2008, the predominant transportation routing has remained primarily a littoral course. CBP A&M expects the transportation routing to remain littoral in nature for the remainder of FY 2008.

CBP A&M Air Wing forecast FMC delivery matrix for FY 2009 looks more promising. Operational flight hours in the Transit Zone anticipated for the first quarter FY 2009 is as many as 2,115. Projection beyond March 2009 cannot be reasonably predicted with certainty based on historically contactor-missed delivery dates.

During 2006, CBP determined a Service Life Extension Program (SLEP) was required to extend the service life of the P-3 fleet. The first step of the SLEP was to complete a Service Life Assessment Program (SLAP). A SLAP was initiated in 2006 and completed in 2007. The SLAP consisted of a detailed assessment of the aging history of the 16 CBP P-3 aircraft. The SLAP provided the Total Life Index (TLI) for each aircraft. CBP set a TLI limit of 1.75 as the point at which the SLEP would have to begin. The May 2007 results of the SLAP indicted that Long Range Tracker (LRT) aircraft had from three to eight years of service life remaining before reaching TLI limits at normal utilization rates of 90 or less flight hours per month. The SLAP also indicated that two Airborne Early Warning (AEW) met or exceeded the TLI limit of 1.75. One AEW had a 1,000 flight hours or less remaining before reaching the 1.75 TLI; and two of the remaining four aircraft had significant service life remaining before reaching TLI limits. During 2007, average availability was approximately four to five aircraft, flying up to 60 hours per month above their planned utilization.

The P-3 SLEP is a multi-phased program that commenced with the Service Life Assessment Program. In progress Special Structural Inspection (SSI), Enhanced Special Structural Inspection (ESSI) programs bridge gap to utilize remaining TLI until the P-3 SLEP commences. The actual extension of service life begins the P-3 Wing Replacement and includes Empennage Inspection and Replacement as required, Main Fuselage Inspection and Repair, Airframe Rewire as required, Engine and propeller overhaul as necessary, and Cockpit Configuration Standardization.

The wing replacement phase of the P-3 SLEP effort is underway and a replacement wing contract will be awarded in FY 2008. Efforts continue to define and refine requirements for a multi-year competitive P-3 SLEP contract to be awarded in FY 2009. The goal is to award competitive contracts that result in extending the P-3 service life by 15,000 flight hours. The number of aircraft inducted into the SLEP each year, beginning in FY 2009, will depend on both mission requirements and the availability of resources.

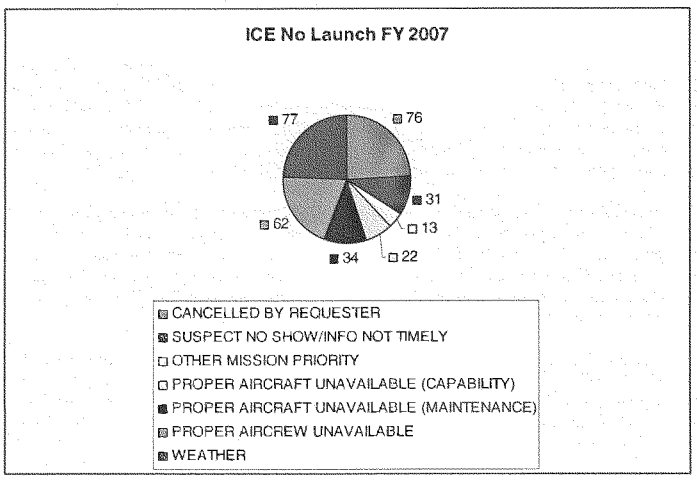
The FY 2009 President's Budget includes $56M for the P-3 SLEP program. This allocation will fund the installation of two replacement wing kits purchased in FY 2008 on aircraft that have reached TLI, and will purchase up to three additional replacement wing kits for installation in subsequent fiscal years. CBP supports the President's Budget.

Question: Please provide data on how CBP Air and Marine supports other DHS missions, in particular ICE, including number of missions requested and actually supported in fiscal years 2007 and projected in fiscal years 2008-09.

ANSWER: CBP Air and Marine is often called on to support the missions of other Federal agencies, including ICE, DEA, and others. Below please find data reflecting CBP Air and Marine support of ICE missions.

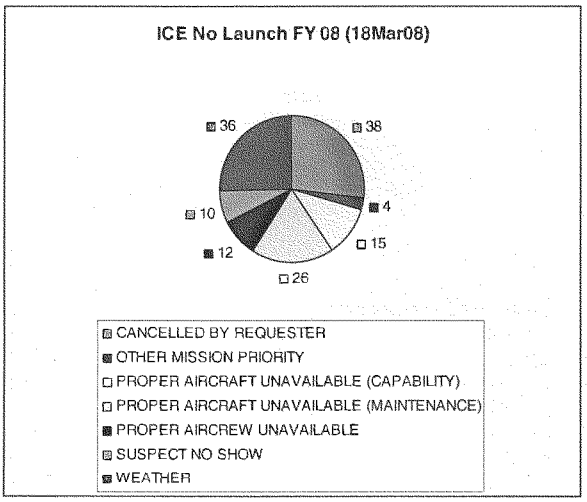
Total ICE Mission Requests for FY2007 – 2205
Total No Launch – 315
Total Flights in support of ICE – 1890

ICE No Launch FY2007		% of NL
CANCELLED BY REQUESTER	76	24%
SUSPECT NO SHOW/INFO NOT TIMELY	31	10%
OTHER MISSION PRIORITY	13	4%
PROPER AIRCRAFT UNAVAILABLE (CAPABILITY)	22	7%
PROPER AIRCRAFT UNAVAILABLE (MAINTENANCE)	34	11%
PROPER AIRCREW UNAVAILABLE	62	20%
WEATHER	77	24%



Total ICE Mission Request for FY 2008 thru March 18, 2008 – 1211
Total No Launch – 141
Total Flights in support of ICE – 1070

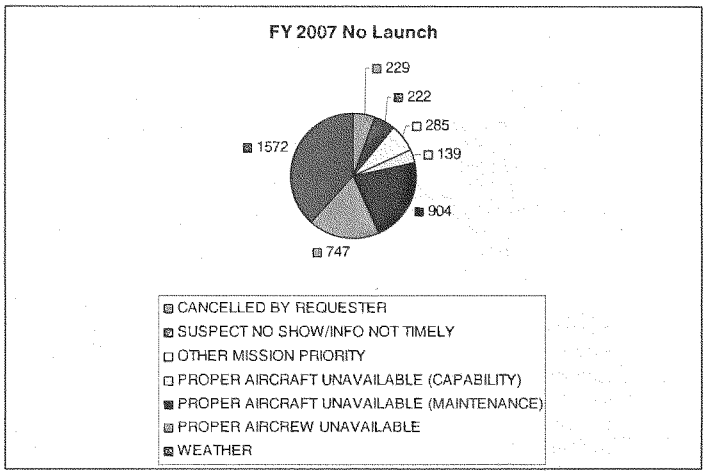
ICE No Launch FY 2008 thru March 18, 2008		% of NL
CANCELLED BY REQUESTER	38	27%
OTHER MISSION PRIORITY	4	3%
PROPER AIRCRAFT UNAVAILABLE (CAPABILITY)	15	11%
PROPER AIRCRAFT UNAVAILABLE (MAINTENANCE)	26	18%
PROPER AIRCREW UNAVAILABLE	12	9%
SUSPECT NO SHOW	10	7%
WEATHER	36	26%



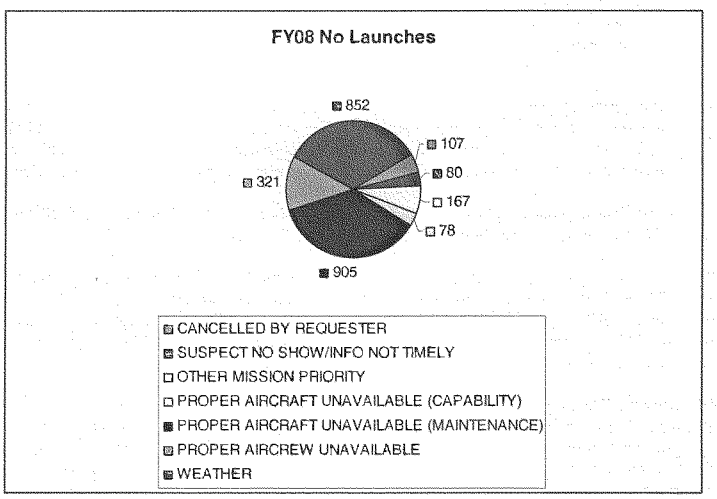
Question: Please provide no-launch statistics for fiscal year 2007 and 2008 to date.

ANSWER:

FY 2007 No Launches (ALL)		% of NL
CANCELLED BY REQUESTER	229	6%
SUSPECT NO SHOW/INFO NOT TIMELY	222	5%
OTHER MISSION PRIORITY	285	7%
PROPER AIRCRAFT UNAVAILABLE (CAPABILITY)	139	3%
PROPER AIRCRAFT UNAVAILABLE (MAINTENANCE)	904	22%
PROPER AIRCREW UNAVAILABLE	747	18%
WEATHER	1572	38%



FY 2008 No Launches (ALL) Thru March 18, 2008		% of NL
CANCELLED BY REQUESTER	107	4%
SUSPECT NO SHOW/INFO NOT TIMELY	80	3%
OTHER MISSION PRIORITY	167	7%
PROPER AIRCRAFT UNAVAILABLE (CAPABILITY)	78	3%
PROPER AIRCRAFT UNAVAILABLE (MAINTENANCE)	905	36%
PROPER AIRCREW UNAVAILABLE	321	13%
WEATHER	852	34%



Question: Please describe CBP participation in planning for the interagency Next Generation Air Transportation System effort, and any potential impact on AMOC and CBP's interdiction and other operations.

ANSWER: CBP Air and Marine has representatives on the Next Generation Air Transportation System (NGATS) Joint Program Development Office (JPDO) Integrated Surveillance Study Team (ISST). The purpose of the ISST is to develop consolidated NGATS requirements for Integrated Aviation Transportation Surveillance. CBP Air and Marine members of the ISST ensure the equities of CBP and DHS are documented. It is critical that current radar systems continue to detect the "non-cooperative" aircraft and /or the "primary only" aircraft, in order to allow CBP, and other agencies that are directly involved in airspace security, to track these aircraft without interruption.

Question: What is the current status of CBP participation in the Next Generation Air Transportation System (NGATS) planning process, and the prospects that a NGATS will address "non-cooperative air traffic" currently tracked by AMOC?

ANSWER: CBP Air and Marine has representatives on the Next Generation Air Transportation System (NGATS) Joint Program Development Office (JPDO) Integrated Surveillance Study Team (ISST). The purpose of the ISST is to develop consolidated NGATS requirements for Integrated Aviation Transportation Surveillance. CBP Air and Marine members of the ISST ensure the equities of CBP and DHS are documented. It is critical that current radar systems continue to detect the "non-cooperative" aircraft and /or the "primary only" aircraft, in order to allow CBP, and other agencies that are directly involved in airspace security, to track these aircraft without interruption.

Question: CBP is very dependent on contractor UAS operators and pilots at this time. Do you plan to replace contractors with CBP personnel? Do you have enough staffing and tracking capacity at the Air and Marine Operations Center? What is the requirement, in terms of staff, equipment, facilities, and a timetable for implementation (including for ground control systems) for a fully operational Predator Operations Center?

ANSWER: CBP plans to replace a portion of the contractor workforce with CBP personnel. CBP has been funded to hire 24 UAS pilots and sensor operators in FY 2009.

CBP A&M intends to begin limited UAS operations from the Air and Marine Operations Center in 2008. A portion of the FY 2009 new hires (24 personnel) will be allocated to UAS operations at the Air and Marine Operations Center. CBP will submit a request for additional pilots in the FY 2010 budget request. If approved, these positions will be allocated between the Air and Marine Operations Center and UAS operating centers on the southwest border, the northern border and the southeastern coastal region.

CBP A&M will establish an AMOC Phase B Program Office in summer, 2008. This program office will be responsible for defining requirements, establishing program milestones, establishing a program schedule and executing a program that meets the requirement to achieve coverage for the southern and northern borders. The AMOC Phase B program will address several requirements, one of which is the establishment of a Predator operations center.

Question: What funding is required for spare parts and related equipment to support full operations for the current planned six UAS in fiscal years 2008-09, and how much is currently funded or requested for this purpose?

ANSWER: The FY 2008 enacted budget provides CBP A&M $10.6M for spares and related equipment for the current six planned UAS aircraft. CBP estimates that $4M per year, per UAS (i.e., a total $24M per year for six aircraft) is required to support full operations in FY 2008-2009. This funding would support spares, ground support equipment, contractor technical and maintenance support and fuel costs for three locations. This funding would also support surge operations in other locations.

This brings total funding for UAS, through FY 2008 to $100.2M. The FY 2009 President's Budget contains $29.6 million for the UAS system and its related spares and equipment. The funding will support the purchase of the 7th UAS, much-needed upgrades to the program's software integration lab, and additional ground control equipment/spare parts for increased deployment flexibility. It also contains $4 million for 24 new UAS pilots. With the additional pilots, CBP can provide each UAS with two sets of crew, and increase the average length of its Predator B missions to at least 14 hours.

Question: Does the CBP/DHS strategic plan call for a target of 18 UAS', to be deployed six each on the Northern and Southern borders as well as the Florida/Southeast maritime area? Assuming full funding for this would be available, what timetable, funding and staffing would be required to achieve this?

ANSWER: While the Strategic Plan does call for an end state of 18 UASs to be deployed in the three Area's of Responsibility (AORs) to include the Northern, Southern, and Southeast/Caribbean maritime regions, it does not specify certain numbers to each border region, deployments locations of these aircraft will be based on threat. CBP anticipates that these threats will change over time and therefore deployment locations will change as well to correspond accordingly.

Strategically, CBP A&M will maintain command and control of UAS operations through the AMOC. Operationally, in its future role as a UAS National Operations Center, the AMOC will serve as a CBP UAS Center of Excellence and oversee the air tasking of the planned 18 unmanned aircraft systems in each of the three operational regions.

Tactically, CBP A&M UAS Operations Centers conduct launch and recovery missions via locations that provide access to enter the National Airspace System (NAS) from restricted airspace.

The UAS Operations Centers, in concert with the AMOC, will coordinate local area operations with the Border Patrol and other federal, state and local law enforcement organizations (based on threat type) accordingly.

The UAS end state for staffing discussed in the Strategic Plan was 241 personnel to be located at approximately five locations in support of 18 UAS platforms. The FY 2009 Budget requests $4M for 24 of these staffing positions. This plan and its desired end state however are currently under review and would have to be revised to support increased acquisition of aircraft and the subsequent increase in operations.

Merida Initiative

Question: In October 2007 President Bush announced the intent to fund a security assistance initiative with Mexico and Central American countries. This initiative would address joint efforts to combat criminal organizations, and the movement of illegal drugs and transnational threats through the region. Various forms of assistance, such as inspection equipment, canine units, and interdiction assets, have all been named possibilities. What funding is included in the FY 2009 to support this initiative, and what specifically does this fund? What additional demands would Merida initiative activities place on CBP staffing and resources (even if funded in other budgets), and how would they affect other CBP border operations, whether trade, counterdrug, or immigration related?

ANSWER: DHS and CBP have been actively involved in the interagency process developing the Merida Initiative. As a foreign assistance proposal, the Merida Initiative budget request is being made through the International Narcotics Control and Law Enforcement (INCLE) foreign assistance account. Specific questions relating to the FY09 INCLE budget request can be directed to the State Department.

The State Department recognizes that much of the expertise for the items and programs in the Merida Initiative lies among the interagency, and DHS and CBP will have an important role in implementing a number of these items and programs in the funding request. The interagency process has been working to refine the details of the package and determine which specific U.S. government departments and agencies will implement the various components of the Merida Initiative should Congress approve it.

CBP will likely have a leading role in the implementation of the following components of the Merida Initiative, which will be funded through the FY09 INCLE budget request:

- Non-Intrusive Inspection (NIIE) equipment for the Mexican military (approximately $20.2 million FY 2009 INCLE funding)
- Rescue and Communications Equipment and Training (approx. $5.3 million FY 2009 INCLE funding)
- OASSIS (approx. $4.5 million FY 2009 INCLE funding)
- NIIE/Canines for Mexican Customs (approx. $38.4 million FY 2009 INCLE funding)
- NIIE/Canines for Federal Police (approx. $31.5 million FY 2009 INCLE funding)

CBP acknowledges that implementation of the provisions of the Plan Merida initiative will call upon various types of enforcement expertise from the ranks of agency personnel. Prior to engaging, CBP will evaluate the near and longer term requirements and align to DHS objectives in a manner to minimize negative impact to CBP domestic operations. CBP is sensitive to the need to maintain continuity and commitment to existing agency priorities that ensure the security of our nation.

An important benefit from Plan Merida is the improved security to the United States through the strategic goal of assisting Mexico and Central American countries to develop their internal capacity to address threats. Through Plan Merida, CBP may realize greater coordination with Mexico partners through improved information sharing, targeting, better inspections, use of Non-Intrusive Inspection (NII) equipment, and when appropriate, joint enforcement operations. The benefit is increased response capability and interdiction of threats in Mexico's southern region or at its southern border with Guatemala. These improved activities will have the potential effect to reduce pressures on CBP resources along the border and enhance U.S. national security.

Questions for US-VISIT

Question: The CBP budget calls for $62.8 million in new funding to provide operations and maintenance support for US-VISIT hardware and systems in use at ports of entry. I understand that these costs have in prior years been shared by both CBP and US-VISIT, but not fully identified. Is this the full operations and maintenance cost for all entry/exit systems in use by CBP? Will CBP now fund all the US-VISIT functional systems in its physical control?

ANSWER: CBP has systems that collect entry and exit data such as the Advance Passenger Information System, Form I-94/W data entry and vehicle primary that are not considered US-VISIT projects and are not covered by this US-VISIT operations and maintenance request.

CBP will fund all the operations and maintenance for the US-VISIT functional systems within CBP.

Question: The US-VISIT budget justification notes that of 21 outstanding GAO recommendations for US-VISIT, 10 are no longer being tracked by GAO and four are closed. What are the remaining open recommendations, and how will you reconcile them?

ANSWER: There are a total of 35 GAO recommendations – 21 remain open, ten are no longer being tracked, and four are closed.

- The remaining open recommendations are as follows:
  1. Develop and approve test plans before testing begins. GAO-04-586 and GAO-06-296
  2. Implement effective configuration management practices, including a change control board. GAO-04-586 and GAO-06-296

3. Develop a plan for implementing all open recommendations and periodically report to the DHS Secretary GAO-06-296
4. Reassess plans for deploying exit capability to ensure the exit pilot scope is adequate. GAO-06-296
5. Develop and implement processes for managing the capacity of the US-VISIT system. GAO-06-296
6. Follow effective practices for estimating the costs of future increments. GAO-06-296
7. Provide a status of the relationships and dependencies between US-VISIT and ACE programs. GAO-06-296
8. DHS Secretary direct US-VISIT PM to assess the full impact of US-VISIT at Land POEs on workforce levels and facilities. GAO-06-296
9. Establish and maintain a plan for performing the contractor oversight process. GAO-06-404
10. Develop and implement practices for overseeing contractor work managed by other agencies. GAO-06-404
11. Require agencies managing contract actions on the program's behalf use effective contract management. GAO-06-404
12. Require DHS/non-DHS agencies managing contracts on US-VISIT's behalf delineate work, track reimbursements. GAO-06-404
13. Ensure that payments to contractors are in accordance with the Prompt Payment Act. GAO-06-404
14. Improve existing management controls for identifying and reporting computer processing problems. GAO-07-248 and GAO-07-1065
15. Develop performance measures for assessing the impact of US-VISIT operations specifically at land POEs. GAO-07-248
16. DHS finalize statutorily mandated report on comprehensive biometric entry and exit system. GAO-07-248
17. DHS Sec report to Authorization and Appropriations Comm. on why Expend Plan legislative conditions not met. GAO-07-1065
18. Report to DHS and Congress on risks associated w/not meeting Expend Plan legislative conditions and mitigations. GAO-07-278
19. Limit expenditure for exit pilots and demonstration projects until justified. GAO-07-278
20. Work with the DHS Enterprise Architecture Board to identify and mitigate program risks. GAO-07-278
21. Limit planned expenditures for PM-related activities until they are planned and justified & have performance measures. GAO-07-278

- The following recommendations are no longer being tracked:
  1. Develop a system security plan.
  2. Develop and implement plan for satisfying key acquisition management controls in accordance with SEI Guidance.
  3. Ensure that human capital and financial resources are provided for Program Office.
  4. Clarify the operational context in which US-VISIT is to operate.
  5. Determine if Increments will produce value commensurate with cost & risk.
  6. Develop and implement a human capital strategy for US-VISIT with individuals with appropriate KSAs.
  7. Develop/implement a risk management plan and ensure all high risks are reported regularly to the appropriate executives.
  8. Define performance standards for each US-VISIT program Increment.
  9. Determine if Increments will produce value commensurate with cost & risk, disclose to Congress these results.
  10. Ensure expenditure plans disclose capabilities, costs and benefits, as well as how the program is being managed.

- The following recommendations have been closed:
  1. Develop a privacy impact assessment.
  2. Perform a privacy impact assessment and use results in system acquisition decisions.
  3. Ensure that future expenditure plans are provided to House and Senate Appropriations Subcommittees.
  4. Ensure that all future US-VISIT expenditure plans identify and disclose management reserve funding.

US-VISIT has established uniform policies and procedures for coordinating Government Accountability Office (GAO) audits and a GAO recommendation database to track progress, improve communications, and facilitate reporting. US-VISIT has also created an internal integrated project team (IPT), composed of representatives from all affected offices that is focused on closing open GAO recommendations. The IPT has developed mitigation strategies addressing all open recommendations and assesses progress against planned actions. It provides a bi-weekly report on the progress of its mitigation efforts to the Under Secretary for the National Protection and Programs Directorate, and meets monthly with representatives from GAO to review progress on its mitigation strategies and discuss criteria for closure. US-VISIT has included actions to resolve open GAO audit recommendations in its executives' annual performance plans.

Question: US-VISIT requests an increase of 35 positions. How many personnel were on-board in FY 2007 and are projected for fiscal years 2008-09; how many of the 102 positions funded in fiscal year 2008 are vacant; and how many positions were and are filled by contractors?

ANSWER:

US-VISIT Staffing		
	FTEs	Vacancies
FY 2007	83 (on-board)	19
FY 2008	102 (projected)	12
FY 2009	119 (projected)	0

US-VISIT has 225 contractor FTEs.

Question: The U.S. and Germany have agreed to limited sharing of fingerprint and perhaps other biometric data for travelers. Please describe how this agreement would work in practice, any impact it might have on US-VISIT operations and budget in fiscal years 2008-09, and the procedures to ensure data integrity and privacy.

ANSWER: On March 11, Secretary Chertoff and Attorney General Mukasey initialed a ground-breaking watch list and fingerprint sharing agreement in Berlin. This new agreement will deepen counter-terrorism cooperation with Germany, where last September, U.S. and German officials together dismantled a serious terrorist plot. While the agreement has not yet been formally signed, and implementation arrangements remain to be coordinated, the sharing of information between the two countries will serve as an essential component in combating serious criminal activity, in particular, terrorism.

Given that formal implementation arrangements have not yet been coordinated and the extent of information sharing has not been determined, it is too early to evaluate the degree of impact that the agreement might have on US-VISIT operations and budget in Fiscal Years 2008 – 2009.

Although implementation arrangements remain to be coordinated, we expect that the information exchanged between the United States and Germany will be subject to the same strict privacy provisions, use limitations, and access controls of similar information-sharing programs. These provisions will ensure that necessary technical measures and organizational arrangements are used to protect personal data against accidental,

unauthorized, or unlawful destruction, loss, disclosure, alteration, access or any other form of processing. In particular, these provisions shall ensure that only those authorized to access personal data will have access to such data.

Question: Overstays and the Data Integrity Group (DIG) -- One key part of US-VISIT is the "status indicator" which tracks visa overstays. In the March 1, 2008 SBI report, DIG data show that the number of leads given to the ICE Compliance Enforcement Unit (CEU) in FY 2007 more than tripled from FY 2006 to 12,618, and the rate is climbing in FY 2008. The budget requests a $4,200,000 increase, 28% above FY08, for Identity Management and Screening Services, including for identity matching on behalf of other agencies. At the same time, the budget justification says US-VISIT receives 25,000 in-country overstay records each week, but 17,000 are neither vetted nor reviewed. The proposed FY09 budget would only cut this gap to 13,600 records per week.

⇒ How many records went unchecked in fiscal years 2006-07, and are projected to go unchecked in fiscal years 2008-09? How much would it cost to check all records?

ANSWER: The figures included in the Appropriations Committee leave-behind briefing were incorrectly identified. The Data Integrity Group (DIG) currently reviews more than 10,000 Arrival Departure Information System-identified in-country overstays per week (9,000 through batch processing and 1,000 through manual vetting); 7,000 records per week are not reviewed. US-VISIT prioritizes potential overstay reviews based on risk-based criteria from Immigration and Customs Enforcement. This approach ensures that US-VISIT is reviewing all system identified overstays from countries of interest and other identified high risk populations. With the resources requested in the FY09 budget, US-VISIT would be able to reduce the number of records that are not reviewed by 25%, allowing for the expansion of review to additional records that pose lower levels of risk.

In Fiscal Year 2006, there were 250,043 unchecked records. In FY 2007, there were 365,477 unchecked records. So far in FY 2008 (as of December 31, 2007), there were 82,819 unchecked records. Extrapolating from the first quarter of FY 2008 for all of FY 2008, we anticipate that US-VISIT will have 331,276 unchecked records. We note that using the first quarter of FY 2008 data to estimate the number of unchecked records for all FY 2008 does not address seasonal variances in travel. For the most part, the unchecked records only reflect air and sea arrivals and land border arrivals for which arrival-departure records (Form I-94) are issued. For FY 2009, we estimate that 273,000 records will not be reviewed.

Based on current costs to process priority overstay records, US-VISIT estimates that it will cost about $14.6 million to check all records. It should be noted that this is the cost of review and does not include potential additional costs that ICE would need to follow up on the information provided to them after the reviews.

⇒ I note that half of the 12 million undocumented persons in this country are said to be overstays, as were some 9/11 terrorists. How much would it cost to check all records?

ANSWER: Please see previous response. US-VISIT can only identify those overstays that arrived since the deployment of the US-VISIT system, which is about 1.3 million records. Consequently, we cannot provide a dollar cost for checking 6 or 12 million records since we do not have the capability to identify overstays if the individuals did not pass through US-VISIT entry.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSMAN CHET EDWARDS

U.S. Customs and Border Protection

Information from General Aviation Pilots

Question: CBP has a proposed rule to require certain information from general aviation international flights and this information must be electronically transmitted to CBP. Many pilots - including many in my district and in Texas - fly to and from remote areas with no internet access. How does CBP plan to address this issue? Have you met with the general aviation community to address this problem?

ANSWER: The proposed rule published in the Federal Register on September 18, 2007, requires the pilot to submit information electronically no later than 60 minutes before an arriving private aircraft departs from a foreign location and no later than 60 minutes before a private aircraft departs the United States for a foreign port or place. The pilot may authorize another party with internet access to submit the information on their behalf. In addition, while the pilot must submit the information no later than the 60 minutes prior to departure, there is no maximum time frame for submission. Thus, a pilot may submit the required information to CBP days, even months in advance of travel. This would allow the pilot to file the required information from less remote locations with internet access well in advance of traveling to, or returning from, remote locations that may lack internet access.

CBP has met with the general aviation community to discuss this issue. A total of 2,907 comments were received in response to the proposed rule, published on September 18, 2007, in the *Federal Register,* during the comment period. CBP is working to address these concerns.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSWOMAN LUCILLE ROYBAL-ALLARD

U.S. Customs and Border Protection

CBP Training for Medical Emergencies

Question: Please describe CBP policies and procedures, if any, used to receive advance notification – from the general public, U.S. government agencies or foreign governments – of and prepare CBP staff for foreign nationals and United States citizens with medical conditions due to arrive at a given port of entry.

ANSWER: In some cases advance notice may come from the Centers for Disease Control and Prevention (CDC) via agreed upon protocols. When an individual is determined to be a threat by CDC, the CDC may request that the individual be added to CBP electronic systems. Requests For Assistance (RFA) to enter lookouts or add to the "Do Not Board" list, are forwarded from the Department of Homeland Security (DHS) National Operations Center (NOC) to the CBP National Targeting Center (NTC) and to CBP's Office of Field Operations, Operations Division, via the Commissioners Situation Room (CSR). The Operations Division creates an operational awareness muster and lookout and disseminates to the field. The NTC enters public health lookouts into the Traveler Enforcement and Compliance System (TECS) and ensures that the patient in question is added to the "Do Not Board" watch-list and coordinates with the Transportation Security Administration and other entities as needed. If CBP encounters the individual identified by CDC for special processing, CBP will follow the specific instructions, such as isolate the individual and contact CDC.

Advance notification of medical conditions may also occur at a local level between the port and the transportation line. This would allow the local officers to respond timely to the situation, on a case-by-case basis. CBP has guidelines for the processing of medical emergencies once they are brought to the attention of the local port. For example, there is an expedited inspection process for medivac flights, which are provided through advance notice of arrival.

Question: What is the frequency and duration of training for CBP officials directed to helping them know how to adequately provide for medical emergencies and non-emergencies suffered by immigrant detainees? Who provides this training?

ANSWER: CBP Officers receive the *Community First Aid and Safety* course (Course 8472) during basic academy training. The First Aid and Safety course provides CBP personnel with the knowledge and skills necessary to assist in sustaining life in a medical emergency, to reduce pain, and to minimize the consequences of injury or sudden illness until advanced medical assistance arrives. This course also provides students with the information and skills to operate an Automated External Defibrillator (AED). This 12 hour course includes a practical evaluation on the skills listed above and a multiple choice written examination, on which students must achieve a score of 80% or better.

Syllabus and lesson plan are available upon request.

Border Patrol Agents receive *First Aid/CPR/AED for the Workplace* under the current 55-day training program at the Border Patrol Academy. This course consists of 14 hours of training. New Border Patrol agents complete a one-week course called First Responder following graduation from the academy. This course is included in the Post Academy program schedule and is delivered by the Office of Border Patrol and takes place at the sectors.

CBP Officers receive the Community First-Aid and Safety course during the basic training course at the Field Operations Academy in Glynco, Georgia.

Border Patrol Agents receive the *First Aid/CPR/AED for the Workplace* at the Border Patrol Academy from Red Cross certified Instructional staff. The instructional staff of the Physical Techniques Department is certified by the American Red Cross to provide training in Lay Responder First Aid, CPR, and Automated External Defibrillator (AED) at the Border Patrol Academy in Artesia, New Mexico.

Question: Please submit for the record the following information:

• Copies of all training materials related to addressing the emergency and non-emergency needs of detainees in CBP custody;

ANSWER: Hard copies of *First Aid/CPR/AED for the Workplace, First Aid/CPR/AED for Schools and Community (Participants Manual 3rd Edition)* and the "Adult CPR/AED" skills card will be provided separately.

• Any and all memoranda or policy guidance sent by INS and DHS to the field concerning processing foreign nationals and us citizens with medical conditions;

ANSWER: CBP policies and procedures used to receive advanced notification (from the general public, U.S. government agencies, or foreign governments) of and prepare CBP staff for foreign nationals and United States citizens with medical conditions due to arrive at a given port of entry come from the Centers for Disease Control and Prevention (CDC). They arrive at the NTC and then notification is given to the Commissioner's Situation Room if an action is to be taken at a Port of Entry.

Please refer to the following INS and DHS documents referencing policies and procedures related to foreign nationals or United States citizens with medical conditions:

- Policy for Encounters with Injured Subjects, November 9, 2007
- INS Detention Standard, September 30, 2000
- Commissioner's Situation Room Reporting, Jannary 28, 2005
- Interim Infectious Disease Guidelines, October 18, 2005
- Blood-borne Pathogen/Tuberculosis Training, June 25, 2007
- United States Border Patrol Canine Unit Policy and Procedures, August 16, 2001
- Juvenile Aliens Protocol Manual, March 1999
- Interim Guidance Regarding Unaccompanied Juveniles in Custody, September 2, 2005

• A description of any and all protocols for CBP to consult with the Division of Immigrant Health Services, U.S. Public Health Services, or other medical personnel when processing foreign nationals and United States citizens with medical conditions.

ANSWER: A Memorandum of Understanding exists between the Department of Homeland Security (DHS) and the Department of Health and Human Services for establishing cooperative efforts towards safeguarding the United States against the introduction, transmission, and spread of quarantinable and serious communicable diseases into the United States. The memorandum is a framework regarding travelers' health, medical surveillance, disease reporting, inspection, quarantine enforcement, transportation, employee health, and worker protection.

Consultation with any medical personnel starts with a phone call to the Centers for Disease Control and Prevention (CDC) Quarantine Station that is within the jurisdiction of the particular Port of Entry where the traveler with the medical condition arrived. The CDC Quarantine Officer is the authorized person to make decisions regarding medical conditions of arriving travelers. If the POE cannot contact the CDC Quarantine Station Officer within a reasonable amount of time (one hour) they may contact the Director's Emergency Operations Center (DEOC) in Atlanta, Georgia, directly for consultation with the duty Quarantine Officer who is there 24/7. All CDC Quarantine Stations operate 24/7 by phone contact, but office hours are usually restricted to eight to nine hours per day.

For those instances where an emergency exists, CBP will contact the appropriate local medical professionals, for response.

It is the policy of the United States Border Patrol that all individuals encountered by agents of the Border Patrol who are injured or require medical assistance be provided access to medical assistance regardless of their immigration status, citizenship, or involvement in potential criminal activity.

Border Patrol agents who encounter injured subjects, regardless of citizenship and immigration status in the United States, who are in the custody of the United States Border Patrol are to complete a Treatment Authorization Request (TAR) and submit it to the Division of Immigration Health Services via the internet www.inshealth.org/tarweb or by fax within 24 hours of the individual receiving medical attention to ensure the prompt review and payment to the medical provider.

Question: Please indicate the level of emergency and non-emergency care available, the number of professional healthcare officials and the healthcare training of these officials for each port of entry.

ANSWER: CBP does not provide emergency care training to its officers, and depends upon emergency responders from local Emergency Medical Services, airport, or port authority. The number of responders, and level of emergency and non-emergency care, available at ports of entry varies from none (at our small, remote locations) to full response capabilities (at our large facilities at major airports).

Question: Please describe mechanisms for foreign nationals and U.S. citizens with medical conditions to lodge grievances against CBP for their treatment at ports of entry.

ANSWER: Foreign nationals and U.S. Citizens may either submit complaints through the CBP Website or complain directly to the port director with jurisdiction over the port where the situation occurred. Currently, CBP does not have uniformity among its ports in the processing of complaints, but is working on the harmonization of its complaint system.

Individuals with medical conditions may report grievances concerning their treatment to on site CBP personnel. Grievances which rise to the level of alleged misconduct on the part of CBP employees are referred to the DHS Office of Inspector General, the U.S. Immigration and Customs Enforcement's (ICE) Office of Professional Responsibility, or the Joint Intake Center.

Question: Since its inception, how many complaints has CBP received per year concerning care given by the agency to foreign nationals and U.S. citizens with medical conditions, and what was the disposition of the grievances?

ANSWER: CBP does not have the data to answer this question as its ports have always processed complaints independently of one another. CBP is currently working towards a uniform complaint system among all its ports.

On a typical day, CBP processes approximately 1,200,000 individuals, including almost 650,000 aliens. There is no single mechanism to track all complaints or allegations received regarding medical care or treatment.

Question: Since its inception, how many lawsuits have been filed against CBP over processing of foreign nationals and U.S. citizens with medical conditions? Please describe the outcome of these lawsuits, including awards of monetary damages and written apologies if any.

ANSWER: During this condensed time of review, we have identified six lawsuits filed in Federal courts against CBP since its inception that fall within the scope of this question. Three of the six cases were dismissed and the remaining three cases are still pending.

Question: Do foreign nationals and united states citizens with medical conditions detained during processing have the right to telephone and consult with their treating physicians, counsel and immediate families and foreign governments? Why or why not?

ANSWER: CBP Officers have the combined statutory authority under Title 8 United States Code [8 USC], the Immigration and Nationality Act (INA) and Title 19 United States Code [19 USC]. It allows CBP officers to search without a warrant, take sworn statements, and detain applicants for admission to determine their admissibility into the United States, detain persons suspected of violating the customs, agriculture or other laws of the United States that are enforced at the border.

Once determined to be a U.S. citizen or national, the individual is eligible to enter the United States, as the inadmissibility grounds do not apply to U.S. citizens or nationals. However, U.S. citizens and nationals are not exempt from examination and they are not afforded any additional protections.

All persons placed in an unattended secure area at a CBP facility will be asked whether they have a medical problem or condition that may require some attention. If they are currently taking any prescribed medications, the CBP officers will identify the type of prescribed medication, when it was last taken, and when the next dosage is needed.

To the extent possible, no one who is pregnant, on life sustaining or lifesaving medication, or who appears ill, shall be detained in a POE detention cell. They may be seated in the secondary area under direct supervision and control of an officer. Officers should ask the detainee whether medical treatment is necessary. If the detainee replies in the affirmative, or if medical treatment appears necessary, officers shall make appropriate arrangements.

Appropriate emergency services will be called in the event of a medical emergency (i.e., heart attack, difficulty breathing) during the detention of any person. The CBP officer must notify the supervisor immediately of all medical emergencies.

Applicants for admission do not have the right to consult with counsel unless they become the focus of a criminal investigation and are taken into custody [8 CFR 292.5(b)].

Most port of entry cases do not result in arrest or detention. Officers at ports of entry are required to notify every alien of his or her right to communicate by telephone with the consular or diplomatic officers of country of nationality in the United States when the removal of the alien cannot be accomplished immediately. This is generally defined as cases in which the alien is placed in detention for longer than 24 hours, or when the alien is turned over to another agency. For those aliens from countries listed in 8 CFR 236.1(e), who are detained for more than 24 hours, CBP is required by treaty to notify the appropriate consular or diplomatic officers about the alien's detention, even if the alien requests that this not be done. Officers are prohibited from referencing any asylum claim or fear of persecution or torture expressed by the alien when contacting a consular official.

Foreign nationals and U.S. citizens have the right to use a telephone for a variety of reasons and circumstances while in Border Patrol custody. For instance, the Border Patrol adheres to the State Department's basic consular notification procedures pursuant to Article 36 of the Vienna Convention on Consular Relations which states, "Every alien who is arrested and taken into custody must be advised of his right to contact consular representatives from the alien's country without delay, and before the alien is booked for detention." Although Consular notification procedures under Article 36 are separated by mandatory and non-mandatory notification requirements, every alien is advised of their right to Consular notification. Furthermore, all rights forms provided to aliens in custody specify the right to communicate with an attorney or other legal representative, and the right to contact a consular representative. In cases involving claims for political asylum, all aliens are referred to an asylum officer to review their claim and are afforded the right to speak with legal counsel or another representative prior to speaking with an asylum officer. Form I-770 (Notice of Rights and Request for Disposition) specifically refers to the right for unaccompanied alien children to use a telephone to contact a parent, adult relative, or an adult friend, as well as legal counsel and consular notification. U.S. citizens being detained for criminal proceedings are also advised of their rights as per the Miranda warning, prior to questioning and are afforded the use of a telephone.

It is the policy of the U.S. Border Patrol that all individuals encountered by agents of the Border Patrol who are injured or require medical assistance be provided access to medical assistance regardless of their immigration status, citizenship, or involvement in potential criminal activity.

Providing for Children in CBP Custody

Question: What specific standards is CBP using to protect the health and well-being of children held in CBP facilities, and how does CBP enforce these standards?

ANSWER: CBP is guided by 8 Code of Federal Regulations (CFR) § 236.3 regarding *Detention and Release of Juveniles,* as well as the *Flores v. Reno Settlement* guidance and CBP's Directive *Secure Detention Procedures at Ports of Entry.* CBP is required to follow specific standards for the treatment and release of juveniles in CBP custody.

The U.S. Border Patrol treats all minors, including unaccompanied alien children (UAC), with dignity, respect, and special concern for their particular vulnerabilities. All UAC are processed expeditiously giving them priority over all other aliens in custody. Border Patrol policy, regarding processing, detaining, and caring for UAC in Border Patrol custody, is based upon guidelines that come from the *Flores v. Reno* Settlement Agreement and the Homeland Security Act of 2002.

Local CBP management is responsible for ensuring compliance with the existing standards. All persons being detained by CBP are documented on a personal detention log sheet, and in an incident log report via the Traveler Enforcement and Compliance System (TECS).

CBP standards are enforced through a variety of ways. First, all new Border Patrol agent interns receive training on the *Flores v. Reno* Settlement Agreement during their probationary training period. This training,

which is now available online through the Virtual Learning Center, is required for all agents to complete each year.

Additionally, copies of Border Patrol policy on processing, detaining and caring for unaccompanied alien children in Border Patrol custody are posted in all processing areas for agents as reference material and as a constant reminder of the standards used to protect the health and well-being of children in Border Patrol facilities.

Last, these standards are enforced by the Chief of the Border Patrol, headquarters program oversight and site reviews; sector Chief Patrol agents, station management and supervisory oversight during processing, periodic training, policy development and review, and through close collaboration between Border Patrol and partner agencies (i.e., Department of Homeland Security Office for Civil Rights and Civil Liberties and Customs and Border Protection Internal Affairs).

Question: What mechanisms of redress do children have if and when these standards are violated?

ANSWER: According to the *Flores v. Reno Settlement*, detained juveniles must be provided with Form I-770, *Notice of Rights and Request for Disposition.* The mechanism for redress is described on that form as judicial review, stated below:

"NOTICE OF RIGHT TO JUDICIAL REVIEW
[DHS] usually houses persons under the age of 18 in an open setting, such as a foster or group home, and not in detention facilities. If you believe that you have not been properly placed or that you have been treated improperly, you may ask a federal judge to review your case. You may call a lawyer to help you do this. If you cannot afford a lawyer, you may call one from the list of free legal services given to you with this form."

Depending on the situation, children have a variety of mechanisms of redress if and when these standards are violated. Unaccompanied alien children (UAC) can immediately bring it to the attention of the processing agents or supervisors. They can also discuss it with their consular official. And, for those UAC whose custody is turned over to the Office of Refugee Resettlement (ORR), they can report it to the ORR Federal Field Specialist. When ORR receives a complaint from a UAC, the report is forwarded to DHS Office for Civil Rights and Civil Liberties as well as to CBP Internal Affairs for investigation.

Question: Minors must be provided with INS Form I-770, Notice of Rights, informing them that they have a right to judicial review, free legal services, and bond redetermination hearings. Specifically, unaccompanied children who are detained near U.S. borders and who reside in either Canada or Mexico must be advised of their right to make a phone call before they are given a voluntary departure form. All other unaccompanied minors must have communicated with a parent, relative, friend, or attorney before being presented the form. Please clarify the specific quality assurance mechanisms CBP utilizes to ensure that all unaccompanied children receive their I-770 Notice of Rights upon arrest and are afforded their right to a phone call.

ANSWER: CBP uses a layered approach to monitor and assess compliance of existing policies and procedures. CBP supervisors are immediately responsible for ensuring compliance with established procedures. Headquarters is responsible for policy oversight and implementation, and periodically performs field enforcement reviews to ensure compliance with policies and procedures. Additionally, CBP has a self inspection program which is designed to verify and assess compliance, and take corrective action where necessary.

Both the front page and the back page of Form I-770 specifically address the requirement of affording all detained unaccompanied alien children the right to use a telephone. All completed administrative casework,

including that of unaccompanied alien children, is reviewed and approved by a Supervisory Border Patrol Agent ensuring that all forms have been completed, are accurate, and that necessary standards have been adhered to.

CBP Office of Internal Affairs Management Inspection Division requires the Border Patrol to annually complete a Self-Inspect Program. As part of this process, stations are required to review a random sample of events from the review period and determine whether the processing agents adhered to policy in each event and provided all unaccompanied alien children with Form I-770.

Question: Please describe the specific training CBP officials receive in processing unaccompanied children. Which NGOs and child welfare experts participate in such training?

ANSWER: Within OFO, training is provided several times to officers who might deal with unaccompanied children in many courses which include:

- Basic training of CBP Officers
- Cross Training modules
- Advanced Admissibility Secondary Training
- Virtual Learning Center course on Unaccompanied Minors

Border Patrol agent interns receive on-the-job training from Field Training Officers, as part of a nationally structured Field Training Program. Part of their training includes alien processing, to include processing unaccompanied alien children. Additionally, new Border Patrol agent interns receive training on the *Flores v. Reno* Settlement Agreement during their probationary training period. This training, which is now available online through the Virtual Learning Center, is required for all agents to complete each year.

The training that Office of Field Operations employees receive was created by the Office of Training and Development and is delivered either electronically or by CBP employees to CBP employees.

NGOs do not participate in training Border Patrol agents on processing unaccompanied alien children. However, the Border Patrol does collaborate extensively with DHS Office for Civil Rights, Civil Liberties, HHS Office of Refugee Resettlement, and ICE Detention and Removal Operations to ensure that unaccompanied alien children are properly cared for.

Question: Please explain the specific policies and procedures CBP has in place to document and investigate any allegation of abuse and mistreatment by an unaccompanied child and how they are communicated to the child.

ANSWER: All allegations of misconduct, regardless of the age of the alleged victim, are reported to the Joint Intake Center (JIC) and logged into the JIC database. The Joint Intake Center (JIC) serves as the central "clearinghouse" for receiving, processing, and tracking allegations of misconduct involving personnel and contractors employed by Customs and Border Protection (CBP) and U.S. Immigration and Customs Enforcement (ICE). The JIC provides CBP and ICE with a centralized and uniform system for processing reports of alleged misconduct. All reports of misconduct are coordinated with the Department of Homeland Security (DHS) Office of Inspector General (OIG) and referred to the appropriate office for investigation, fact-finding, or immediate management action.

- U.S. Customs and Border Protection (CBP) adheres to strict, uniform guidelines for receiving, processing, and investigating allegations of CBP employee misconduct.

- Allegations of misconduct on the part of CBP employees can be reported 24x7 to the Department of Homeland Security Office of Inspector General (DHS-OIG), the U.S. Immigration and Customs Enforcement Office of Professional Responsibility (ICE-OPR), or by contacting the Joint Intake Center.

- Regardless of method of receipt, all misconduct allegations are entered into a secure, electronic database and routed through the Joint Intake Center located in Washington, DC.

- In accordance with DHS policy, allegations received by ICE-OPR or the Joint Intake Center are initially referred to the DHS-OIG for independent review and investigative consideration. The OIG maintains the "right-of-first-refusal" for any misconduct allegation involving a DHS employee or contractor.

- Allegations that are not accepted for investigation by the DHS-OIG are referred to the various components' internal affairs offices for investigation or inquiry.

- The CBP Office of Internal Affairs (IA) employs a permanent cadre of highly skilled and experienced investigators to address criminal and serious misconduct allegations involving CBP employees.

- Less serious allegations are referred to specially trained, collateral duty fact finders for administrative inquiry.

- Investigative findings are referred to the CBP Office of Human Resources Management (HRM) for independent review and action in conjunction with responsible management officials.

- CBP management is committed to taking appropriate and timely discipline and corrective action in cases of substantiated misconduct. HRM is responsible for ensuring that discipline is administered fairly and consistently throughout CBP.

- The Privacy Act restricts the release of information related to agency disciplinary actions or proceedings.

- The DHS Office for Civil Rights and Civil Liberties also receives allegations and complaints from the Office for Refugee Resettlement. Depending upon the severity of the situation, these may be referred to the Joint Intake Center or to the appropriate CBP component for consideration and/or immediate action.

- In addition, CBP has recently developed an annual training course, "Unaccompanied Juveniles/Minors and Flores vs. Reno Settlement Agreement," to provide greater awareness of and sensitivity to the special needs of unaccompanied juveniles in custody.

Question: Please explain the legal authority for utilizing expedited and summary removal of unaccompanied children and how and whether these children are screened for eligibility for asylum or other forms of relief including as victims of trafficking.

ANSWER: All aliens who are applicants for admission shall be inspected by immigration officers. INA § 235(a)(3). Application to lawfully enter the United States shall be made in person to an immigration officer at a U.S. port-of-entry when the port is open for inspection. 8 C.F.R. § 235.1(a). Each alien seeking admission at a United States port of entry must present whatever documents are required and must establish to the satisfaction of the inspecting officer that the alien is not subject to removal under the immigration laws. 8 C.F.R. § 235.1(f). An alien who arrives in the United States "who, by fraud or willfully misrepresents a material fact" or falsely claims to be a citizen of the United States (INA § 212(a)(6)(C)) or without proper documentation (INA § 212(a)(7)), shall be ordered removed from the United States without further hearing or review unless the alien

either indicates an intention to apply for asylum under INA § 208 or a fear of persecution. INA § 235(b)(1)(A)(i).

If the juvenile is considered for Expedited Removal, the initial asylum screening is assessed during the completion of the Form I-867B, *Jurat for Record of Sworn Statement in Proceedings under Section 235(b)(1) of the Act,* which includes appropriate questions. If the juvenile has a credible fear the juvenile would be referred to an asylum officer for further disposition. If the juvenile is referred under INA § 240 proceedings to an Immigration Judge, the court would be responsible for determining available relief.

If the juvenile is considered for withdrawal of application for admission, officers must also make every effort to determine whether the minor has a fear of persecution or return to his or her country. If the minor indicates a fear of persecution or intention to apply for asylum, or if there is any doubt, especially in the case of countries with known human rights abuses or where turmoil exists, the minor should be placed in removal proceedings under section 240 of the Act. If there is no possibility of a fear of persecution or return and CBP permits the minor to withdraw his or her application for admission, the consular or diplomatic officials of the country to which the minor is being returned must be notified. Safe passage can then be arranged, and after all notifications to family members and government officials have been made, the minor may be permitted to withdraw.

The Border Patrol does not currently process unaccompanied alien children for expedited removal proceedings.

A CBP officer or Border Patrol agent refers all claims for asylum for an interview by an asylum officer. INA § 235(b)(1)(ii). If an alien subject to the expedited removal provisions indicates an intention to apply for asylum, or expresses a fear of persecution or torture, or a fear of return to his or her country, the inspection officer shall not proceed further with the removal of the alien until the alien has been referred for an interview by an asylum officer in accordance with 8 C.F.R. § 208.30. The examining immigration officer shall record sufficient information in the sworn statement to establish and record that the alien has indicated such intention, fear, or concern, and to establish the alien's inadmissibility. 8 C.F.R. § 235.3(b)(4).

Question: Please describe the specific standards, if any, for care and conditions of confinement CBP utilizes at border patrol stations housing- or jailing- unaccompanied children?

ANSWER: It is the policy of the U.S. Border Patrol to treat all minors, including unaccompanied alien children (UAC), with dignity, respect, and special concern for their particular vulnerabilities. Border Patrol policy, regarding processing, detaining, and caring for UAC in Border Patrol custody, is based upon guidelines that come from the *Flores v. Reno* Settlement Agreement and the Homeland Security Act of 2002.

The Border Patrol Interim Guidance Policy provides that:

- All UAC are processed expeditiously giving them priority over all other aliens in custody.
- UAC are separated from unrelated adults whenever possible and not detained in the same hold room. *If unavailable, must be kept in a secure area (processing area, interview room, etc.) under constant supervision.
- Access to showers (if available), basic hygiene items, towels, clean clothing, etc., if detained longer than 48 hours.
- Access to toilets and sinks, drinking water, meals regardless of time in custody (offered every six hours – 2 must be hot and regular access to snacks, milk, juice, etc.)
- Emergency medical service (if needed).
- Adequate temperature control and ventilation.
- Constant visual supervision.

Question: Please indicate the reasons CBP has not chosen to contract with a reputable organization with child welfare expertise to house and care for children detainees.

ANSWER: With the passage of the Homeland Security Act of 2002 (HSA), responsibility for the care and custody of unaccompanied alien children (UAC) was transferred to the Department of Health and Human Services, Office of Refugee Resettlement (ORR) from legacy Immigration and Naturalization Service. With the transfer of these functions, ORR became responsible for the following: coordinating and implementing the care and placement of these UAC; making placement determinations for all UAC who are in Federal custody by reason of their immigration status; identifying and overseeing a sufficient number of qualified individuals, entities, and facilities to house UAC; and conducting investigations and inspections of facilities in which UAC reside. With the transfer of responsibilities, the HSA also transferred all assets, authority, and appropriations associated with the care, custody and placement of UAC to ORR.

Attrition at CBP

Question: The President's FY09 budget request includes $442 million to hire, train and equip 2,200 new Border Patrol Agents. Excluding those who retire with full benefits from the Border Patrol, how many Border Patrol Agents left the job last year?

ANSWER: 1,320 agents left the Border Patrol occupation in FY 2007 (excluding retirements).

Question: What is the per-agent cost incurred by your agency to replace someone who departs from the Border Patrol?

ANSWER: The per-agent cost incurred by CBP to replace one Border Patrol agent is $37,590. This amount includes recruitment, testing, training, and supplies but does not include human resources or training staff time.

Question: What are the top five primary reasons given by quitting officers for their departure? Please indicate the percentage of officers leaving for each reason (e.g. "X"% of departing officers indicated that "Y" was the primary reason they were leaving). Also, if not in the top five reasons for departing, please speak the impact the following have on officer attrition: officers are assigned to remote locations for their first tour with CBP; officers sometimes patrol alone in difficult terrain and with aid from other officers multiple minutes away; wages are not sufficiently adjusted upward when an officer moves from a location with a lower cost of living to one with a higher cost of living.

ANSWER: Respondents were asked how important each of a list of the reasons was to their decision to leave. They were asked to cite all reasons that applied to them. The lists on the following page show the most frequently cited reasons.

CBPO Reasons for Leaving CBP	% of Respondents
Lack of eligibility for 6(c) Law Enforcement Retirement	71.3%
Unsatisfactory working conditions	70.7%
Better pay/benefits	64.6%
Job Stress or burn-out	64.3%
Desire different type of work or profession	63.3%

CBPO Other Reasons Given for Leaving CBP	% of Respondents
Remote locale	14.0%
Unexpected cost of living at duty station	15.4%
Concerns for health and personal safety	26.1%

Question: According to a January 3, 2008, GAO report, CBP recognizes that officer attrition has impaired its ability to attain budgeted staffing levels and is in the process of developing a strategy to help curb attrition. What is CBP doing to curb the premature departure of its personnel?

ANSWER: There are a number of retention incentives available for CBP Officers. We offer a competitive COPRA compensation package, specialized training opportunities, tuition assistance, student loan repayment (pending completion of labor obligations), retention bonuses, and Foreign Language Award Pay (FLAP).

For Border Patrol agents, we offer a generous overtime compensation package, accelerated promotions, law enforcement retirement benefits, specialized training opportunities, tuition assistance, student loan repayment (pending completion of labor obligations), and retention bonuses.

Smuggling of Weapons from the U.S. to Mexico

Question: What percentage of arms confiscated by CBP agents originated in the U.S. What percentage was illegally trafficked from the U.S.?

ANSWER: The Office of Field Operations seized a total of 238 firearms from the beginning of Fiscal Year (FY) 2007 through FY 2008 to date (data as of 3/18/2008) at ports of entry along the U.S.-Mexico land border. Fifty-five percent of these seizures were made in outbound operations on individuals traveling to Mexico from the United States.

All interceptions of weapons by CBP as outlined in QFR 760523 were transported in violation of law. Fifty-five (55) percent of the seizures were made in outbound operations on individuals traveling to Mexico from the United States.

Question: In the estimation of CBP, roughly what percentage of armed attacks against CBP agents involved weapons illegally trafficked from the U.S.?

ANSWER: CBP tracks and reports on daily border violence. CBP does not capture data on whether or not illegally trafficked weapons were used in the commission of border violence incidents against CBP personnel. In fact, many of the weapons-related border violence incidents against CBP personnel involve weapons being discharged across the U.S. border from Mexican.

The Office of Field Operations is not aware of any attacks occurring at the ports of entry against CBP officers that involved weapons illegally trafficked from the United States.

Question: Currently, how does the U.S. ensure that weapons are not trafficked from the U.S. to Mexico? What percentage of Mexico-bound vehicles are physically searched or X-rayed for trafficked arms?

ANSWER: CBP works in coordination with other U.S. Federal Government agencies to coordinate outbound seizures of firearms destined for Mexico. CBP enforces statutes and regulations that govern the export of controlled items, such as firearms, and ensures that all exports are in compliance with applicable laws.

Additionally, CBP conducts outbound pulse operations on traffic destined for Mexico. These operations are focused on smuggling activities that may include weapons, currency, and stolen vehicles. CBP identified that pulse operations yield the greatest benefit to successful operations and provide the greatest opportunity to interdict smuggling actions before criminal organizations conducting surveillance suspend activities. Additionally, CBP, U.S. Immigration and Customs Enforcement (ICE), the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), and the U.S. Drug Enforcement Administration (DEA) have developed a joint strategy aimed at identifying and disrupting the illicit cross border trafficking of firearms and ammunition. CBP continues to seek avenues to coordinate efforts in this arena with the Government of Mexico.

CBP does not track inspections of outbound vehicles and cannot provide a percentage of Mexico-bound vehicles that are physically searched or X-rayed for trafficked arms.

QUESTIONS FOR THE RECORD SUBMITTED BY

RANKING MEMBER HAROLD ROGERS

U.S. Customs and Border Protection

Outreach to Affected State and Local Communities

Question: Please provide a detailed listing of all outreach efforts to affected State and local communities along the Northern and Southern Borders conducted by DHS and CBP with respect to border security over the last two fiscal years.

ANSWER: The table below provides a list of DHS/CBP outreach activities through February 2008 that have focused on describing potential implementation of tactical infrastructure and provided opportunities for stakeholders to address their concerns.

Event	City location(s)	Date of event(s)	Attending Officials	Sector
Outreach to Officials	Del Rio, TX	2/28/2007	City Council Del Rio Mayor	Del Rio
Outreach to Officials	Del Rio, TX	5/12/2007	City Council Del Rio Mayor	Del Rio
Outreach to Officials	Eagle Pass, TX	6/5/2007	Eagle Pass City Planner Eagle Pass City Manager Parks and Recreation Director	Del Rio
Outreach to Public Group	Eagle Pass, TX	6/19/2007	Ranchers from Uvalde, Eagle Pass, and Carrizo. Members of the Kickapoo Tribal Nation	Del Rio
Outreach to Public Group	Del Rio, TX	6/20/2007	Ranchers from Del Rio, Comstock and Brackettville. Local Law Enforcement personnel	Del Rio
Outreach to Officials	Eagle Pass, TX	7/23/2007	Eagle Pass City Council Members	Del Rio
Outreach to Officials	Eagle Pass, TX	7/23/2007	Eagle Pass Mayor Foster	Del Rio
Outreach to Officials	Eagle Pass, TX	7/27/2007	Eagle Pass City Council Members	Del Rio
Outreach to Officials	Eagle Pass, TX	7/31/2007	Eagle Pass City Manager	Del Rio
Outreach to Officials	Del Rio, TX	12/10/2007	Del Rio Mayor Del Rio Assistant City Manager	Del Rio
Outreach to Public Group	Eagle Pass, TX	12/15/2007	Eagle Pass County Sheriff Local News Reporter Local Ranchers	Del Rio
Outreach to Officials	Calexico City, CA	6/19/2007	Calexico City Council Calexico City Mayor	El Centro
Outreach to Officials	El Centro, CA	6/25/2007	El Centro City Council Members	El Centro
Outreach to Officials	El Centro, CA	6/26/2007	El Centro City Council	El Centro
Outreach to Officials	El Centro, CA	6/26/2007	Representative of California Assembly	El Centro
Outreach to Officials	Tigua Tribal HQ El Paso, TX	6/26/2007	Tigua Governor Tigua Attorney Tigua Tribal Council	El Paso
Outreach to Officials	El Paso, TX	6/27/2007	El Paso Mayor	El Paso
Town Hall	Fabens, TX	8/30/2007	El Paso County Sheriffs Office Texas Department of Public Safety Texas State Representative Representative of Congressman Silvestre Reyes	El Paso

Outreach to Officials	El Paso, TX El Paso County Water Improvement District #1	10/12/07	Employees of Water District - General Manager District Engineer	El Paso
Outreach to Officials	El Paso, TX El Paso County Water Improvement District #1	10/16/07	Employees of Water District - General Manager District Engineer	El Paso
Outreach to Officials	El Paso, TX	10/16/07	President, University of Texas at El Paso	El Paso
Outreach to Officials	El Paso, TX	10/22/2007	El Paso Mayor Chief of Staff	El Paso
Outreach to Officials	El Paso, TX IBWC	10/25/07	IBWC Commissioner	El Paso
Outreach to Officials	El Paso, TX	11/1/07	BNSF Police Chief BNSF Police USACE	El Paso
Town Hall	Animas, NM	11/2/2007	Representatives from Senators John Bingaman & Pete Domenici's Offices Representatives from the Bureau of Land Management & the New Mexico State Land Office	El Paso
Outreach to Officials	Sunland Park, NM	11/6/2007	Sunland Park City Council Representatives New Mexico State Representative The Verde Group	El Paso
Outreach to Officials	El Paso, TX El Paso Water Utilities	11/13/07	Water Supply Manager Utilities Security Coordinator	El Paso
Outreach to Officials	El Paso, TX El Paso County Water District # 1	11/15/07	Members of the El Paso County Water Improvement District #1 The Hudspeth County Water Reclamation Project IBWC	El Paso
Outreach to Officials	Las Cruces, NM Bureau of Land Management	11/27/07	Bureau of Land Management (BLM) Specialists	El Paso
Town Hall	Santa Teresa, NM	11/29/2007	The Dona Anna Sheriff's Department El Paso Police Department Sunland Park Police Department Port Director for Santa Teresa POE Senator Bingaman's Office R	El Paso
Town Hall	Deming, NM	12/5/2007	Senator Jeff Bingaman staff General Public	El Paso
Outreach to Officials	Albuquerque, NM New Mexico HIDTA Task Force	12/5/07	Local Law Enforcement	El Paso
Outreach to Officials	El Paso, TX	12/11/07	Al-Blair District General Manager Al Blair-District Engineer	El Paso
Town Hall	Fort Hancock, TX	12/12/2007	Representative of Congressman Ciro Rodriguez Members of the community Local law enforcement United States Customs Service Hudspeth County Sheriff's Office	El Paso
Outreach to Officials	Las Cruces, NM Bureau of Land Management	12/12/07	Task Force Attendees	El Paso
Outreach to Officials	El Paso, TX	12/13/07	Board of Directors Al-Blair General Manager Al Blair-District Engineer	El Paso
Outreach to Officials	El Paso, TX El Paso County Water District # 1	12/14/07	Al-Blair General Manager Al Blair-District Engineer	El Paso
Outreach to Public Group	Deming, NM	12/17/2007	Local Community Landowners	El Paso
Outreach to Officials	El Paso, TX El Paso County Water District # 1	12/21/07	Board of Directors Al-Blair General Manager Al Blair-District Engineer	El Paso
Outreach to Public Group	Alamogordo, NM	1/2/2008	Local Law Enforcement	El Paso
Outreach to Officials	Las Cruces, NM	1/18/08	Local Law Enforcement	El Paso
Town Hall	El Cenizo, TX	5/17/2007	Local, State & Federal Law Enforcement Agencies El Cenizo City and County Officials	Laredo
Town Hall	Zapata, TX	8/7/2007	Local, State & Federal Law Enforcement Agencies Zapata City and County Officials	Laredo
Town Hall	Laredo, TX	8/15/2007	Local, State & Federal Law Enforcement Agencies Laredo City and County Officials	Laredo
Town Hall	Cotulla, TX	11/13/2007	Local, State & Federal Law Enforcement Agencies, Cotulla City and County Officials	Laredo
Town Hall	Hebbronville, TX	8/17/2007	Local, State & Federal Law Enforcement Agencies, Hebbronville City and County Officials Congressman Henry Cuellar	Laredo

Outreach to Officials	Presidio City, TX	5/15/2007	Presidio City Administrator Presidio Police Deparment Presidio County Sherrif's Department Presidio County Judge IBWC Local newspaper and radio representatives	Marfa
Outreach to Officials	Sierra Blanca, TX	5/16/2007	County Sherrif Hudspeth County Judge IBWC	Marfa
Outreach to Public Group	Mafra, TX	5/24/2007	General Public	Marfa
Outreach to Officials	Marfa, TX	7/28/2007	Congressman Ciro Rodriguez	Marfa
Outreach to Public Group	Weslaco & Mercedes, TX	03/30/07	Local Landowners	Rio Grande Valley
Outreach to Public Group	Harlingen, TX	04/09/07	Local Landowners	Rio Grande Valley
Outreach to Officials	Weslaco & Mercedes, TX	05/09/07	Pharr POE Port Director Progreso POE Port Director	Rio Grande Valley
Outreach to Officials	Weslaco & Mercedes, TX	05/11/07	Alamo, Pharr and Donna Law Enforcement	Rio Grande Valley
Outreach to Officials	U.S.F&W Upper & Lower Rio Grande Valley Refuge Areas	5/15/2007	Wildlife Refuge Representatives	Rio Grande Valley
Outreach to Officials	Weslaco & Mercedes, TX	05/17/07	Donna Mayor Donna City Manager Donna Irrigation District Alamo Mayor	Rio Grande Valley
Outreach to Public Group	Weslaco & Mercedes, TX	06/01/07	Local Landowners	Rio Grande Valley
Outreach to Officials	Harlingen, TX	06/04/07	Harlingen Mayor Harlingen City Council UTB/TSC State & U.S. Government Officials	Rio Grande Valley
Outreach to Officials	McAllen, TX	06/12/07	McAllen Mayor McAllen City Officials	Rio Grande Valley
Outreach to Officials	McAllen, TX	06/17/07	McAllen Mayor McAllen City Officials	Rio Grande Valley
Outreach to Officials	Harlingen, TX	06/20/07	Local County Officials	Rio Grande Valley
Outreach to Public Group	Brownsville, TX	07/09/07	Rio Grande Delta Audobon Chapter Members	Rio Grande Valley
Outreach to Officials	Rio Grande Valley Santa Anna Wildlife Refuge	08/31/07	U.S. Fish & Wildlife Representatives	Rio Grande Valley
Outreach to Public Group	McAllen, TX	09/06/07	McAllen Mayor McAllen Chamber of Commerce Membership	Rio Grande Valley
Outreach to Officials	Harlingen, TX	09/21/07	Harlingen Mayor Harlingen City Council UTB/TSC State, & U.S. Government Officials	Rio Grande Valley
Outreach to Public Group	Harlingen, TX	10/1/2007	Local Landowners	Rio Grande Valley
Outreach to Officials	Rio Grande Valley Sharryland Country Club	10/10/07	CBP State and Local Liaison Senator John Cornyn IBWC representatives Hidalgo County Judge Hidalgo County Commissioners FEMA representatives	Rio Grande Valley
Outreach to Officials	Brownsville, TX University of Texas at Brownsville	10/30/2007	University of Texas at Brownsville representatives Texas Task Force on Border Security State of Texas Mexican American Legislative Caucus Director of Texas DPS Chief of Govenor's Division of Emergency Management Cameron County Judge Cameron County Sheriff Willacy County Sheriff Brownsville Police Chief	Rio Grande Valley
Outreach to Officials	Rio Grande Valley IBWC Office in Weslace	1/10/2008	Hidalgo &Cameron Irrigation District Representatives	Rio Grande Valley
Outreach to Officials	Harlingen, Brownsville and Ft. Brown, TX Harlingen Station	9/20/07	Police Chief County Sheriff University of Texas at Brownsville Police CBP/OFO	Rio Grande Valley

Outreach to Officials	San Diego, CA	6/21/2007	U.S. Senator Dianne Feinstein staff U.S. Senator Barbara Boxer staff U.S. Congressman Darrel Issa staff U.S. Congressman Duncan Hunter staff CA Senator Dennis Hollingsworth staff CA Senator Christine Kehoe staff San Diego County Supervisor	San Diego
Town Hall	San Diego, CA Dulzura Community Center	6/27/2007	General Public	San Diego
Outreach to Officials	Sells, AZ Tohono O'odham Nation HQ	7/10/2006	Tohono O'odham Legislative Council	Tucson
Outreach to Officials	Tucson, AZ	5/10/2007	Briefing for Gabriel Giffords (D-AZ)	Tucson
Outreach to Public Group	Nogales, AZ	6/12/2007	The Nogales Station Citizen's Advisory Board	Tucson
Outreach to Public Group	Tucson, AZ Sonoita Station	6/29/2007	General Public Governor Janet Nepolitano's office Congresswoman Gabrielle Gifford's office	Tucson
Outreach to Officials	Soniota, AZ Santa Cruz County Building	7/2/2007	Nogales City Manager, City Attorneyx Senator McCain staff	Tucson
Outreach to Officials	Tucson, AZ	7/2/2007	Tucson Police Supervisors	Tucson
Outreach to Public Group	Soniota, AZ Santa Cruz County Building	7/3/2007	Members of the San Rafael Valley Association Gov. Napiltano's Office Rep. Gifford's Office	Tucson
Outreach to Public Group	Sierra Vista, AZ	7/17/2007	The Southern Arizona Association of Realtors in Sierra Vista Rep. Grijalva's Office	Tucson
Town Hall	Huachuca, AZ Huachuca City Building	7/26/2007	Huachuca Mayor Huachuca City Council Huachuca Police Department	Tucson
Town Hall	Sells, AZ Tohono O'odham Nation HQ	8/15/2007	Tohono O'odham Legislative Council and Community members	Tucson
Outreach to Officials	Tucson, AZ	9/6/2007	The Southern Arizona Land Managers Department of Interior	Tucson
Outreach to Officials	Tucson, AZ	10/7/2007	Senator Kyl staff Senator McCain staff Rep. Giffords staff Fence update Briefing Rep. Grijalva staff	Tucson
Outreach to Officials	Tucson, AZ	10/30/2007	Video teleconference with Rep. Giffords, Tucson Sector Border Patrol, and environmental groups on the SPRNCA	Tucson
Outreach to Public Group	Douglas. AZ	11/28/2007	Local Landowners	Tucson
Outreach to Officials	Douglas, AZ	12/20/2007	Carlos De La Torre Douglas	Tuscon
Outreach to Public Group	Yuma, AZ Yuma Sector Headquarters	4/4/2007	Business Land Management Yuma Sherrif's Department U.S. Fish & Wildlife Services Arizona Game and Fish	Yuma
Outreach to Officials	Yuma, AZ Yuma Sector Headquarters	4/4/2007	Bureau of Land Management (BLM)	Yuma
Outreach to Officials	Yuma, AZ Yuma Sector Headquarters	4/4/2007	Yuma Sheriff staff	Yuma
Outreach to Officials	Andrade, CA Quechan Indian Tribe	4/7/2007	Tribal council and law enforcement directors	Yuma
Outreach to Officials	West Cocopah Indian Reservation	5/10/2007	Tribal council and law enforcement directors	Yuma
Outreach to Officials	Yumas, AZ Yuma Sector Headquarters	Week of May 14-18th	Mayor of San Luis Arizona and Mexico newspaper reporters Yuma Sector Border Patrol Chief	Yuma
Outreach to Public Group	McAllen, TX Rio Grande Valley Environmental Impact Statement (EIS) Open House	12/11/2007	General Public	Rio Grande Valley
Outreach to Public Group	Brownsville, TX Rio Grande Valley Environmental Impact Statement (EIS) Open House	12/12/2007	General Public	Rio Grande Valley
Outreach to Public Group	Rio Grande City, TX Rio Grande Valley Environmental Impact Statement (EIS) Open House	12/13/2007	General Public	Rio Grande Valley
Outreach to Public Group	El Centro, CA Environmental Assessment Open House	1/9/2008	General Public	El Centro

Outreach to Public Group	San Diego, CA Environmental Assessment Open House	1/16/2008	General Public	San Diego
Outreach to Public Group	San Diego, CA Environmental Impact Statement (EIS) Open House	1/17/2008	General Public	San Diego
Outreach to Public Group	Marfa, TX Environmental Assessment Open House	1/23/2008	General Public	San Diego
Outreach to Public Group	Del Rio, TX Environmental Assessment Open House	1/24/2008	General Public	San Diego
Outreach to Public Group	Yuma, AZ Supplemental Environmental Assessment Open House	1/30/2008	General Public	San Diego
Outreach to Public Group	Tucson, AZ Environmental Assessment Open House	1/31/2008	General Public	San Diego
Outreach to Public Group	El Paso, TX Supplemental Environmental Assessment Open House	2/28/2008	General Public	San Diego

Question: Please provide a detailed listing of CBP's outreach efforts to all private landowners along the Northern and Southern Borders over the last two fiscal years. Please include a table within this answer that tabulates the responses from given landowners in terms of granting access, denying access, no response, or as per the actual interaction with given landowners. Please also include the approximate border miles impacted per response category.

ANSWER: Since May 2007, CBP has held extensive discussions with state and local stakeholders, including landowners, about the placement of the remaining miles of fencing along the southwest border. As part of these outreach efforts, CBP has contacted almost 600 different landowners and – as of the end of February 2008 – held numerous meetings with the public, including 14 publicly-advertised town hall meetings, 18 additional meetings with public groups, and 11 public open houses focused on our environmental documents. The previous response includes a table listing outreach efforts over the past two years.

Although final decisions on precise fence locations have not been made, U.S. Border Patrol agents and U.S. Army Corps of Engineers (USACE) real estate specialists have asked private landowners for a Right of Entry for Survey and Site Assessment (ROE-S). The ROE-S provides the government with access to gather more detailed information necessary to make informed decisions in deploying tactical infrastructure (e.g., fence, roads, and lighting).

Despite our outreach efforts, there are a number of landowners who did not sign the ROE-S. Out of a total of 480 landowners of whom we requested an ROE-S, the following table provides a breakdown of landowner responses as of March 16, 2008, including the approximate number of non-contiguous miles associate with each category:

Response	Number of Landowners	Approximate Mileage
Access Granted	412	106.5
Access Denied	29	8.8
No Response	25	5.3
No Contact (landowner not identifiable)	14	1.4

Air & Marine Operations

Question: Please provide a detailed description of the joint UAS program office being established by CBP and the Coast Guard. Please include details such as location, FTE, objectives, and funding sources.

ANSWER: Shortly after the successful completion of the joint CBP-U.S. Coast Guard (USCG) Predator B maritime demonstration at Tyndall AFB on March 28, CBP and the USCG intend to announce the formation of the joint CBP/USCG Program Office for the development of a maritime variant of the Predator B. Initially, it will be a "virtual" program office, relying on existing CBP Air and Marine (A&M) and USCG Washington DC area staffs, supplemented by temporary contractor support, to develop an operating concept and requirements for the modified UAS. With funds provided in the FY 2008 Appropriation, CBP will acquire 2-3 additional HQs personnel and begin expanding the program office to provide needed contract oversight and program control. Since the aircraft has already been developed and one maritime version exists, the joint program office will concentrate on the selection and integration of a maritime radar, and other sensors as needed to support CBP and USCG missions. The office will also seek cooperative agreements with the DOD and NOAA, through which CBP might gain additional sensor capabilities and its partners could benefit from CBPs experience or even obtain direct mission support from CBP UASs. A total of $29.6 million is requested in the President's FY 2009 Budget, which should be sufficient to acquire a maritime Predator, enhance the Predator software integration lab (SIL), and purchase additional spare parts and supplies. It is also possible that one of the two aircraft to be delivered before the end of CY 2008 can be "scarred" to accommodate a maritime package at a later date.

Question: Please provide a detailed description of CBP's work with the Department of Defense, and more specifically, the Air Force and Navy, with respect to UAS operations and interaction with the Federal Aviation Administration.

ANSWER: In late 2007, the Secretary of the Department of Homeland Security (DHS) sent a letter to the Secretary of the Department of Defense (DoD) to recommend that a joint advisory group be formed to explore the feasibility of greater cooperation in unmanned systems. The Secretary of Defense responded in February 2008, and confirmed his commitment to this effort. This spring, representatives of both gronps will meet to discuss a joint advisory group. One of the topics of discussion will be ongoing interaction with the Federal Aviation Administration (FAA).

CBP, in partnership with DoD, has worked with the FAA to ensure access to the National Airspace system through the restricted airspace above DoD installations. The current process does not support all of CBP's requirements in a timely manner. CBP continues to work with the FAA to streamline those processes On March 21, 2008, the CBP Assistant Commissioner for Air and Marine will meet with the Administrator of the FAA to provide greater understanding of UAS requirements within the DHS mission.

CBP continues to work with the DoD and the FAA on establishing new Certificates of Authorization so that CBP may fly in regions other than the Southwest Border. As you are aware, CBP intends to begin UAS flights on the Northern Border in Spring 2008. Representatives from CBP, FAA, and the DoD will meet in early April to finalize flight requirements and procedures for CBP UAS flights from Grand Forks Air Force Base in Grand Forks, North Dakota.

Question: Please provide the expected timetable for establishing an FAA-approved concept of operations for both inland and coastal UAS. Please address in this the near term plans for operations on the Northern Border (particularly out of Grand Forks and Detroit areas), the Southwest Border (particularly along the California and Arizona borders), and off the Florida coast.

ANSWER: CBP Air and Marine (A&M) has submitted several applications for Certificates of Authorizations (COAs), which will allow CBP's UASs to operate within the National Airspace System (NAS). An additional application, currently under development, is intended for operations based from Grand Forks Air Force Base, North Dakota along the U.S. northern border. This COA, once approved, will extend from Spokane,

Washington, to International Falls, Minnesota. CBP is also conducting advance planning, including site assessments, for a UAS demonstration in the Michigan/Great Lakes region during FY 2009.
The FAA, DoD, and CBP A&M are currently collaborating on the process of accessing airspace in the vicinity of DoD facilities along the Nation's border.

CBP A&M and the FAA are also finalizing an application for an expanded COAs along the Southwest border that will span from Texas to California. That application will be submitted to the FAA in April 2008.

In early 2008, CBP received a COA from the FAA to fly several flights in the Gulf of Mexico and the Straits of Florida. These flights allowed CBP to demonstrate the integration of the UAS into CBP and U.S. Coast Guard Operations.

Question: Please provide a detailed description of procurement plans for the multi-role aircraft given the decision of the DHC-8 manufacturer to cease production.

ANSWER: With the recent decision of Bombardier to stop production of the Dash 8 Q200/300 series aircraft, the MPA fleet will be limited to 7 aircraft, thus creating a capability gap in maritime surveillance in the transit zone and along the Northern tier. To mitigate that capability gap, CBP has initiated the following mitigation plan:

- To provide additional maritime surveillance resources to extend the zone of security beyond the Nation's borders, CBP has coordinated with the DHS Science and Technology Directorate to acquire and install maritime surveillance radar systems.

- To support surveillance operations along the Northern tier, CBP has begun market research of multirole enforcement aircraft (MEA) equipped with multi-mode radar EO/IR sensors, secure communications and video and data downlinks. Since the Northern tier environment is different than the transit zone, the multi-mode radar for the MEA would require air-to-air, air-to-sea, and air-to-ground modes to enable detection and tracking of airborne targets of interest, both over land and over water, as well as vessels in the maritime environment. Operational requirements for the MEA are currently being developed.

SBInet

Question: Please provide a detailed cost and schedule estimate for development and testing of all SBInet components, broken out by component, leading up to SBInet deployment.

ANSWER: The tables below include all of the major components of SBI*net* (Technology) except for Operations and Support and Program Management, all of which contribute to the ultimate goal of deploying cost-effective mission capabilities to CBP.

Costs for Implementing the SBI*net* (Technology) (dollars are in $K)

Name	Effort	FY 2006 Supp.	FY 2007 Actual	FY07 Carryover	FY 2008 Enacted Budget	FY2009 President's Budget
Mission Engineering		$ 51,520	$ 67,699	$ 67,811	$ 135,546	$ 100,000
	Management Task Order	$ 24,200	$ 9,741	$ 62,365	$ 107,546	$ 100,000
	Mission Engineering		$ 2,965	$ 910	$ 10,500	
Advanced Technology Development				$ -		
	Advanced Technology	$ 7,350	$ 2,024		$ 17,500	
	FenceLab					
Systems Engineering		$ 19,970	$ 52,969	$ 4,536		
SBInet Technology		$ 20,680	$ 7,533	$ 87,482	$ 166,230	$ 325,000
	TUCSON				$ 102,800	$ 175,000
	Project 28	$ 20,680			$ -	
	YUMA					
	EL PASO					
	RIO GRANDE VALLEY					
	FOLLOW-ON SECTOR DESIGNS					$ 30,000
	TEXAS Mobile System				$ -	
	Northern Border -Detroit			$ 20,000		
	Common Operating Picture Spiral 1		$ 1,845	$ 67,482	$ 13,850	$ 70,000
	Tactical Communications (P.25 Upgrades)		$ 5,688		$ 49,580	$ 50,000
Test and Evaluation		$ 2,800	$ 6,200	$ -	$ 18,925	$ -	$ 27,925
	Independent OT&E	$ 2,800	$ 6,200		$ 18,925		

SBI*net* (Technology) is building on last year's significant engineering and design accomplishments and preparing to deploy SBI*net* operational (production) configurations to the Border Patrol's (BP's) Tucson Sector. The following section describes the major elements of the SBI*net* which lead up to and support SBI*net* deployments

Operating, testing, and "learning" with P-28:

The government recently accepted full delivery of the P-28 demonstration system in the Tucson Sector. BP agents are manning the system consoles and are using the system as part of their daily border security operations. In addition, CBP will integrate various testing projects with the current P-28 configuration. In April, CBP will begin operational testing, supported by U.S. Army test personnel, to validate the operational performance and overall suitability of the system, and to characterize better the overall system's capabilities and limitations. These findings will serve to improve not only the BP's tactics, techniques, and procedures for using the system, but also CBP's design for future system deployments. Moreover, later this spring, CBP will initiate a disciplined developmental testing project to characterize the full technical performance of the individual

sensors, and will gain additional insight with the system's sensor information processing capabilities and limitations (i.e., target tracks, video images, sensor commands).

Developing and integrating improved C3I:

CBP and Boeing, the prime contractor, are executing the Command Control Communications and Intelligence (C3I) Common Operating Picture (COP) Task Order to provide for: sensor control and data processing; enhanced intelligence collection and analysis/dissemination tools; shared situational awareness (i.e., COP); friendly or blue force tracking and management; upgraded and interoperable digital field communications; improved C2 facilities; an enhanced wireless communications network, and network and security operations. Boeing is developing and will deliver the initial operational SBI*net* software Release 0.5 this spring for integration testing with the full system, and eventual deployment to the Tucson Sector.
In accordance with DHS guidance, CBP will also complete multiple trade studies, one with Boeing and another with MIT Lincoln Laboratory, to evaluate acquisition strategies, software functionality, architectures, risks, and program costs for alternative long-range architectures and software development environments. Pending the outcome of these trade studies, CBP will fund the development of future SBI*net* C3I COP software upgrades based on the Release 0.5 or alternative architecture.

In addition to the software development program, CBP is funding improvements to the tactical and backhaul communications segments. As part of the SBI*net* (Technology) portfolio, CBP is deploying infrastructure to support the P.25-compliant digital network throughout the Tucson and Yuma Sectors, and is preparing to initiate deployment throughout the El Paso Sector. CBP is also deploying high-speed, secure communications links between CBP command centers and DHS's OneNet backbone.

Designing and deploying the SBI*net* operational configuration:

CBP is expecting to break ground with the first two Block One operational deployments to the Tucson Sector later this summer. Last year, the SBI*net* program office and Boeing initiated several planning, engineering, and design activities that will provide confidence for launching these two deployments. Over the next several months, CBP will continue:

- System design and performance verification: SBI*net* systems engineers are completing architectural and engineering designs with detailed performance specifications, and are now preparing for the Block One Critical Design Review (CDR) this spring of the major components (e.g., a camera, or radar or an unattended ground sensor) and segments (e.g., a complete surveillance tower assembly) of the system. In parallel, Boeing will characterize and verify individual component performance, integrated segment performance, and eventually full system performance (e.g., sensor towers, C2I COP software, with communications and vehicle systems) in the Sytems Integration Laboratory (SIL) in Huntsville, Alabama. This activity provides the technical confidence for the planned Block One deployment this summer.
- Detailed deployment design: SBI*net* and Boeing continue to develop the specific deployment configuration and siting, or "laydown," of the proposed SBI*net* sensor towers, communications towers, C2 facility modifications, and supporting infrastructure for the operational deployment across the Tucson, Yuma, and El Paso Sectors. These laydowns include performance modeling and analysis to ensure optimum sensor coverage and communications paths, and will ensure that the overall deployment configuration can achieve key system performance parameters. Additionally, Boeing and CBP are developing the detailed implementation plans for construction and deployment, T&E, logistics and sustainment, and operator training. CBP will complete these plans for the initial Tucson deployments early this summer, and will continue planning throughout the year for the remainder of Tucson, Yuma, and El Paso sectors.
- Regulatory compliance, surveys, and land acquisition: In addition to the technical planning activities above, CBP will: conduct environmental analyses as part of our committment to proceeding in an

environmentally sensitive manner and working closely with the appropriate resource agencies to minimize any adverse impacts to the environment, wildlife, and historic and cultural resources, and, conduct real estate transactions to acquire and/or lease both public and private property concerns. CBP will complete these transactions for the initial Tucson deployments early this summer and will continue throughout the year for the remainder of Tucson, Yuma, and El Paso.

Successful completion of these design, planning, integration, and preparatory activities, positions CBP to begin further deployment of SBI*net* following the first two deployments this summer. CBP has restructured SBI*net* deployment in 2008 to two Tucson station areas in order to demonstrate both system performance and production efficiency prior to committing to a "full rate" production and deployment investment. Pending successful deployment progress, testing results, and risk reduction, CBP will seek the full rate production and deployment decision from DHS late in 2008. Following the full rate decision, the FY 2009 SBInet budget supports completion of the Tucson Sector by the end of 2009 and lays the groundwork for completing the Yuma Sector in 2010 and the El Paso Sector in 2011.

Question: Please provide available information on roll-out schedule of the SBInet to each sector.

ANSWER: In December 2007, the Department of Homeland Security (DHS) leadership incorporated significantly more integration and testing prior to making large investment (i.e., deployment) decisions. Additionally, SBI*net*'s deployment schedule was sequenced to available funding, as more FY 2007-08 funding was directed to tactical infrastructure projects (pedestrian and vehicle fencing).

In 2008, the SBI*net* Program is focused on demonstrating full system performance and repeatable construction and deployment processes. These demonstrations will occur not only in the laboratory, but also at two Border Patrol Stations in the Tucson Sector in Arizona. DHS leadership will review our progress at year's end, and is scheduled to make a "full rate" production and deployment decision for SBI*net* in late Fall 2008. With the "full rate" decision made, the FY09 SBI*net* budget supports completion of the Tucson Sector in 2009, Yuma in 2010 and El Paso in 2011.

Question: Please provide a descriptive estimate of the impact of P28's delay upon the SBI Strategic Plan schedule.

ANSWER: There have not been changes to DHS's overall intent to deploy a tower-based integrated sensor and common operating picture concept. Pending successful integration testing early this summer, we will deploy our first two operational sites in Arizona by year's end. We are planning to complete the Tucson Sector in 2009, Yuma in 2010, and El Paso in 2011.

The SBI*net* program continues engineering-level design work, laboratory and field test and evaluation, and site-specific engineering and environmental surveys across all of Arizona and El Paso sector in preparation for construction and deployment. SBI*net* deployment to-date includes the Project 28 proof-of-concept demonstration in southern Arizona, as well as deploying upgraded digital tactical communications systems across Arizona.

Question: Please provide a schedule for delivery, testing, and deployment of the COP, including the duration of P28 to date, and a description of the challenges remaining to complete this essential component to prove operational.

ANSWER: The COP delivered under Project 28 was a proprietary "off-the-shelf" solution that had unexpected integration difficulties and operational shortcomings. The effort to deliver, test, and deploy the P28 COP was

included in the build-out of and testing of P28. P28 hardware was installed in the field through July of 2007, and subsequent testing and acceptance of the system continued through February 2008.

The C3I COP software (COP Release 0.5) that will replace (totally) the P28 COP is being developed and delivered using a collaborative environment which allows end users to be directly involved in the development to ensure solutions are tailored to meet their operational needs. The developer will incorporate a spiral approach that includes successful demonstrations of system performance and results in multiple releases of the system where each subsequent release provides an incremental addition of functionality and improvement in system capability.

Release 0.5 is the first release of the C3I COP software. This release is intended to support the initial deployment of SBInet technology (scheduled for Fall of Calendar Year 2008).

Under the current contract, development of Release 0.5 is scheduled to be completed by late spring 2008, and will undergo development testing through summer 2008. Full operational testing will be conducted once the SBInet technology is initially deployed.

There are challenges remaining to prove the C3I COP software is suitable for operational use. As in any software development activity, the most difficult challenge is end user acceptance of the system. The C3I COP approach includes a high level of user involvement during development to mitigate this challenge and includes multiple releases to capture and resolve issues and lessons-learned on an ongoing basis. External system interfaces (radars, cameras, unattended ground sensors, GPS-tracking, data communications, etc.) present another challenge to the C3I COP software development effort. The SBInet program has instituted a multi-layer test program using a System Integration Lab (SIL). This SIL is available to the software developers to test the software against these interfaces throughout the development process. This capability will give the developer the ability to identify and resolve system-level issues prior to deployment.

Border Patrol Agents

Question: Please explain how Border Patrol is ensuring for adequate training of supervisory agents as well as an appropriate and effective ratio between newly trained and deployed agents and supervisors, given the influx of new agents over the last two fiscal years.

ANSWER: All new CBP supervisors are required to attend the mandatory CBP Supervisory Leadership Training course within their first year as a new supervisor. This program provides a week of leadership training and a week of administrative/management topics. Combined, the 72 hours of training provide the knowledge, skills, and abilities that are needed by new, first-time supervisors. Topics presented in this course include:

Making the Transition to Supervisor	Organizational Awareness
Developing Your Leadership Potential	Briefing/Presentation Skills
Communicating for Results	Incident Command System & Case Study
Ethics and Integrity	Executive Dialogue Session
Managing in a Crisis	Employee Relations
Motivating Employees	Labor Relations
Managing Performance	Equal Employment Opportunity Awareness
Managing Performance Problems	Update on CBP Hot Topics

Managing the Work	Worker's Compensation Overview
Working Through Conflict	On-the-Job Training for Supervisors
Leading Employees Through Change	Leadership Development Guide and Plan

In addition to the classroom training, all new supervisors are required to complete the Supervisory On-the-Job Training Program, which requires that their managers certify that they have achieved the knowledge and skill level required of a new supervisor.

Further, Supervisory Border Patrol Agents are scheduled to attend the Technical Training Course for New BP supervisors. This 2-week program deals with specific policy and program areas that are integral to supervising in the Border Patrol. Current course topics include:

Ethics/Ethical Decision Making	Dealing with the Media
Supervising within the Negotiated Contract	Employee Assistance Program
Situational Leadership	Evidence Policy
National Strategy, Goals, & Tradition	Firearms
Operations Planning	Critical Incident Management Scenarios
K-9 Policy	Accident Investigation
Legal Updates	Pursuit/Spike Policy

To reinforce the need to train new supervisors, Customs and Border Protection has put in place a directive, *Mandatory Training for First-Time Supervisors*, which was established in 1999 and renewed in 2005. This policy requires that all new supervisors be scheduled to attend Supervisory Leadership Training within 90 days of their entry-on-duty date as a new supervisor.

To implement this policy, the Office of Training and Development tracks all supervisory appointments and schedules new supervisors to attend the course. Since 2007, with the first increase in new Border Patrol supervisors, CBP has trained approximately 1,400 each year of which half are Border Patrol supervisors. The Border Patrol has adjusted its historical ratios for first line supervisors to accommodate the large influx of new hires. The historic ratio has been 7:1, which is one first line supervisor for every seven agents. For stations with very high percentages of new agents (in particular, where there are more new agents than journeymen), we are using a ratio of 5:1 as a basis for estimating the required number of supervisors. In other words, we have increased the number of first line supervisors as a percentage of our workforce. Our field commanders use these numbers as a starting point but they have the ability to adjust up or down based on their operational demands and their specific concepts of operations.

Question: Please explain, in detail, how the Office of Professional Responsibility is able to provide sufficient conduct and integrity oversight coverage of the rapidly growing CBP Officer and Border Patrol agent workforce.

ANSWER: The CBP Office of Internal Affairs (CBP-IA) conducts integrity oversight of the CBP workforce through: 1) joint staffing of the Joint Intake Center (JIC) with Immigration and Customs Enforcement Office of Professional Responsibility (ICE OPR) which collects, documents, and stores data from all sources on allegations of misconduct against CBP employees to ensure such matters are assigned to the appropriate component for investigation; and by 2) conducting investigations through one of our 15 offices currently

located throughout the country, partnering with ICE OPR as well as the Department of Homeland Security Office of Inspector General (DHS OIG) where appropriate, to ensure timely completion of the inquiry. We intend to augment our investigative response with support from a polygraph examination program. We will also be participating in the Federal Bureau of Investigation border corruption task force initiatives, as well as working with other Federal, State, and local law enforcement agencies.

Question: Please provide a detailed description of the staffing (GS-1801s) for the Office of Professional Responsibility against what CBP believes to be a fully developed cadre for investigating all serious misconduct incidents.

ANSWER: CBP IA is currently staffed with 106 GS-1801 Special Agents (SAs) working from seven Field Offices and eight Resident Offices located predominantly on the southern border.

Question: If additional funding was available, how many additional GS-1801s are needed to provide for adequate conduct and integrity oversight?

ANSWER: With the anticipated growth of CBP in FY 2009 and beyond, particularly Border Patrol hiring, the President's Budget requests $5.3 million to hire an additional 24 investigators and 5 support staff as part of the Conduct and Integrity Oversight initiative.

US-VISIT, CBP, and POEs

Question: Please provide a detailed explanation of how US-VISIT and CBP are working together and with GSA to examine exit solution possibilities for land ports of entry (POE), with particular attention and alignment to POE construction funding provided in FY 08 and requested in FY 09.

ANSWER: US-VISIT is taking the lead, in coordination with CBP and GSA, to develop an exit strategy at land ports of entry. As the exit strategy is further developed by US-VISIT, CBP will evaluate the impacts the strategy may have on construction projects that are funded for FY 2008 and proposed for FY 2009, coordinating with GSA as appropriate. CBP and GSA will work to incorporate any US-VISIT exit technology requirements into the design and construction of new POEs, wherein US-VISIT exit requirements will be provided to CBP in the early design phases of the FY08 and FY09 construction projects. Additionally, CBP will provide US-VISIT with updated design and construction plans for all LPOEs under design and construction.

US-VISIT's Support to Operations

Question: Please provide a description of how US-VISIT is providing identity services to Border Patrol and the Coast Guard in the field. Please include the operations and maintenance costs associated with these services.

ANSWER: US-VISIT actively supports and provides identity services for 5,000 to 7,000 queries daily from the Border Patrol, U.S. Coast Guard (USCG), and other DHS law enforcement entities. This mission support ranges from the gathering of electronic fingerprint images from Border Patrol and Coast Guard operational field elements, submissions via DHS networks to US-VISIT, searching and matching submitted fingerprint images against the US-VISIT Automated Biometric Identification System (IDENT) systems that contain more than 85 million records, and providing responses back to submitting mission elements within two minutes or less.

US-VISIT continues to provide technologies and services to over 30,000 worldwide users and to directly support the missions of DHS and interagency partners, including U.S. Customs and Border Protection (CBP),

Immigration and Customs Enforcement (ICE), USCG, U.S. Citizenship and Immigration Services (USCIS), Department of State (DOS), and Department of Justice (DOJ). In Fiscal Year 2008, US-VISIT received $103 million for the operations and maintenance costs of all US-VISIT systems, including: the IDENT system and the Arrival and Departure Information System (ADIS), among others. The IDENT system supports CBP, ICE, CIS, USCG, DOS, state and local law enforcement entities and other stakeholders. US-VISIT requests funds based on the number of transactions to the system.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSWOMAN KAY GRANGER

U.S. Customs and Border Protection

Time Goal for Southwest Border Security

Commissioner Basham, I would echo the comments of Ranking Member Rogers that we all agree securing the Southwest border is IMPERATIVE. Not only is it imperative, but it is also something we should have done YESTERDAY.

Your Department provided Congress in the 2006 Secure Border Initiative strategic plan with the time goal of 2011.

That is an admirable goal, but I will be honest – my constituents want security now. I want security now too, but if I must accept a timetable for security – I'm going to make sure I hold your feet to the fire to meet your stated deadline.

Recent delays in Project 28's contract and now the upcoming integration testing period have me concerned that this 2011 goal will slip.

Question: Commissioner Basham, it is very important this 2011 time goal is met. What exactly do you need to secure the southwest border by 2011?

ANSWER: CBP recently submitted the updated SBI*net* program cost and schedule projections in the 2009 President's Budget, as well as in our FY2008 SBI*net* Expenditure Plan. The SBI*net* Program is fully funded through 2008 to demonstrate key SBI*net* operational performance measures and production processes in two Border Patrol Stations. Pending success in 2008, SBI*net* will complete deployment to Tucson in 2009, Yuma in 2010, and El Paso in 2011.

Question: When exactly can we expect the Soutwhest border to be secure?

ANSWER: CBP recently submitted the updated SBI*net* program cost and schedule projections in the FY 2009 President's Budget, as well as in our FY 2008 SBI*net* Expenditure Plan. The SBInet Program is fully funded through 2008 to demonstrate key SBI*net* operational performance measures and production processes in two Border Patrol Stations. Pending success in 2008, SBI*net* will complete deployment to Tucson in 2009, Yuma in 2010, and El Paso in 2011.

Question: Is additional funding the answer to Southwest border security by 2011?

ANSWER: The Department of Homeland Security will continue to review SBInet program progress and risks with respect to the evolving operational (mission) risks presented by the security situation along the border, and

will submit formal resource requests to the Congress that mitigate and balance these risks. At this time, SBInet is fully funded to execute our near-term development, construction, and implementation goals.

US-VISIT's Recently-Announced Intention for Exit Program

Question: Last week, we heard from witnesses in our Transportation Security Administration hearing that DHS recently has been planning to require airlines to collect biometric information such as fingerprints for US-VISIT's Exit program.

Their concerns with this approach centered around the overwhelming costs to carriers associated with collecting this data and the impracticality given how passenger flows through airports are working these days.

You also stated at a national conference that DHS has an open mind about where to collect the US-VISIT biometric information and who is collecting this information. And that USVISIT is evaluating the "full range of options" for collecting the finger prints when foreigners exit the U.S.

This "full range of options" typically means one of three places in the airport: 1) airline's check-in counters; 2) TSA's security checkpoint; or 3) at the departure gate using a kiosk.

Question: Director Mocny, will you commit to doing pilot programs on all the options, especially having tsa perform this task at the security checkpoint?

ANSWER: US-VISIT agrees that testing potential solutions in a real-world environment is an important step in developing air/sea biometric exit. Between January 2004 and May 2007, US-VISIT piloted biometric exit procedures at 12 airports and two seaports. The results of this pilot are informing current biometric exit development.

To be successful, the proposed solution will require active participation by all air and sea carriers. The Department of Homeland Security (DHS) plans to publish a Notice for Proposed Rulemaking (NPRM), which will discuss a range of options. It is through the NPRM process that we will engage with the travel industry and others to determine the best course of action.

Through the Implementing Recommendations of the 9/11 Commission Act of 2007, Congress made very clear its intentions on the urgency of deploying biometric exit to airports. The deployment schedule as currently envisioned by DHS should meet these ambitious deadlines; however, the design, deployment, and conduct of operational pilots at multiple airports at multiple locations would duplicate the previous pilot and would cause DHS to miss statutory deadlines for the deployment of Air/Sea Biometric Exit.

Question: How would any privacy or accuracy risks involved be addressed if the fingerprints were collected by the airline carriers?

ANSWER: The Department of Homeland Security (DHS) plans to publish a Notice for Proposed Rulemaking (NPRM), which will discuss a range of options for collection of traveler's biometrics upon exiting the United States. For all of these options, DHS will employ strong security measures to ensure protection of a traveler's personally identifiable information (PII) and compliance with privacy and security laws, regulations, policy, and best practices. US-VISIT seeks to address these risks in the air/sea exit notice of proposed rulemaking (NPRM) and, ultimately, the final rule by minimizing the collection and transmission of PII whenever possible.

DHS will also seek to establish technical, security, and privacy requirements in technical standards guidance for carrier systems and issue them in conjunction with the Final Rule. The Final Rule will also include a privacy impact assessment that relates to the option chosen for biometric capture.

Furthermore, we note that US-VISIT already protects the PII used for entry-exit processing through a robust privacy and security program. As discussed in the January 5 and August 31, 2004, interim rules, US-VISIT

records will be protected consistent with applicable privacy laws and regulations, including DHS's published privacy policy for US-VISIT. In addition, US-VISIT's security policy requires that the confidentiality and security of an individual's personal information be maintained.

Texas Border Security– Unmanned Aerial Vehicles

Question: Assistant Commissioner Kostelnik, as you know the Fiscal Year 2008 Omnibus Appropriations bill directed DHS to develop an unmanned aerial vehicles plan for civil airspace with the Federal Aviation Administration and to determine the risks of mid-air collisions.

Yesterday, this Subcommittee heard that both the civil and maritime plans for unmanned aerial vehicles are coming together. Specifically, that the Coast Guard and Customs and Border Protection are working with the Air Force and the Defense Department to make inroads with the Federal Aviation Administration.

I am more interested in the civil airspace perspective. Texas has the longest stretch of shared land border with Mexico over any other state – totaling over 1,200 miles.

Customs and Border Protection and the border patrol have been working to create a "common operating picture" in order to effectively protect and safeguard the miles along the Southwest border.

These miles include cities, rural areas, and private property and would demand airspace safety for both commercial and general aviation – as well as effective use of unmanned aerial vehicles by Customs and Border Patrol.

Question: Mr Kostelnik, when can we expect full implementation of the 2008 Appropriations Bill directive with the FAA?

ANSWER: The U.S. Customs and Border Protection (CBP), Office of CBP Air and Marine (A&M), has enjoyed a very productive relationship with the Federal Aviation Administration (FAA) as it introduced the Predator B unmanned aircraft system (UAS) into the national airspace. When the Predator B was first introduced, CBP and the Federal Aviation Administration (FAA) agreed to proceed with the review and approval of Certificates of Authorization (COAs) slowly to ensure that the public's safety would be assured. A COA is required prior to receiving FAA approval for flights outside of Restricted and Warning Areas in Special Use Airspace. The Restricted and Warning areas are used as transit corridors to the national air space (NAS) for UAS launch and landing. The FAA has been processing COA applications for several years, originally starting as a rudimentary paper application but recently evolving to an online automated process. The FAA advertises that COA approvals would be granted within 60 days after the successful submission of a request into the automated system.

For ongoing homeland security missions, COAs have been granted for very limited segments of the border, and for specific time periods. Additional COAs are required to transit between operating areas, from operating areas to a contractor's plant, to and from training locations, at training locations, and to and from test ranges. These COAs are generally granted for one flight and must be resubmitted if CBP needs to repeat the flight at a later date.

CBP A&M has gone beyond the minimum FAA requirements in order to assure the public's safety. In addition to flying in Class A Airspace (above 18,000 ft) to mitigate risks to FAA air traffic control (ATC) procedures, A&M missions adhere to more stringent FAA requirements to reduce the exposure to casual General Aviation aircraft operating under a less restrictive Visual Flight Rules (VFR). Under these more stringent operation

conditions, aircraft at these higher altitudes are required to conform to mandates of minimal equipment requirements, specific altitudes and routes issued by the FAA to ensure safe and efficient movement of air traffic. This higher operating environment greatly reduces the risk of collision with other aircraft, both manned and unmanned.

CBP also has a unique capability to supplement FAA efforts to track and communicate with homeland security flights through the CBP Air and Marine Air and Marine Operations Center (AMOC) in Riverside, California. This capability decreases the risk of collision by following unmanned aircraft climbing into and departing from Class A airspace. CBP UASs are under positive control and tracking from launch to landing.

CBP has chosen to further mitigate risk to the public by providing the FAA an Airworthiness Statement for their Predator B. This is not an FAA requirement since DHS, as a public use operator within the Federal Government is exempt from operating their UASs under an Airworthiness Certificate Title 14, Code of Federal Regulations (14 CFR). This airworthiness statement provides sufficient information to the FAA showing that the UAS airborne platform can be operated safely with the NAS. The aircraft and attendant ground control systems are triple-redundant, and the activities of each air crew are monitored closely by an instructor pilot, eliminating the risk of a loss of control except under the most extreme circumstances. The FAA has accepted CBP's Airworthiness Statement thereby reducing a risk inherent under the provisions of (14 CFR).

As CBP A&M expands its Predator inventory, consistent with its plans to employ this valuable, long duration asset along all of the nation's land and maritime borders and into the Caribbean and Eastern Pacific transit zones, the need to expand access to the NAS and reduce response times to new mission requirements and national events must be addressed. To that end, CBP is engaging the FAA in a series of policy discussions intended to address the long term employment of the Predator B for homeland security missions. Once these discussions are concluded, and the way forward is approved at the appropriate levels, the details will be provided to the Committee.

Question: In your mind, what are the greatest interagency challenges to overcome in this process? How will the cooperation of the Defense Department help move this directive along?

ANSWER: Now that CBP has gained considerable experience with the Predator B UAS, and is increasing the number of operational aircraft, the agency can begin addressing the issues associated with the expansion of UAS operations across all of the Nation's borders. The unique capabilities of the Predator B enable CBP to conduct long-duration homeland security missions under conditions and in environments where risks to manned aircraft or ground agents are high. The Predator B provides the capabilities to survey damage resulting from natural disasters and acts of terror, to conduct interdiction operations against well-armed suspects, to conduct surveillance and direct counter-terror forces, to alert friendly forces to potential threats, to aid in day or nighttime victim recovery, and to track individuals and groups suspected of border violence. To accomplish these missions, however, ready access to the national airspace is needed. CBP has a worked closely with the FAA to address airspace access requirements and will build on this relationship to identify issues where policy changes or legislation can enhance CBPs ability to meet its homeland security mission.

CBP enjoys a very positive relationship with the DoD UAS Task Force, the U.S. Air Force, and the U.S. Army. CBP is working with the DoD to explore the feasibility of greater cooperation in unmanned systems. CBP will seek cooperation in the acquisition, operation and testing of unmanned aircraft system. CBP has already benefited from the DoD's use of unmanned aircraft system. The Predator B UAS continues to be the UAS of choice by CBP for many reasons. One of the chief reasons is that the system has been proven by the U.S. Air Force. The U.S. Air Force continues to develop and refine this platform and those refinements are incorporated into CBP's fleet of UASs. CBP incurs little or no cost for these.

The U.S. Air Force and U.S. Army provide facilities and access to airfields in the Southwest Border Region, the Northern Border Region, and South Eastern Coastal Region. Access to these airfields is essential and provides great benefit to CBP. Access to these airfields provides, in many cases, expedient access to the restricted airspace over many DoD installations. Restricted airspace allows our UASs to enter the National Airspace System (Class A airspace) with minimal impact to General Aviation (GA). CBP also benefits since they are not required, as a tenant, to provide force protection around UAS operations sites as this protection is typically provided by the hosting military installation.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSMAN JOHN PETERSON

U.S. Customs and Border Protection

First Sale Rule

Commissioner Basham, it has recently come to my attention that CBP has issued a "proposed interpretation" of the "first sale" method that US companies, employers and importers currently use to value imports for duties. Attached for the record is a letter signed by over 90 companies and groups asking Secretary Chertoff to withdraw the proposal because of the negative impact it would have on imports and their customers, and which essentially says CBP's proposal would be a tax increase. I understand that there are 20 years of judicial rulings supporting importers' use of the current "first sale" rule, and that European Union companies use the same convention.

Question: Why did CBP propose this change?

ANSWER: Our proposal addresses a fundamental issue regarding the proper interpretation of the U.S. value law, 19 U.S.C. 1401a. In legal terms, the question is which sale price is the price actually paid or payable for the imported merchandise when sold for exportation to the United States for purposes of determining the transaction value. Under our current interpretation, the price paid by the foreign distributor to a foreign manufacturer (so-called first sale) may be used when certain criteria are satisfied. Under the proposal, transaction value would be based on the price paid by the U.S. importer to the foreign distributor (so-called last sale).

We proposed this change because it is our view that determining transaction value on the basis of the last sale, rather than the first sale, reflects the correct legal interpretation of the value law, is consistent with legislative intent, and properly reflects the provisions and intent of the international agreement, upon which the U.S. value law is based, as recently clarified by the Technical Committee on Customs Valuation. In addition, the proposed interpretation would conform to the U.S. interpretation to the current interpretation of most other WTO Members.

Although CBP's current practice is based on judicial decisions, those court decisions primarily decided the issue under prior export value case law and did not fully analyze the issue under the current value statute. However, other court decisions have taken note of the substantial differences between the prior export value law and the current value statute. Moreover, in a more recent transaction value case, the court concluded that prior export value case law cannot properly account for the significant differences between the two statutes. Accordingly, we believe our proposal aligns the legal determination of transaction value to the current value statute.

Our proposal would also conform our interpretation with the WTO Technical Committee on Customs Valuation, which was established by the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade (Valuation Agreement) to ensure uniformity among all Member countries in the interpretation and application of the Valuation Agreement. The Technical Committee undertook a thorough review of this issue and adopted Commentary 22.1, concluding that, in a series of sales situation, the price used to determine the transaction value normally is the price paid in the last sale occurring prior to the introduction of the goods into the country of importation, instead of the first sale. It was this Commentary, along with CBP's

view that court precedent is based on prior export value case law, that prompted our review of our current legal interpretation of the value statute.

Question: Did the Department consult with Congress, in particular with the Committee on Ways & Means or this Subcommittee, before making this proposal?

ANSWER: Although no consultations occurred before publication of the proposal, CBP officials briefed majority and minority staff of the Senate Finance Committee and House Ways and Means Trade Subcommittee on the proposal on February 29, 2008. We have committed to meeting with staff again once comments to the proposal are received and analyzed to fully consider their views before any final decision is reached. We believe that publication of the proposed interpretive rule in the Federal Register satisfies CBP's legal notification requirements.

Question: What funding is included in the fiscal year 2009 budget request for CBP to examine the "first sale" rule?

ANSWER: The examination of the first sale rule was done as part of our general responsibility to review and examine our interpretation of any of the customs and administration laws to ensure that they reflect the correct interpretation. As such, this review was among many of the reviews conducted by our employees already on board who review and issue on my behalf legal interpretations of the customs and trade laws.

Question: If the reason for the proposal is that it is "administratively complex" for CBP to figure out the "first sale" price, isn't there another way to address this rather than just propose that US importers would no longer be able to use it at all – essentially disadvantaging them in the increasingly global economy?

ANSWER: Although the current first sale rule presents various administrative issues for both CBP and importers, this is not the reason we proposed the change. As indicated above, CBP believes that the proposed interpretation reflects the proper legal interpretation of the U.S. customs value law, is consistent with legislative intent, and reflects the provisions and purpose of the Valuation Agreement upon which the U.S. value law is based, as recently clarified by the Technical Committee on Customs Valuation. The increasingly global economy is a reason why it makes sense to adopt the accepted interpretation of the Valuation Agreement when, as we believe it is here, consistent with the applicable U.S. law. If the proposal is adopted, U.S. importers would be subject to the same rule that U.S. exporters face. Although the European Union currently permits first-sale appraisement in certain situations, we understand steps are being taken to review the issue. Commentary 22.1 was adopted by the Technical Committee by consensus, and the European Union was a participant in that process.

WEDNESDAY, APRIL 2, 2008.

CARGO CONTAINER AND SUPPLY CHAIN SECURITY

WITNESSES

STEPHEN FLYNN, FELLOW, COUNCIL ON FOREIGN RELATIONS
CHRIS KOCH, PRESIDENT & CEO, WORLD SHIPPING COUNCIL

OPENING STATEMENT OF CHAIRMAN PRICE

Mr. PRICE. The subcommittee will come to order. This morning we will hear from two panels on the challenges and priorities facing our Nation to secure containers, cargo, and the supply chain from radiological and nuclear attacks.

Our first panel will consist of Stephen Flynn, Senior Fellow for National Security Studies with the Council on Foreign Relations, and Christopher Koch, President and CEO of the World Shipping Council. These gentlemen will provide perspectives on these issues from outside the Department of Homeland Security.

When the first panel concludes we will hear from Jayson Ahern, Deputy Commissioner of the U.S. Customs and Border Protection, and Vayl Oxford, Director of the Domestic Nuclear Detection Office, who will address this issue from inside the Department of Homeland Security. And, of course, they will help us focus on the fiscal year 2009 budget request.

The vulnerability of the U.S. economy, and, in fact, the international economy to a weapon of mass effect keeps many public officials awake at night. One such nightmare scenario involves nuclear material from the former Soviet Union that arrives at our shores aboard a ship via a cargo container. We very much hope that our Homeland Security appropriations investments will keep this threat a hypothetical.

DHS has requested $955 million for its cargo and container security efforts in fiscal 2009, about $100 million above the fiscal 2008 funding level. Within this total, $564 million is for DNDO to research, develop, and acquire systems that will better detect the presence of radioactive and nuclear devices entering our country. $16 million is for S&T to research and develop next-generation cargo security devices. And $376 million is for CBP to process a daily average of 70,200 sea, rail, and truck containers and 304,000 private vehicles, not to mention small boats and private aircraft.

Today we want to discuss reducing risk, whether based upon improved knowledge about containers and vehicles or on more effective screening. We also expect to hear how ongoing research efforts are bearing fruit. During this hearing we will delve into the following topics. By 2012, under the 9/11 Act, all cargo bound for the U.S. must be scanned before being loaded on ships. We want to discuss DHS's Secure Freight Initiative and other ways to meet this requirement.

In January, our subcommittee visited two of the 58 Container Security Initiative ports, the CSI ports. We saw significant challenges, particularly in achieving the staffing levels and continuity CBP needs to effectively manage its collaborations with foreign governments and customs agencies. Is there a better way for the U.S. Government to run this program?

Thirdly, DHS budget materials project that the rate of scanning of sea containers, those that enter through U.S. Seaports of entry, would rise 50 percent, from 4 percent in 2007 to 6 percent in 2009, but the rate for scanning containers arriving in the U.S. By truck and rail would fall by 15 percent. How do we explain any reduction in scanning?

Fourthly, decisions to invest in next-generation radiation detection technology requires tradeoffs between the need to ensure technology is accurate and cost-effective and the need to rapidly field the technology to reduce a critical vulnerability. We will want to discuss those investment decisions and their status.

New filing, new data filing requirements are being promulgated to improve the quality of information DHS uses to screen and target development of the Global Trade Exchange promises to provide much more information about the supply chain, but it raises questions about how such information will be gathered, managed, and protected.

We would like to hear from the witnesses about the shared and conflicting interests of government and the private sector in reducing risk in the supply chain. How should the obligations and costs of changing business processes and guarding sensitive information provided to government or third parties be shared?

Sixth, efforts to develop advanced container or conveyance devices have been underway for almost 5 years. What should our goals be? Partnerships with importers, exporters, shippers, and carriers help reduce risk because they give us more information about who is moving goods and containers, but such programs are only as valuable as our confidence in our partners, which requires regular monitoring, something government often does not do well.

So this is an ambitious range of topics, and we look forward to a full discussion with our panels today.

We are going to ask everyone to limit their oral remarks to 5 minutes, understanding that the entire written statement will be placed in the record. As I said earlier, we will begin with our first panel of outside experts and then turn to Mr. Ahern and Mr. Oxford.

[The information follows:]

OPENING STATEMENT

CONGRESSMAN
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Opening Statement
Subcommittee on Homeland Security Appropriations

Container Security

Witnesses – Panel #1:

Stephen Flynn, Fellow, Council on Foreign Relations
Chris Koch, President & CEO, World Shipping Council

Witnesses – Panel #2:

Jay Ahern, CBP Deputy Commissioner
Vayl Oxford, DNDO Director

10:00 AM – Wednesday – April 2, 2008

Thank you, Mr. Chairman and welcome to Deputy Commissioner Ahern, Director Oxford, and our guests from outside of the Department.

As DHS passes its fifth anniversary, the Department continues to seek the appropriate balance between the demands of commerce with that of needed security. While finding that balance with the more than 22 million cargo containers that enter the United States each year has proven to be as elusive as it is challenging, it is undeniable that real progress has been made. In 2007, CBP, with the help of DNDO:

⇒ Expanded the Container Security Initiative to 58 international seaports, covering 86% of inbound containerized cargo to the U.S.;

⇒ Validated over 3,000 supply chains, representing a 27% increase above 2006. Of this total, over 600 are re-validations—marking the first year CBP's C-TPAT program began a systemal process of re-validation.

⇒ Deployed 142 new radiation portal monitors in support of scanning 100% of containerized cargo crossing the southern land border, 98% of all seaport containerized cargo, and 91% of containerized cargo crossing the northern land border.

⇒ Conducted more than 17,000 trade enforcement seizures valued at $359 million.

⇒ Deployed the next generation of advanced targeting and manifest processing systems, including the electronic truck manifest, or e-Manifest, system to 99% of land border ports, processing nearly 30,000 trucks a day.

⇒ And, launched the Secure Freight Initiative, or SFI, pilot program in accordance with the SAFE Port Act.

Although it certainly remains to be seen how well these programs—*some less than a year old*—will ultimately pan out, progress has, indeed, been made.

Now, I know we have all been critical of the Department in the past. But let me point out that it is not the critic who counts. The credit goes to those *actually in the arena* and those doing their very best to keep us all safe. After all, with the exception of Deputy Commissioner Ahern and Director Oxford, we have all been mere spectators on the sidelines over the last five years and it is a much different role to be critical than to actually do the work.

Since DHS was established, we've learned a great deal about allocating scarce resources to address the greatest threats and mitigate our greatest risks. Today, I hope to hear about how DHS is applying those lessons as I firmly believe the scope and complexity of the cargo shipping industry lends itself *not* to the Draconian treatment of *every* aspect of the supply chain, but rather, **to a robust, adaptable, layered approach to security that facilitates that delicate balance between legitimate trade and security that is so vital to the interests of the United States**.

Which brings us to today and the question of *where do we go from here*? In many ways, the requirements of the SAFE Port Act and the wide-ranging mandates of the 9/11 Act have charted a course for the future of cargo container security. *But*, new and emerging developments in items such as a resilient, effective Container Security Device, improved targeting systems, and advanced radiation detection systems may alter that course in yet another direction—*one that I hope to learn more about today.*

Gentlemen, since the days of Alexander Hamilton and the founding of our Customs Service, the mission of counter smuggling has essentially remained unchanged. What *has* changed, unfortunately, is the known, radical intent to do harm and the fact that the contraband now ranges beyond counterfeit goods to illicit drugs, captive humans, and nuclear material—threats that are as devastating as they come.

These are some of the issues I hope to discuss today. The chore of finding the proverbial needle in a haystack of millions of cargo containers is one I certainly do not envy, but it is, in fact, DHS's responsibility. No one wants to see the Department succeed more than the Members of this Subcommittee.

Thank you, Mr. Chairman. I look forward to today's discussion.

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Mr. PRICE. Before the first panel begins, though, I want to turn to Mr. Rogers for any comments he wishes to make.

Mr. ROGERS. Thank you, Mr. Chairman. We welcome our guests from the Department and from the real world with us today. As the Department passes its fifth anniversary, the Department continues to seek the appropriate balance between the demands of commerce with that of needed security. While finding that balance with the more than 22 million cargo containers that enter the U.S. each year has proven to be as elusive as it is challenging, it is undeniable that real progress has been made.

In 2007, CBP with the help of DNDO, expanded the Container Security Initiative to 58 international seaports, covering 86 percent of in-bound containerized cargo to the U.S.; validated over 3,000 supply chains, representing a 27 percent increase over 2006, and, of this total, over 600 are revalidations, marking the first year CBP's C–TPAT program began a systematic process of revalidation; deployed 142 new radiation portal monitors in support of scanning 100 percent of containerized cargo crossing the southern land border, 98 percent of all seaport containerized cargo, and 91 percent of containerized cargo crossing the northern land border; conducted more than 17,000 trade enforcement seizures valued at $359 million; deployed the next generation of advanced targeting and manifest processing systems—including the electronic truck manifest, e-Manifest—to 99 percent of land border ports, processing nearly 30,000 trucks a day; and launched the Secure Freight Initiative, SFI, pilot program in accordance with the SAFE Port Act.

Although it certainly remains to be seen how well these programs, some of which are less than a year old, will ultimately pan out, progress has indeed been made.

Now, I know we have all been critical of the Department in the past, but let me point out that it is not the critic who counts. The credit goes to those actually in the arena—and I am borrowing heavily from another writer when I say that—and those doing their very best to keep us all safe. After all, with the exception of Deputy Commissioner Ahern and Director Oxford, we have all been mere spectators on the sidelines over the last 5 years, and it is a much different role to be critical than to actually do the work. Since the Department was established, we have learned a great deal about allocating scarce resources to address the greatest threats and mitigate our greatest risks.

Today, I hope we can hear about how DHS is applying those lessons, as I firmly believe the scope and complexity of the cargo shipping industry lends itself not to the Draconian treatment of every aspect of the supply chain, but rather to a robust, adaptable, layered approach to security that facilitates that delicate balance between legitimate trade and security that is so vital to the interests of the U.S.

Which brings us to today and the question of where do we go from here? In many ways the requirements of the SAFE Port Act and the wide-ranging mandates of the 9/11 Act have charted a course for the future of cargo container security. But new and emerging developments and items such as a resilient, effective container security device for each container, improved targeting systems, and advanced radiation detection systems may alter that

course in yet another direction, one I hope to learn more about today.

Gentlemen, since the days of Alexander Hamilton and the founding of our Customs Service, the mission of countersmuggling has essentially remained unchanged. What has changed, unfortunately, is the known radical intent to do harm and the fact that the contraband now ranges beyond counterfeit goods to illicit drugs, captive humans, perhaps even nuclear material, threats that are as devastating as they come.

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Thank you, Mr. Chairman. I look forward to today's discussion.

Mr. PRICE. Thank you.

Mr. Flynn, we will be happy to hear from you.

OPENING STATEMENT OF MR. STEPHEN FLYNN, FELLOW, COUNCIL ON FOREIGN RELATIONS

Mr. FLYNN. Thank you very much, Chairman Price. And thank you, Ranking Member Rogers and Congressman Edwards. It is an honor to be here today to talk about some of the challenges that we are confronted with about an issue that I would argue has enormous stakes for this Nation and for the broader global community. They have large national security concerns, but also enormous economic concerns in terms of the future of the prosperity of this Nation. And it is an incredibly complex problem that requires a lot of effort.

And many of the people here today, and particularly from the government witnesses, have been in the nitty-gritty of it, but it is a challenge that transcends what DHS can do in lots of ways; and one, as I will try to talk through, where we still have a ways to go.

I lay out in my prepared testimony four areas of concern with the current regime, and I offer some ideas about where we need to go from here. The basic four first start with the underlying data that is used for targeting to establish risk versus not risk is, in my view, too unreliable to support the kind of effort that is underway right now. CBP is addressing this in an important way by advancing the 10 plus 2 Initiative, and I applaud very much Chris Koch and the World Shipping Council working with CBP to advance that, but there has been tremendous resistance within the commercial community for providing that data.

The bottom line is that we do not have accurate enough, reliable enough data to underpin the targeting process. And that is a very important issue that continues to need work. And I applaud the efforts CBP has been making to try to address that.

The second area of concern I raise deals with the Container Security Initiative. And, Mr. Chairman, you were off looking at a couple CSI ports. The central problem is that the amount of U.S.-bound cargo that can be examined not just as a result of current staffing levels—but the challenge basically is the staffing levels of the host country—remains a tiny fraction of percentage of U.S.-bound cargo.

And there are serious issues with trying to get above that tiny percentage. We have a fraction of percent of U.S. Cargo now currently being examined under the CSI protocol at the port of loading. And to get to a higher percentage, to look at all anomalous U.S. Cargo would probably not be sustainable. And we are talking in the realm of 5 percent being a bridge too far at the port of loading right now; not, obviously, 100 percent. That means, obviously, a bulk of what is deemed to be anomalous is examined here in the U.S. and the U.S. Port.

That presents a serious problem if we find something both in that if it is triggered in the port, obviously it puts the port in jeopardy. Maybe the heartland may be protected by this, but certainly the front line is sacrificed in that process. But also it can obviously profoundly disrupt the port by trying to manage the incident in the port. So that is something that I think needs to be looked at closely.

The third area that I raise here is the radiation portal technology itself, our last line of defense that we rely on here in the ports. And while this has been rolled out quite quickly, again the problem is almost it is too late when we find it here. But there are serious limits to relying primarily on radiation detection equipment to detect nuclear material. To find a nuclear weapon, it basically cannot do it because of the material the nuclear weapon is surrounded with. And it would have serious challenges finding a dirty bomb, even if that is well shielded with lead, which obviously is a readily available material. It still takes good engineering, but you can defeat the radiation portal technology. So we have some issues there.

The final issue, and it is one I would like to focus on here in my oral remarks, is that today still the United States Government does not have a plan, should we have a major security incident involving the Intermodal Transportation System which results in a substantial slowdown or shutdown of the system, for how to turn it back on again. And for me, this is what is the "elephant in the room" problem that has been largely overlooked by an effort to find contraband, even in the form of a nuclear weapon, is that the Intermodal Transportation System is perhaps one of the most critical infrastructures that this Nation has, and it is one which the rest of the globe is tied to. And if our response to an incident is to profoundly disrupt that, the implications are not just economic; it is that many of the things that are truly life and death for us are in the system in a just-in-time mode.

Let me highlight just one of them. Ninety percent of medical gloves are made in Malaysia. Hospitals used to have 2 weeks of supply of these kinds of goods. Now we are down to 2 to 3 days, and that is as an effort to trim back the economy. One could imagine a scenario where, if something happens in Southeast Asia, it would slow things down. You could literally run out in a matter of weeks of gloves, which would impact every health care provider in the country. That obviously has kind of significant implications. The supply chain are life lines, literally in this case, but also for many other commodities, and the conveyor belt is the Intermodal Transportation System. To slow it down or shut it down is a serious problem.

I laid out a scenario just about 2 years ago before the Senate Permanent Committee on Investigations that highlighted the fact that probably the most vulnerable part of the supply chain is between the truck that picks it up from a factory overseas and takes it to its first point of loading. We are obviously in a part of the world in many places, or with potential drivers who are not people we can subject to vetting, and it is a highly transient workforce. They have physical custody of that container, and getting into it potentially and doing something like putting, as in the scenario I lay out, a dirty bomb into the container is not a heavy lift. We know this from basically doing this with contraband.

The scenario basically traces a box that arrives, it starts with a C–TPAT company in Surabaya, walks us through a port in Hong Kong, arrives in Canada, comes across by rail into the United States, and has the bomb go off in a distribution center outside of Chicago as a result of a triggering device on the handle itself that sets it off.

The thrust, though, of this was to point out what would happen to the system in terms of our response. Even if the U.S. Government did not say we are going to shut all ports down to sort things out afterwards, the U.S. Government itself may not have control over this. One is labor might be unwilling to work in the port until they can get verification there are not other bombs like this in the system.

A mayor of Los Angeles, potentially, could say I am going to put the LAPD at the end of the bridge on Terminal Island and I am not going to let any boxes come in until people tell me things are okay. The mechanics of what happens are really tremendous. Sixty percent of the world's maritime containers are at sea right now on the clients that Chris Koch represents. Sixty percent of them. Roughly 10 to 12 days across the Pacific Ocean, 8 to 10 days coming from the Mediterranean and Europe. When we close our ports down, that starts to queue up. Overseas, the ports cannot continue, the terminals cannot continue to take in boxes, because they are already pretty much at capacity, so they close their gates to all incoming trucks and trains. The trucks and trains outside these terminals all over the world start to queue up. They can not recirculate to go back up to the system. Within about 2 weeks, the whole shipping schedule for the intermodal maritime system essentially crashes, and the whole ability to reroute and so forth becomes difficult to manage. We are faced with this dilemma then. We are concerned that potentially there are other bombs in the box. Perhaps the terrorist itself generates that as a threat. We are in a catch–22, though. You cannot actually examine containers buried in the deep of a modern container ship unless you offload them, but nobody wants them offloaded until they have been checked. So we are essentially looking at a scenario here of not just finding a nuclear weapon or nuclear materials or a dirty bomb which could raise, obviously, a major disaster, local disaster, but one where the system itself essentially is brought to its knees with all the resultant implications.

Now, I lay the scenario out in one part to say the stakes are enormous with this issue and deserve the kind of attention this committee is providing it. I lay out these stakes as well to highlight

that we have really got to move beyond just the prevention efforts we have and think through as well how we manage the consequence. And there the U.S. Government has not done nearly enough. It has not done anything at all.

Let me conclude by just putting the resource issue in perspective. After all, this is the Appropriations Committee. I highlight the fact that earlier last month I had the chance to testify before the House Oversight Committee for National Security and Foreign Affairs on a hearing on ballistic missile defense. The hearing was looking at the administration has asked $12.3 billion this year for continued research for ballistic missile defense on top of the $120 billion we have spent since 1986, when the vision of Star Wars was first laid out by President Reagan. That number, 12.3 billion, represents twice the total amount that the operational budget of the Coast Guard, Customs and DNDO have to do all border interdiction operations for the U.S. Government.

The request, as you indicated in your opening statement, for 900 million obviously is a fraction of the percent that we are investing in basic research. Every security expert I know, inside and outside the government, who looks at this problem says the higher probability threat, certainly with the current adversary, for a nuclear weapon finding its way into the United States—which we hope remains a low probability scenario—but the highest probability way in which that will happen will be on a nonmissile means via a smuggled conveyance. Fundamentally, the disconnect here is that we view Homeland Security entirely separate from our Defense programs, and we are not assessing risk or priority resources in a way that adjudicates that effectively. This issue deserves a lot more attention than it has been receiving, even though I commend very much, of course, the work of this committee and the work that is being done by the selfless hard workers at CBP, DNDO, and elsewhere at DHS. Thank you very much, Mr. Chairman.

Mr. PRICE. Thank you for that very impressive statement.

[The information follows:]

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"Overcoming the Flaws in the U.S. Government Efforts to Improve Container, Cargo, and Supply Chain Security"

Written Testimony before

a hearing of the

Homeland Security Appropriations Subcommittee,
Committee on Appropriations,
United States House of Representatives

on

Container, Cargo and Supply Chain Security – Challenges and Opportunities

by

Stephen E. Flynn, Ph.D.
Jeane J. Kirkpatrick Senior Fellow in National Security Studies
Council on Foreign Relations
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Room 2359
Rayburn House Office Building
Washington, D.C.

10:00 a.m.
April 2, 2008

"Overcoming the Flaws in the U.S. Government Efforts to Improve Container, Cargo, and Supply Chain Security"

by
Stephen E. Flynn, Ph.D.
Jeane J. Kirkpatrick Senior Fellow
for National Security Studies

Chairman Price, Ranking Member Rogers, and distinguished members of the House Appropriations Subcommittee on Homeland Security. Thank you for inviting me to provide an assessment of the current U.S. Government efforts to improve container, cargo, and supply chain security. This is a complex issue with enormous stakes for our economy and national security. As such, it is vitally important that U.S. programs, whose aims are to address this issue, receive the kind of careful oversight this subcommittee is providing today.

Today the subcommittee will hear testimony from Customs and Border Protection and the Domestic Nuclear Detection Office. These two agencies have been assigned a leadership role in devising the programs and deploying the tools for managing the risk that global supply chains may be compromised by terrorists intent on using the intermodal container to smuggle nuclear weapons or materials into the United States. To date, the leaders of these agencies have expressed confidence that the strategy they are employing against this risk is up to the task. While CBP and DNDO deserve good grades for effort, given the complexity of the issue and the relatively modest resources the Bush Administration has applied toward it, no one should be surprised that we are closer to the starting line than the finishing line when it comes to managing this risk.

Let me begin by offering some perspective on the resource issue. On March 5, 2008, I testified before the House Oversight Subcommittee on Foreign Affairs and National Security on the huge imbalance between the homeland security budget for responding to the more probable nonmissile threat to the United States vis-à-vis the $12.3 billion the Bush Administration has requested to support research for developing ballistic missile defense in 2009. This latest missile defense request is on top of the more than $120 billion taxpayers have already spent since 1985 to develop a system conceived at the height of the Cold War to deal with the massive Soviet arsenal of nuclear-tipped intercontinental missiles. The consensus among security experts both inside and outside the U.S. government is that the most likely scenario for an attack involving a nuclear weapon on U.S. soil is one that does not involve a long range missile. Instead al Qaeda or a future adversary will smuggle the weapon or more likely the materials for assembling the weapon inside the United States. Smuggling has three advantages over a missile: it is far easier, lower cost, and anonymous. Yet the combined proposed budgets for funding all the domestic and international maritime and port of entry interdiction efforts pursued by the Coast Guard, Customs and Border Protection, and DNDO is only one-half of the annual budget the White House wants for missile defense.

Despite the limited resources involved, the U.S. Department of Homeland Security has generally been overstating what they have been accomplishing when it comes to cargo security. Their efforts fall short on four counts:

(1) The data that CBP relies on for identifying suspicious cargo is too unreliable to support the "risk management" methodology it employs, although its new proposed "10+2" regulation is a positive step towards addressing this problem.

(2) The Container Security Initiative arrangement now in place in 58 ports around the world can support only a tiny percentage of pre-loading inspections of U.S.-bound containers that are evaluated as suspicious. This means that the majority of the containers that CBP's targeting algorithm identifies as sufficiently anomalous to warrant an examination will continue to be carried out primarily upon arrival in the United States, potentially placing the U.S. port and the adjacent community at risk.

(3) The radiation monitors that have been deployed in U.S. ports to evaluate the risk that cargo may be carrying nuclear weapons or materials are ineffective in detecting shielded highly enriched uranium (HEU), a nuclear weapon, and a shielded radiation dispersal device (i.e., "dirty bomb"). The high profile DHS has given to the deployment of this equipment has created a false sense of security.

(4) The U.S. government lacks a credible plan for managing a major security breech in the global supply chain. This places the intermodal transportation system at risk of widespread economic disruption generating tens of billions of dollars in losses, and potentially endangering lives as the shipments of critical time-sensitive goods such as medical supplies and defense-related materials are interrupted.

The current U.S. container security programs are inadequate for addressing the complexity of the challenge or for the stakes involved in managing the global risk that supply chains may be compromised by terrorists. The way ahead must involve a far more vigorous effort by the U.S. government to provide incentives for private sector participants to develop robust means to monitor and validate the flow of legitimate cargo and to closely partner with the U.S. government and other governments in managing security incidents.

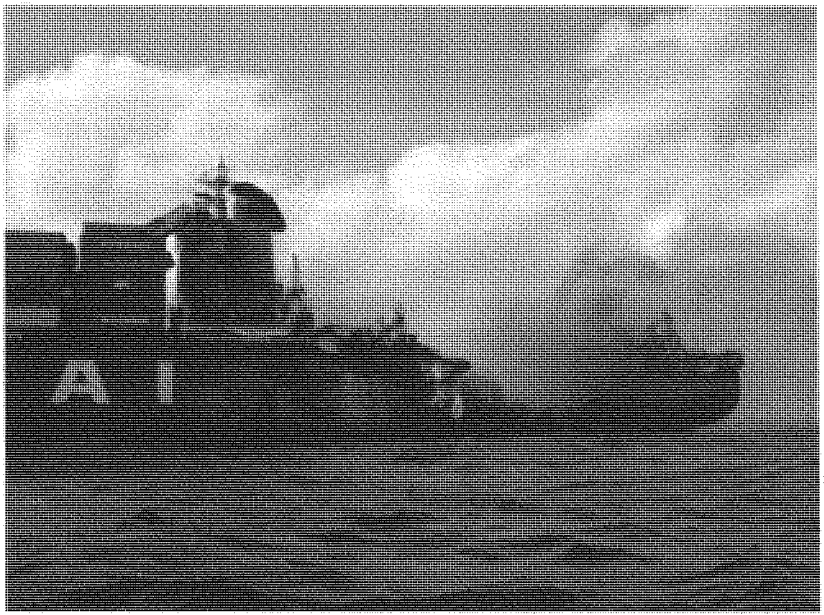
THE LIMITS OF AN HONOR SYSTEM

The process for calculating risk that is currently used by CBP begins with an analysis of the cargo manifest that an ocean carrier provides about shipment that has been accepted for transport to the United States. This cargo manifest is provided to CBP by the carrier based on information provided by a shipper about the cargo it has contracted for transport. Since the container is sealed, an ocean carrier is in no position to confirm the veracity of the declarations it receives from its customers. Essentially, it is an honor system.

Once a containerized shipment triggers an alert, CBP can access a variety of databases to get an impressive array of additional information to help determine where a container should be selected for examination. However, except in very rare instances when there is specific intelligence, the alert mechanism relies on the truthfulness of the data provided by an importer and ocean carrier.

Unfortunately, some shippers are not entirely forthcoming with their descriptions of the cargo they are shipping. This reality was graphically highlighted with disastrous consequences on March 21, 2006. Per the photos below, the M/V HYUNDAI FORTUNE, a large ocean-going containership, transiting from Asia to Europe via the Suez Canal, had a catastrophic fire off the Gulf of Aden, 60 miles south of the coast of Yemen. Efforts to contain the fire failed and the crew abandoned ship. Ultimately the ten-year old ship was sold for scrap.

The cause of the fire is believed to have been a container loaded with petroleum-based cleaning fluids stowed near the engine room. The shipper failed to indicate the hazardous nature of this shipment to the HYUNDAI FORTUNE, undoubtedly to avoid the special handling fees associated with transporting hazardous materials. Around 10 percent of container cargo worldwide comprises hazardous goods, but as the M/V HYUNDAI FORTUNE incident makes clear, not every shipper or consignee chooses to ensure that a carrier is adequately notified.



The second important component of CBP's decision to examine a shipment involves a determination as to whether the importer is a "known shipper." The underlying assumption of the known shipper program is that past performance can serve as a predictor of future results. That is, if an importer or transportation provider has an established track record of being engaged in legitimate commercial activity and playing by the rules, CBP assumes they will be less likely to be compromised by terrorist. Since 9/11, the agency has built on that model by extracting a commitment from shippers to follow voluntary supply chain security guidelines outlined in the Customs-Trade Partnership Against Terrorism (C-TPAT). As long as there is not specific intelligence to tell inspectors otherwise, shipments from C-TPAT companies are viewed as presenting little risk.

The problem with this approach is that what may have made sense for assessing the risk of crime or regulatory noncompliance does not automatically translate to combating determined terrorists. When it comes to warding off criminals, private companies can indeed put in place meaningful security safeguards that can deter criminals from exploiting legitimate cargo and conveyances for illicit purposes. This is because good internal controls raise the risk over time that criminals that try and penetrate the operations of a legitimate company will be caught and their illicit enterprise will be shut down. Organized crime groups want to maximize their profits by sustaining ongoing conspiracies. As such they tend to gravitate towards the places where the controls are weakest, and law enforcement's reach is only episodic.

But a terrorist attack involving a weapon of mass destruction differs in three important ways from organized criminal activity. First, it is likely to be a one-time operation and most private company security measures are not designed to *prevent* single event infractions. Instead, corporate security officers try to detect infractions when they occur, and conduct credible investigations after the fact that support imposing sanctions in order to foster a culture of compliance within the workplace. This approach tends to work in deterring most employees from being drawn into an ongoing criminal enterprise. However, it is not up to the task of detecting and preventing a situation where a terrorist organization seduces or intimidates an employee with a one-time offer or threat that he or she cannot refuse.

Second, terrorists are likely to find it particularly attractive to target a legitimate company with a well-known brand name precisely because they can count on these shipments entering the United States with a only a cursory look or no inspection at all. It is no secret which companies are viewed by U.S. customs inspectors as "trusted" shippers. Many companies who have enlisted in C-TPAT have advertised their participation in press releases or with postings on their website. In public speeches, senior U.S. customs officials have singled out several large companies by name as model participants in the program. All a terrorist organization need do is to find a single weak link within a "known shipper's" complex supply chain, such as a poorly paid truck driver taking a container from a remote factory to a loading port. They can then circumvent the mechanical door seal and gain access to the container in one of a half-dozen ways well-

known to experienced smugglers. Since inspectors view past performance as the primary indicator of current and future compliance, as long as the paperwork is in order, the compromised cargo container almost certainly will be cleared to enter a U.S. port without anyone ever looking at it.

There is third important reason why terrorists would be more willing than criminals to exploit the supply chains of well-established companies. By doing so, they can count on generating far greater economic disruption. This is because once a dirty bomb arrives in the United States via a known and trusted shipper, the risk management system that customs authorities are relying on will come under withering scrutiny. In the interim, it will become politically impossible to treat cross-border shipments by other trusted shippers as low risk. When every container is assumed to be potentially high risk, everything must be examined which translates into putting the intermodal transportation system into gridlock.

PUSHING THE BORDERS OUT:

I have long been an advocate of developing measures for securing the global supply chains that emphasize controls that begin where goods originate and examinations conducted at the port of loading instead of the port of arrival. Shortly after September 11, 2001, I had the opportunity to meet with Robert Bonner, the then Commissioner of U.S. Customs, to discuss a *Foreign Affairs* article I had written in 2000 entitled, "Beyond Border Control." What was to become the Container Security Initiative grew out of those conversations.

Today Customs and Border Protection has Container Security Initiative arrangements in place in 58 ports around the world. Under this protocol, CBP can ask that their overseas counterparts conduct inspections of targeted containers before they are loaded on a U.S.-bound container ship. This approach both protects the ship from a HYUNDAI FORTUNE-like incident, and the U.S. port where the container is destined.

In practice, CSI teams have been able to inspect only a fraction of a percent of U.S.-bound cargo in busy ports of loading like Singapore and Hong Kong. There are three reasons for this. First, since the inspections are conducted by the host-country's personnel, CBP has to be careful not overburden these inspectors with examinations of U.S.-bound cargo that often is done at the expense of these foreign inspectors completing their own work. The overwhelming majority of containers that CBP targets for examination turn out to be benign due to the limits of their targeting algorithm. Requests for lots of examinations that prove to be false alarms endanger the support for CSI by the host country.

The second reason why CBP is extremely conservative about its port-of-loading requests is that they can be very disruptive to port terminal operations. The decision to examine a container overseas is made after the ocean carrier provides information about that container 24 hours in advance of loading. For larger container ships, that loading process can take 18 hours or more. CBP's decision to have a container inspected before loading

places the shipment at risk of missing its voyage with all the resultant disruption to the importer's supply chain. This is because the container often must be physically removed from the stacks of containers within the terminal and transported to the inspection facility managed by the overseas customs inspectors. If CBP routinely asked that as little as 1-2 percent of U.S.-bound containers be subject to examination before loading, it would likely completely overwhelm the inspection facility. The result would be major delays in shipments. For the overseas marine terminal operator, being directed to routinely locate and remove U.S.-bound boxes from their stacks shortly before scheduled loading can be enormously disruptive to yard operations. These terminals are modern wonders of efficiency. A request to remove a container from their yard is like interrupting a well-honed assembly line.

These challenges associated with conducting CSI examinations at the port of loading translate into inspections being the exception to the rule. The vast majority of containers that CBP deems to be anomalous enough to warrant an inspection sail to the United States and are inspected upon arrival. CBP has been managing this by essentially creating a two-tier system where only containers it judges to present a very high risk are examined overseas. The problem with this approach is that the targeting system is based almost entirely on anomaly detection and not on specific intelligence. CBP does not have a reliable tool for distinguishing between shipments that are very high risk versus "just" high risk.

Waiting until a container arrives in a U.S.-port before it is examine undermines one of the most important advantages of CSI; i.e., protecting the U.S. port complex and its community from the risks associated with a WMD entering that port. Should a WMD arrive in a U.S. port and be triggered before or during an inspection, it places critical infrastructure and potential the lives of hundreds of thousands of people at risk. Should it be discovered without being triggered, it will likely shut down port operations for an extended period of time while it is cleared and labor is reassured that it is an isolated incident. Should this be a major port complex such as Los Angeles/Long Beach or Seattle/Tacoma, the resultant disruption to supply chains could reverberate throughout the national economy.

THE LIMITS OF RADIATION DETECTION TECHNOLOGY

DHS's "last line of defense"—radiation monitors along our borders and within our seaports—is critically flawed. In the April 2008 issue of *Scientific American*, Thomas Cochran and Matthew McKinzie document what has been long understood by the scientists who understand the physics of radiation detection—that the radiation detectors will only work for unshielded nuclear materials. Since nuclear weapons are shielded by design, they are unlikely to be detected. Highly Enriched Uranium (HEU), the essential ingredient in constructing a nuclear weapon is difficult to detect even in its natural state because it gives off so little radioactivity. As Cochran and McKinzie outline, it requires as little as 1 mm of lead shielding around a canister filled with enough HEU to construct a crude nuclear weapon to avoid detection by the radiation portal technology that DHS has recently deployed within U.S. ports. More lead shielding would be required to avoid

detection of a dirty bomb made with commercially-available nuclear materials, but it is likely that a terrorist intent on smuggling such a weapon into the United States would make such an investment.

THE MORNING AFTER PROBLEM

On March 28, 2006, I outlined the following scenario at a hearing on container security before the Senate Permanent Subcommittee on Investigations:

> A container of athletic foot wear for a name brand company is loaded at a manufacturing plant in Surabaya, Indonesia. The container doors are shut and a mechanical seal is put into the door pad-eyes. These designer sneakers are destined for retail stores in malls across America. The container and seal numbers are recorded at the factory. A local truck driver, sympathetic to al Qaeda picks up the container. On the way to the port, he turns into an alleyway and backs up the truck at a nondescript warehouse where a small team of operatives pry loose one of the door hinges to open the container so that they can gain access to the shipment. Some of the sneakers are removed and in their place, the operatives load a dirty bomb wrapped in lead shielding, and they then refasten the door.
>
> The driver takes the container now loaded with a dirty bomb to the port of Surabaya where it is loaded on a coastal feeder ship carrying about 300 containers for the voyage to Jakarta. In Jakarta, the container is transferred to an Inter-Asia ship which typically carry 1200-1500 containers to the port of Singapore or the Port of Hong Kong. In this case, the ships goes to Hong Kong where it is loaded on a super-container ship that carriers 5000-8000 containers for the trans-Pacific voyage. The container is then off-loaded in Vancouver, British Columbia. Because it originates from a trusted-name brand company that has joined the Customs-Trade Partnership Against Terror, the shipment is never identified for inspection by the Container Security Initiative team of U.S. customs inspectors located in Vancouver. Consequently, the container is loaded directly from the ship to a Canadian Pacific railcar where it is shipped to a railyard in Chicago. Because the dirty bomb is shielded in lead, the radiation portals currently deployed along the U.S.-Canadian border do not detect it. When the container reaches a distribution center in the Chicago-area, a triggering device attached to the door sets the bomb off.
>
> There would be four immediate consequence associated with this attack. First, there would be the local deaths and injuries associate with the blast of the conventional explosives. Second, there would be the environmental damage done by the spread of industrial-grade radioactive material. Third, there would be no way to determine where the compromise to security took place so the entire supply chain and all the transportation nodes and providers must be presumed to present a risk of a potential follow-on attack. Fourth—and perhaps most importantly—all the current container and port security initiatives would be compromised by the incident.
>
> In this scenario, the container originated from a one of the 5,800 companies that now belong to the Customs-Trade Partnership Against Terrorism. It would have transited through multiple ports—Surabaya, Jakarta, Hong Kong, and Vancouver—that have been certified by their host nation as compliant with the post-9/11 International Ship and Port Facility Security (ISPS) Code that came into effect on 1 July 2004. Because it came from a trusted shipper, it would not have been identified for special screening by the Container Security Initiative team of inspectors in Hong Kong or Vancouver. Nor would it have

> been identified by the radiation portal. As a consequence, governors, mayors, and the American people would have no faith in the entire risk-management regime erected by the administration since 9/11. There will be overwhelming political pressure to move from a 5 percent physical inspection rate to a 100 percent inspection rate, effectively shutting down the flow of commerce at and within our borders. Within two weeks, the reverberations would be global. As John Meredith, the Group Managing Director of Hutchison Port Holdings, warned in a Jan 20, 2004 letter to Robert Bonner, the former Commissioner of the U.S. Customs and Border Protection: **". . . I think the economic consequences could well spawn a global recession – or worse."**

Today, the U.S. government still does not have a contingency plan for managing the aftermath of this scenario, even though Congress has mandated DHS develop one. In June 2007, Secretary Chertoff rolled out "The Strategy to Enhance International Supply Chain Security" that includes a chapter that outline a response and recovery plan in the aftermath of a major security incident involving a U.S. port. The plan makes no mention of coordination with overseas port authorities and marine terminal operators, ocean carriers, or even our neighbors in Mexico and Canada. Sixty percent of the world's maritime containers are currently at sea. That translates into 10-12 days of shipping traffic underway in the Pacific Ocean and 8-10 days of traffic in the Atlantic Ocean right now. Many of these container ships are post-Panamax which means that they can only be received at the largest seaports and cannot be rerouted. A response and recovery plan that identifies no mechanism to directly engage the global maritime community is not truly a response and recovery plan.

THE PATH FORWARD:

In short, the current container security initiatives have serious shortcomings that do not adequately address the important national security and economic stakes associated with the vulnerability of global supply chains. The challenge of managing the threat that our adversaries might target the United States with a nuclear weapon is not so much tied to our seaports and U.S. borders as it is global supply chains that now largely operate on an honor system because the standards are so nominal. No port operator or border inspector really knows what is in the containers that pass through their facilities and the radiation portal technology currently being deployed at U.S. borders and overseas can be evaded by placing readily available shielding around a weapon or nuclear material. If—when—an attack occurs, the resulting disruption to our society and the national and world economy will be far greater than any of the direct consequences of the incident.

In charting a way forward, it is essential to be mindful of the extent to which private companies and our trade partners have an enormous stake in how we approach the challenge of container, cargo, and supply chain security. The conventional wisdom that security within the global transportation and logistics system is more of a public sector responsibility than a private sector one is wrong. This conventional wisdom persists in no small part because Congress and U.S. enforcement agencies want to be in the driver's seat in managing the security imperative. In practice this translates into "public-private" partnerships involving the public sector setting the requirements and the private-sector being asked to cheerfully embrace the costs of complying with them.

This process needs to be reversed. For the intermodal transportation industry and companies with supply chains that rely on the industry, cargo and container security has become an important business continuity risk. They must be provided with the incentives for taking the lead in developing solutions that manage that risk while government plays a support role.

An example of this is a recent effort by the Port of Los Angeles to reach out to Hutchison Port Holdings, the largest terminal operator in the world, to develop a joint port industry effort to improve container security. Specifically, the Port of Los Angeles is interested in finding a way that terminal operators might invest in and maintain active and passive scanning equipment to examine the contents of containers as they enter their yard. The idea is that if these images could be routinely collected by the terminal operator, when government authorities want to examine the contents of a container, these officials could "pull the bits, instead of pulling the box." That is, inspectors could look at the images of the targeted containers collected by the terminal operators. In the vast majority of the cases the images would reveal there is no dense material and therefore there is no risk that the container is carrying a nuclear weapon or shielded material. These containers could then be immediately cleared for loading without their having to be removed from the stacks. Everyone wins. The terminal operator benefits by minimizing the risk of its yard will be disrupted by these inspections. The ocean carrier benefits by having no disruption to its loading plan. The importer benefits by not having the risk that its container will miss the voyage. Finally, CBP benefits by being able to conduct more inspections under the CSI protocol than the current circumstances allow.

In the end, global networks rely on trust to operate. The private sector must take the lead in developing the systems that sustain that trust. The public sector must be a willing partner in such efforts.

Thank you and I look forward to responding to your questions.

Stephen Flynn is the Jeane J. Kirkpatrick senior fellow for National Security Studies at the Council on Foreign Relations. He is the author of the The Edge of Disaster: Rebuilding a Resilient Nation (Random House, 2007) and America the Vulnerable (HarperCollins, 2004). Dr. Flynn is a Consulting Professor at the Center of International Security and Cooperation at Stanford University; a Senior Fellow at the Wharton School's Risk Management and Decision Processes Center at the University of Pennsylvania; and a member of the Marine Board of the National Research Council. He spent twenty years as a commissioned officer in the U.S. Coast Guard, was awarded the Legion of Merit, and retired at the rank of Commander. During his time on active duty he had two commands at sea, served in the White House Military Office during the George H.W. Bush administration, and was director for Global Issues on the National Security Council staff during the Clinton administration. He holds a Ph.D. and M.A.L.D. from the Fletcher School of Law and Diplomacy and a B.S. from the U.S. Coast Guard Academy.

House Committee on Appropriations
Subcommittee on Homeland Security

Witness Disclosure Form

Clause 2(g) of rule XI of the Rules of the House of Representatives requires non-governmental witnesses to disclose to the Committee the following information. A non-governmental witness is any witness appearing on behalf of himself/herself or on behalf of an organization other than a federal agency, or a state, local or tribal government.

Your Name, Business Address, and Telephone Number:

CHRISTOPHER KOCH
WORLD SHIPPING COUNCIL
1156 15TH STREET, N.W.
SUITE 300
WASHINGTON, D.C. 20005

1. Are you appearing on behalf of yourself or a non-governmental organization? Please list organization(s) you are representing.

   I AM APPEARING ON BEHALF OF THE WORLD SHIPPING COUNCIL.

2. Have you or any organization you are representing received any Federal grants or contracts (including any subgrants or subcontracts) since October 1, 2004?

   Yes (No) NEITHER THE WSC NOR I PERSONALLY HAVE RECEIVED ANY FEDERAL GRANTS OR CONTRACTS

3. If your response to question #2 is "Yes", please list the amount and source (by agency and program) of each grant or contract, and indicate whether the recipient of such grant or contract was you or the organization(s) you are representing.

Signature: Christopher Koch Date: 3/31/08

Please attach a copy of this form, along with your curriculum vitae (resume) to your written testimony. Fax this form to the subcommittee office at (202) 225-9069.

Mr. PRICE. Mr. Koch.

STATEMENT OF MR. CHRIS KOCH, PRESIDENT & CEO, WORLD SHIPPING COUNCIL

Mr. KOCH. Thank you, Mr. Chairman. I would like to start today by recognizing what I think is good work by Customs and Border Protection, DNDO, and the Coast Guard in trying to deal with this challenge. It is a challenge. It is complicated. And I think we ought to start with the proposition that they are thinking very hard about how to do this. They have got a strategy for how to do this. They have got programs that are multilayered in place for how to do this. And they are working to enhance those programs as we sit here today.

What is that strategy? The strategy starts with the idea of trying to perform risk assessment on this cargo before vessel loading in foreign ports, which they are doing today under the 24 Hour Rule, factoring in intelligence data, et cetera, into their system. That is a good strategy. That strategy, however, can be improved. The data that they are presently using, as Steve pointed out, has limitations to it. They are trying to address those limitations with a rulemaking. The comment period has closed. And as Steve has indicated, there is considerable resistance within the trade community to proceed down this road.

What Customs is trying to get is 10 additional data elements about the nature of this cargo: who is causing it to come to the U.S., who is buying it, who is selling it, where the container was stuffed, et cetera. All logical things to try to get. And they are trying to get two additional data streams, operating information from carriers' operating systems, which would also help them.

We happen to think that that is a good strategy, it is a good proposal. We recognize it is a challenge. As I point out in my prepared testimony, the title of your hearing today is Challenges and Opportunities. Ten plus two is a challenge, but it is also the greatest single opportunity that we presently have in front of us to improve the cargo risk assessment capabilities of CBP. So we hope the agency will proceed with it and come up with an implementation plan that can address as many of the issues as possible before it begins.

In addition to that, the strategy the government has is, as Steve pointed out, they are running radiation screenings on every container coming into a U.S. Port, they are doing inspections, either physical or the nonintrusive X-ray examinations of any box they really have a serious question about before it is released. And at the same time, they are trying, through the various pilots and through the CSI program, to expand those capabilities at overseas ports where there clearly are challenges.

My testimony starts by talking about the CSI program. And the purpose for that is to make sure we do not lose sight of the fact that cooperation in foreign ports requires cooperation of foreign governments. It is their sovereignty, it is their ports, and whatever we do here has to work out on a cooperative basis, recognizing and respecting the sovereignty of the other countries.

The other thing important to recognize is other countries can require the same thing of us that we expect of others. So if we impose requirements that are completely unreasonable, other countries can

reciprocate against U.S. export commerce, which is something we should always keep in mind. What is good for them ought to be good for us as well.

As the enterprise continues to evolve, as the 10 plus 2 Initiative is pursued, we also, as you stated, Mr. Chairman, have to deal with what does the 9/11 Recommendations Act 100 percent container inspection requirement mean? How is this actually going to be implemented?

I set forth in some detail in my testimony questions that have to be addressed if we are going to move forward on that particular idea.

The statute itself, if I might say, does not address many of the key strategy questions that would have to be addressed if this is going to be something that we roll forward with. And my recommendation is as we do this, we certainly learn from the pilots that CBP is presently conducting under the Secure Freight Initiative and that we have a reasoned discourse as to exactly what is the strategy we are trying to pursue here.

I think much effort is wasted on different scenarios, on different analyses, on different program proposals, before we have agreed on what the strategy is. This is expensive. This can affect commerce in a dramatic way. This can be something that is imposed back on the U.S. from a reciprocity basis. What is it exactly we need to have done?

For example, if in fact radiation scanning technology is not effective, as some people say, does it make sense to mandate 100 percent of it in foreign ports? On the NII equipment that is presently being used, what exactly is its capabilities? We can take scannings of every box out there, but it is not automated equipment. It requires a trained expert to look at that NII image. So if that is going to be done on 100 percent of all containers, you will back up every port around the world, because it cannot be done with the resources that are reasonably available to be done.

So what is the strategy we want to take with respect to this equipment? At the present time I would submit that CBP has a rational explanation of what we do. We use it on those boxes as best we can when we have a question about those boxes. And what we want to do is get better data so we do a better job of identifying which boxes we ought to be looking at. But we cannot do it for 100 percent of all containers and expect the cargo flows of American commerce to continue to flow smoothly.

So in summary, Mr. Chairman, I think we all recognize that this is a challenge. We all recognize that we have about 50,000 containers a day come into U.S. Ports. The cargo in those boxes is well over a billion dollars every day. As Steve pointed out, supply chains are now narrow and just in time for very many legitimate economic reasons. And we have to recognize that the efficient flow of commerce and security have to be dealt with together.

So, Mr. Chairman, anything we can do to assist the efforts of CBP, the Coast Guard and DNDO, we are certainly willing to do it. And we look forward to working with this committee as you try to figure out what the best answer to some of these questions is.

Mr. PRICE. Thank you very much.

[The information follows:]

WORLD SHIPPING COUNCIL
PARTNERS IN TRADE

Statement of

Christopher Koch

President & CEO
World Shipping Council

Before the

House Homeland Security Appropriations Subcommittee

Regarding

"Container, Cargo and Supply Chain Security – Challenges and Opportunities."

April 2, 2008

I. Introduction

Chairman Price and members of the Subcommittee, thank you for the invitation to testify before the Subcommittee today. My name is Christopher Koch. I am President and CEO of the World Shipping Council (WSC or the Council), a trade association that represents the international liner shipping industry. I also serve as the Chairman of the National Maritime Security Advisory Committee (NMSAC), a Federal Advisory Committee Act committee providing advice to the Coast Guard and the Department of Homeland Security (DHS) on maritime security issues, and as a member of the Commercial Operations Advisory Committee (COAC) that advises the Departments of the Treasury and Homeland Security on commercial and Customs matters.

Liner shipping is the sector of the maritime shipping industry that offers regular service based on fixed schedules and itineraries. The World Shipping Council's liner shipping member companies provide an extensive, network of services that connect American businesses and households to the rest of the world. WSC member lines carry roughly 93% of America's containerized international cargo.[1]

[1] A listing of the Council's member companies and additional information about the Council can be found at www.worldshipping.org .

Approximately 1,500 ocean-going liner vessels, mostly containerships, make more than 26,000 U.S. port calls each year. More than 50,000 container loads of imports and exports are handled at U.S. ports each day, providing American importers and exporters with efficient transportation services to and from roughly 175 countries. Today, U.S. commerce is served by more than 125 weekly container services, an increase of over 60% since 1999.

In addition to containerships, liner shipping offers services operated by roll-on/roll-off or "ro-ro" vessels that are especially designed to handle a wide variety of vehicles, including everything from passenger cars to construction equipment. In 2006, these ro-ro ships brought almost four million passenger vehicles and light trucks valued at $83.6 billion into the U.S. and transported nearly one million of these units valued at $18 billion to U.S. trading partners in other countries.

Liner shipping is the heart of a global transportation system that connects American companies and consumers with the world. More than 50 percent of the $1.8 trillion in U.S. ocean-borne commerce is transported via liner shipping companies.

The international liner shipping industry has been determined by DHS to be one of the elements of the nation's "critical infrastructure".

Liner shipping generates more than one million American jobs and $38 billion in annual wages. This combined with other industry expenditures in the U.S. results in an industry contribution to U.S. GDP that exceeds $100 billion per year.

II. Maritime Security

For the past six and a half years, the WSC and its member companies have strongly supported the various efforts of the U.S. Coast Guard and U.S. Customs and Border Protection (CBP) to enhance maritime and cargo security. The multi-faceted and risk-based strategies and programs of the government have been able to make substantial progress toward meeting this challenge, and they continue to evolve.

At the same time, the Coast Guard and CBP recognize the fact that the industry is transporting on average roughly 50,000 containers, holding roughly $1.8 billion worth of cargo owned by U.S. importers and exporters, each day through U.S. ports. Significant delays to this flow of legitimate commerce could have substantial adverse effects on the American economy.

The basic architecture of U.S. maritime security is well known and understandable. First, there is *vessel and port security*, overseen by the Coast Guard and guided in large measure by the International Ship and Port Facility Security Code. Second, there is *personnel security*, overseen by various DHS agencies and the State Department. Third, is *cargo security*, which with regard to containerized cargo, is addressed through CBP's advance cargo screening initiative, C-TPAT, and the Container Security Initiative – all of which are reinforced and made more effective by the increased deployment of container inspection technology at U.S. and foreign ports. While recognizing that the subject of this hearing is cargo and supply chain security, I would like to briefly touch on the other parts of the DHS strategy before discussing the cargo and supply chain security developments.

A. Vessel and Port Security

Every commercial vessel arriving at a U.S. port and every port facility needs to have an approved security plan overseen by the Coast Guard. Each arriving vessel must provide the Coast Guard with and an advance notice of arrival 96 hours prior to arriving at a U.S. port, including a list of all crew members aboard – each of whom must have a U.S. visa in order to get off the ship in a U.S. port.

The liner shipping industry's operations are consistent and repetitive – its vessel services and crews call at the same ports every week. So long as there is consistent and professional implementation of the security rules, which is usually a hallmark of the Coast Guard, liner shipping has found little problem in operating in the new vessel or port security environment.

We also appreciate the Coast Guard Commandant's admonition that the "concept of maritime security cannot be reduced to a single threat vector". There are numerous potential vectors for terrorists attack on the maritime environment that don't involve cargo containers. For example, merchant vessels are in fact defenseless against small boat attacks. We fully support the Coast Guard in its efforts to secure an enormous Maritime Domain against a variety of risks.

Long Range Information and Tracking (LRIT) of Vessels: In October, the Coast Guard published a Notice of Proposed Rulemaking (NPRM) on Long Range Information and Tracking (LRIT) in the Federal Register. The Council supports the LRIT program and the substantially enhanced visibility of vessels offshore that it will give to the Coast Guard and other governments. This new initiative is scheduled to become operational by January 1, 2009

Small Vessels: The attacks on the *U.S.S. Cole* and *M/V Lindbergh* demonstrated that large vessels can be the objects of terrorist attack from small boats. The U.S. Coast Guard Commandant, Admiral Allen, has on numerous occasions noted this and other small boat vulnerabilities and the difficulty in devising effective ways to address the threat without significantly inconveniencing recreational and small boat movements. The Council notes that DHS has recently undertaken some pilot efforts on the West Coast to test technologies that may contribute to addressing this issue, and while we recognize the difficulty of the challenge, we believe that such DHS efforts are focusing on a legitimate concern.

B. Personnel Security

The Council supports the Transportation Worker Identification Credential (TWIC) program, mandated by Congress and being established by the Coast Guard and the Transportation Security Administration (TSA) to credential workers requiring unescorted access to secure maritime facilities. The National Maritime Security Advisory Committee (NMSAC), with the advice and input of a wide range of U.S. maritime interests, has spent considerable effort to provide comments to the Coast Guard and the TSA on the development of the TWIC regime. The industry's primary concern is that the security enhancements envisioned in this new system not have undue impacts on those personnel who work in port terminals servicing vessels or on port operations.

III. Cargo and Supply Chain Security

The WSC supports the DHS strategy addressing containerized cargo security, and the way that CBP has worked to execute that strategy while minimizing inconveniences to commerce. Specifically, the Council supports:

1. CBP's risk assessment and screening of 100% of all cargo containers prior to their being loaded onto vessels destined for the U.S.,
2. the pending proposed rulemaking by CBP to improve the agency's cargo risk screening capability through the acquisition of more complete and accurate information about such shipments (the "10 plus 2" initiative),[2]
3. the pre-vessel loading inspection of 100% of those containers that CBP's cargo risk assessment system determines to present a substantial security risk or question; and
4. radiation scanning of all containers at U.S. ports, and non-intrusive inspection (NII) of all containers at U.S. ports that present any sort of question that was not addressed at the foreign port of loading.

A. Container Security Initiative (CSI)

The network of bilateral Customs-to-Customs agreements forming the "Container Security Initiative" (CSI) continues to grow. CBP states that there are 58 foreign ports participating with the U.S. in this initiative, covering 85% of U.S. containerized import trade. CSI is a keystone to the effective international implementation of the advanced screening and inspection of U.S. containerized cargo that presents security questions. It is only through these cooperative CSI Customs-to-Customs data sharing and container inspection cooperative efforts that overseas container inspection can occur.

Containerized commerce is a two-way street, and adequate documentation procedures for U.S. export commerce must also be addressed. More than five years after Congress passed the supply chain security amendments to the Trade Act, disagreement between the U.S. Departments of Homeland Security and Commerce has prevented regulations from being issued to implement Section 343(b) of that Act (19 U.S.C. 2071(b)), which calls for rules regarding the advance documentation of U.S. export waterborne commerce. We understand from CBP that this logjam has been resolved and that proposed regulations should be published soon.

B. Containerized Cargo Screening and Risk Assessment

CBP employs a multi-faceted containerized cargo risk assessment and screening system, so that it can identify those cargo shipments that warrant further review, rather than those that are low risk and should be allowed to be transported without delay.

C-TPAT: One element of that system is the Customs' Trade Partnership Against Terrorism (C-TPAT) pursuant to which various entities in the supply chain voluntarily

[2] The Council's comments to CBP on the "10 plus 2" Notice of Proposed Rulemaking can be found on the WSC website at www.worldshipping.org .

undertake security enhancing measures. CBP then validates participants' compliance, and compliant supply chains are accordingly afforded lower risk assessments.

24 Hour Rule: A central element of the cargo risk assessment system is CBP's receipt and analysis of pertinent advance information about cargo shipments before vessel loading. This program began soon after September 11th, under which carriers provide CBP with the advance shipment information they possess 24 hours before vessel loading in a foreign port for risk screening (the "24 Hour Rule"). The Council has fully supported this regulation and this strategy, which allows the CSI program to perform advance container risk assessment.

Better Security Screening Data: "10 plus 2" Initiative: While the 24 Hour Rule has been a logical and sound effort, CBP has determined that more effective advance cargo security screening will require more data than the information provided by carriers via the 24 Hour Rule.

Recognizing both this need for enhanced container security targeting and the existing limits of information provided in carriers' bills of lading, Congress in the SAFE Port Act required CBP to enhance the capability of its Automated Targeting System:

> "Section 203(b): Requirement. The Secretary, acting through the Commissioner, *shall require* the electronic transmission to the Department of *additional data elements for improved high-risk targeting, including appropriate elements of entry data* ... to be provided as advanced information with respect to cargo destined for importation into the United States *prior to loading of such cargo on vessels at foreign ports*."

In early January, Customs and Border Protection (CBP) issued a proposed regulation that would require U.S. importers or cargo owners to file ten additional data elements[3] with CBP 24 hours prior to vessel loading, and to require ocean carriers to provide two additional sources of data -- vessel stowage plans prior to arrival in the U.S., as well copies of electronic container status messages. This initiative, commonly referred to as "10 plus 2", is an effort that CBP has been discussing with the trade for several years.

CBP's efforts in developing this initiative are in pursuit of a strategic objective that is not only mandated by the SAFE Port Act, but is highly logical in order to enhance containerized cargo risk screening.

The Congress, DHS, the Commercial Operations Advisory Committee (COAC), the Government Accountability Office (GAO), cargo security experts, and the industry all have recognized that reliance on carriers' cargo manifest data, while a fine start in developing effective security screening capabilities, has significant limitations. The present system provides either no or unreliable data regarding the commercial parties

[3] The ten cargo data elements of the new Security Filing have been identified by CBP as: 1) Manufacturer (or Supplier) Name and Address, 2) Seller (or Owner) Name and Address, 3) Buyer (or Owner) Name and Address, 4) Ship To Name and Address, 5) Container Stuffing Location(s), 6) Consolidator (or Stuffer) Name and Address, 7) Importer of Record Number, 8) Consignee Number, 9) Country of Origin, and 10) Commodity 6-Digit HTS Code.

involved in buying and selling the goods, where the goods are originating and who produced or supplied them, where the goods are ultimately going, and where and by whom the container was stuffed. The "10 plus 2" rulemaking seeks to address these shortcomings.

The comment period on the "10 plus 2" rulemaking recently closed. Many of the comments that have been submitted to CBP with respect to this rulemaking are in fact thoughtful observations and suggestions, identifying legitimate issues that warrant a clear government response. That is a positive attribute of the open and transparent rulemaking process that CBP has adopted in the development of this initiative. And, there is little question that CBP understands that this initiative is a substantial one that requires care and deliberation, that it requires significant changes to how U.S. maritime containerized import commerce is documented, and that it will require a gradual phase-in period and implementation process.

But for those who go beyond seeking specific answers or adjustments to the proposal to address specific concerns and make it work better, and seek instead to stop it from proceeding, what is the alternative cargo security strategy? Status quo reliance on carriers' bill of lading data for cargo risk assessment?

The "10 plus 2" rulemaking is the most significant initiative the Department of Homeland Security is currently taking to enhance its maritime cargo and supply chain security capabilities. It is a major rulemaking, and it is encountering some resistance within the trade community. It is an appropriate issue for Congress to monitor.

The Subcommittee has titled this hearing "Container, Cargo and Supply Chain Security – Challenges and Opportunities." Implementation of the "10 plus 2" initiative will certainly involve challenges; however, it is also the single greatest opportunity to enhance the government's capacity to conduct better informed supply chain risk assessment. Failure to proceed with this initiative to enhance cargo risk assessment capabilities would leave containerized cargo targeting limited to its present, limited data, and would fail to address the Congressional mandate to obtain better data. Failure to proceed would also likely give the government less capability and confidence to allow for the efficient continuation of commerce in the event that we ever face a security incident involving containerized cargo.

As CBP digests all of the comments it has received on the proposed rule, the most significant questions will not be questions about the format of specific data fields, or the definitions of specific terms, or the length of the phase-in implementation period, but the strategic question of whether and how the agency intends to improve its advance cargo risk assessment capabilities.

The World Shipping Council supports the "10 plus 2" initiative. It hopes that CBP will consider all the public comments, make whatever clarifications and adjustments to the rule may be appropriate, and proceed with a deliberative and reasonable implementation plan. A decision not to proceed with the "10 plus 2" initiative could easily raise even more difficult supply chain security strategy questions than what the trade faces today.

Global Trade Exchange (GTX): Another pending effort within DHS regarding the acquisition of additional cargo shipment information for enhanced risk screening is

less understood by the trade. Notwithstanding the fact that CBP has not yet even acted on its proposed "10 plus 2" regulations requiring additional information for cargo risk assessment, it has issued a Request for Information designed to commence an additional trade data gathering effort under the name of the "Global Trade Exchange" or GTX.

This development of this initiative has not been transparent or clearly explained to the industry. In fact, it has been shielded from scrutiny by the procurement process DHS has chosen to use.

The Department has not identified specific data it wants from GTX in order to improve security, apparently leaving such a fundamental question to potential vendors to address. DHS has stated that such shipment data would be shared with other governments, but it is not clear how, or whether, other governments want this service. DHS has not explained why trading enterprises should send confidential business data to a for-profit enterprise for submission to regulatory agencies, when such enterprises can file that information directly with the government themselves if the government wants it. How this system would be integrated into CBP's existing Automated Targeting System is unclear. How such a commercial third party data manager would make money off this program is unclear, and who would bear what costs for participating in such a system is unclear. What the uses of the data, other than assisting Customs with supply chain risk assessment, would be are unclear. How the data in the system would be protected is unclear. Whether ocean carriers would be expected or invited to participate in the provision of information is unclear. What benefit would result from participating in such an effort is unclear.

In short, the GTX effort has been hampered by poor dialogue with and understanding of the trade community. COAC wrote to the Secretary of DHS requesting consultation on this initiative, but no meaningful consultation was provided.

This Subcommittee might reasonably inquire whether taxpayer dollars are being expended wisely on this initiative. It may be a more effective use of scarce resources to use any money considered for obligation on this GTX project on the development and roll-out of CBP's Automated Commercial Environment or ACE system instead. That is an essential trade data system that the entire trade community understands and supports.

C. 100% Overseas Container Inspection Statute

In 2007, the Congress included in the "9/11 Commission Recommendations Act" provisions that appear to require overseas radiation and NII inspection of 100% of all cargo containers destined for the U.S. by 2012. The Council believes that this legislative mandate was not clearly considered and remains presently impractical. The WSC issued a statement on this legislation on July 30th, which is available on the Council's website. Our October 30, 2007 testimony before the House Homeland Security Committee also discussed some of the issues raised by these provisions.

In order to further consider the issues involved in the application of additional container inspection at overseas ports of loading, DHS has undertaken the "Secure Freight Initiative", under which pilot projects are being established at several foreign

ports testing more complete pre-vessel loading scanning, generating possible lessons to be learned for broader application of pre-vessel loading container inspection efforts.[4]

This is a worthwhile effort. While we are confident that many lessons may be derived from these pilots, we would hope that the current and future pilots might also be able to provide useful insights on the following questions.

First, the statute provides that containers are expected to be run through radiation detection equipment *and* non-intrusive imaging equipment before vessel loading. What, if anything, would be done with the images or data produced by those scannings was not addressed by the statute. The law requires that containers be scanned, but it does not require anybody to review or analyze the scanning data. This is a much more significant issue with respect to the NII images than radiation scanning; radiation scanning equipment can generate automatic alerts, whereas NII images require human analysis. These and future SFI pilots can help identify and address this set of issues, including relations between the host government and the U.S. government, identification of how and where the data is to be electronically transmitted, and what information technology and information systems issues arise in the collection, transmission and storage of the significant quantity of resulting data.

Second, the pilot projects can help identify another issue left unaddressed by the terms of the statute, namely who is to perform the screening data analysis task, and when and under what circumstances this is to occur. In some places, this may be CBP. In other places this may be the foreign Customs authority. We understand that the SFI pilot in Port Qasim uses U.S. government contractors to perform the remote screening and transmittal of data back to CBP's national targeting center. While one would expect that radiation scanning would be comparatively simple, the question of when and under what circumstances analysis of the NII scanning images would need to occur is an issue unaddressed by the statute.

Third, it is our understanding that the Congress did not intend that the overseas container scanning function was to be left to foreign companies (such as Dubai Ports World) to perform, but was to be a function of either the U.S. government or the sovereign government of a trusted trading partner. This is a key issue, particularly as some in the terminal operation business may be willing to explore installing such equipment if they could charge for the container scanning and make a profit from this activity. If this private approach were to be considered, then the government would need to carefully consider a number of questions, including the following: 1. Does the government see this as a private sector function, and if so, does it have criteria for who it would regard as acceptable to perform this function? 2. What would be the necessary operating standards and protocols for private sector companies to perform this function? 3. What is the security function that the foreign terminal operator is to perform? Does it perform any action other than operating scanning equipment, transmitting the resultant data to governments, and collecting a fee for the service? 5. To whom can it provide or sell the data that is generated? 6. Who pays for the data transmission costs? 7. What would CBP do with all the data it receives, since there is still no automated way to

[4] DHS has established three full scale container scanning pilots in co-operation with host governments at Southampton, U.K.; Puerto Cortes, Honduras and Port Qasim, Pakistan. Three other smaller scale pilots are under development at port facilities in Busan, South Korea (Gamman Terminal); Salalah, Oman, and Singapore.

analyze NII images? 8. If the terminal operator pays for and installs the scanning equipment, which functions does the government retain? 9. What happens to smaller ports that do not have such scanning equipment – are they required to transship their goods through ports that do?

These and future SFI pilots can help identify the capital and the operating costs of establishing the necessary capability to perform the task of 100% container scanning, and what portion of the costs is to be borne by CBP, what portion is to be borne by the U.S. Department of Energy, and what portion is to be borne by foreign governments. The entire set of necessary "system" costs can be further analyzed and understood through such SFI pilots. For example, we understand that in one of the second set of SFI pilots currently underway, it has been estimated that the cost of simply transmitting the data files to the U.S. amounts to roughly $500,000.00 per month.

Fourth, these and future SFI pilot programs may shed additional light on the extent to which the government of the United States' trading partners will expect the U.S. government to perform such scanning of its own export containerized cargo on a reciprocal basis. We note that no pilots have yet been established to test the effects of such a concept at U.S. ports.

Fifth, we recognize that the first three SFI pilot programs chosen were at relatively low volume ports with little, if any, transshipped containers. While the Council understands and has no criticism of starting these SFI pilots with low volume ports whose trade flows are relatively simple, these pilots will not shed light on what kinds of issues would be encountered at high volume ports or at ports with significant volumes of transshipped containers that do not pass through the marine terminal gates.

How 100% container scanning could be performed on transshipped containers remains an unanswered question, but one that is of critical interest both to major transshipment ports, such as Singapore, and to cargo that is transshipped. The container volumes being handled at major transhipment terminals can approach 10,000 containers per day on peak days. Furthermore, when a container that is to be transshipped onto a U.S. destination vessel is discharged into a port facility, that facility often does not knows with certainty that the container will be U.S. destined cargo, creating significant operational uncertainties and challenges. The "lessons learned" from the initial SFI pilots will not be sufficient to address those challenges.

The point of these observations is not to criticize the existing or planned SFI pilots in any way, but to note that care must be applied in determining what the "lessons learned" are from these initial pilots, and to note that simply because a small scale pilot at one port may encounter no substantial difficulties does not mean that the concept of 100% container scanning is ready for implementation at all ports. Even for containers entering a terminal by road, the container screening capacity has to be gauged to the size of the terminal, the peak periods, and the opening hours – all of which has a significant impact on the number of hourly truck visits the facility will have. In addition, the response time has to very short. The processing time of the truck will determine how many gate lanes and screening portals will have to be installed.

Sixth, we note that there is some ambiguity in the 100% container scanning statutory language, about whether the non-intrusive container scanning of all containers

is a requirement, or whether the statute might be construed in such a way as to require 100% radiation scanning only. This too is a key issue, and it is affected both by an assessment of the effectiveness of radiation scanning equipment at detecting nuclear and radiation risks (i.e., if radiation scanning by itself is not adequate, then is NII scanning and analysis necessary?), and by the enormous impediment to trade that would result from a requirement that NII images of every cargo container be analyzed by a trained imaging expert prior to vessel loading. In this regard, we note that the World Customs Organization (WCO) Secretary General, in a December 13, 2007 letter to Senator Lieberman, Chairman of the Senate Committee on Homeland Security and Governmental Affairs, supported "well-reasoned risk management systems" and the use of NII scanning to assess the potential risk of containerized cargo which has been identified as questionable by such risk management systems, in contrast to NII scanning of all containerized cargo. He went on to note that: "the WCO raises no objection to another requirement present in the new United States law, namely that all containerized maritime cargoes be subjected to radiation detection processes prior to shipment." The Secretary General appears to be suggesting that 100% radiation scanning of containerized cargo might be an appropriate alternative strategic vision, when backed up by NII inspection of those cargo shipments that have been determined through risk assessment to present security questions. This is a proposition that warrants further consideration.

Seventh, we note that U.S. statutes and regulations do not specify the technical standards that either the radiation or the non-intrusive scanning technologies must meet. We would expect that this issue is one that the present and future SFI pilots could further develop. We also note that in major transshipment ports, 100% container radiation scanning may require the use of crane mounted scanning equipment. Future SFI pilots might be an appropriate mechanism to explore such technology and provide technology vendors greater clarity about the technical specifications that such crane mounted, radiation scanning equipment would need to meet.

Eighth, we note that significant questions exist regarding the timing and availability of data to facilitate the NII screening of containers. The NII cargo images are assessed, analyzed and matched against manifest information and other pertinent information that may be available. Manifest information may not be available when the container arrives at the port terminal location where the scanning is completed. This issue can be addressed more fully in the pilots.

Ninth, additional SFI pilots may help address the challenges that will arise at many ports of segregating U.S. destination containers from non-U.S. destination containers that will not need to undergo the container scanning.

Tenth, additional SFI pilots will allow CBP to obtain better information about the impacts on port terminal productivity and about delays to cargo shipments arising from 100% container inspection.

Eleventh, the SFI pilots will need to address the issues of who needs to know that the container has been scanned, and how would they know it.

Finally, we understand that in trying to determine how one would actually perform 100% NII screening of containers, some consideration may be given to performing this function at a place or facility that is separate from the port of loading. We recommend

that any pilots considering this approach should do so with some care and clarity, as this approach could add another layer of costs, delays and operational difficulties above and beyond the scanning of the box, including additional drayage, and including additional layers of security measures to be applied from that remote scanning location to the port of lading. The ancillary costs and operational complications from these issues could be at least as significant if not greater than the problems and costs arising from the scanning of the cargo shipments.

In summary, radiation and NII scanning of container cargo can provide significant security value, and the Council supports CBP's present strategy regarding the deployment and use of such technology. The concept of 100% mandatory overseas container scanning requires numerous significant issues to be addressed if it is to be considered as a security goal.

D. Container Security Technologies

Container Scanning Technology: The most important technologies being applied to containerized cargo security are the radiation scanning and the NII scanning of containers discussed earlier. The earlier discussion in this testimony of this issue focused on the "who, when and where" issues related to the use of such technology.

Another set of important questions are the technology standards for such scanning equipment and the equipment's effectiveness.

We recognize that different types of equipment, from different manufacturers are being used, and we are aware of the strong interest of some to develop container crane mounted radiation scanning equipment that may be determined to be acceptable and withstand the rigors of that operating environment. The Council does not have the technical expertise that CBP, the Office for Domestic Nuclear Detection, and the Department of Energy have on these subjects. We expect that the Subcommittee has endeavored to satisfy itself that the appropriations for such equipment are being used for equipment that meets appropriate levels of effectiveness.

Container Sealing: The "9/11 Commission Recommendations Act" provides that: "effective not later than October 15, 2008, all containers in transit to the United States shall be required to meet the requirements of International Organization for Standardization Publicly Available Specification 17712 standard for sealing containers...." We expect to work closely with CBP to ensure the effective implementation of this requirement within the required time frame.

"Conveyance Security Devices" (CSDs): CBP has announced that it plans to conduct various pilots that will test "conveyance security devices" in a number of different settings where they may provide useful information. The Council supports the agency's efforts in this regard, because these kinds of devices are not "miracle cures" and their limitations as well as their potential benefits need to be carefully considered and tested.

Some of the questions include the technical requirements for such devices. CBP has issued specifications for devices for their initial pilots. These and future

specifications must address issues such as: what specifically the device would be required to do and its security value, what acceptable false positive and false negative reading rates would be, what radio frequency would be used, the requirements for the installation and operation of the necessary device reader infrastructure, the requirements applicable to the necessary communications interface and protocols with CBP, the security vulnerabilities of such devices, the necessity of interoperability of various vendors' devices and systems, the data to be captured and transmitted by the device, identification of who will have access to the data in the device, survivability and vulnerability of the device, power or battery life requirements, the probability that the device can be detected or removed without detection, required data messaging formats, event logs, and data encryption.

These questions are even more complicated in the environment of international maritime commerce than they would be in a more controlled environment of U.S. border stations where CSD reading infrastructure would be under the sole control of CBP.

Finally, the operational protocols that would be needed for effective use of such devices need to be analyzed and considered. For example, in some trade lanes, foreign Customs authorities will open the doors of most containers before they leave the country, meaning that such CSDs will all alarm. What operating protocol would be applied in such situations?

In short, the CBP pilot programs will begin to shed some useful light and analysis on a wide array of questions that would have to be addressed in considering the application of such technology.

IV. Conclusion

Vigilance against terrorist risks requires the development and implementation of prudent security measures, and the continuing enhancement of such measures as the risks change and take new forms.

The liner shipping industry fully understands this and has cooperated with national governments and international organizations trying to construct meaningful security regimes. The industry will always be concerned that these measures not unduly delay or restrict commerce or impose costs that produce little added security; however, it has supported and will continue to support measures that are well designed and provide real security value.

We believe CBP does an excellent job trying to address this most complex challenge, and we appreciate this Subcommittee's continued interest and oversight of these issues. We would be pleased to provide additional information that may be of assistance. Thank you again for the opportunity to testify.

Annex to note n° TAXUD/SM/D(2008) 12145, 4 April 2008

EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION

The Director-General

Brussels, 4 April 2008

TAXUD/SM/D(2008) 12145

Mr. Ralph Basham
Commissioner of United States Customs
and Border Protection
Department of Homeland Security
1300 Pennsylvania Avenue, N.W.
Washington, D.C. 20229

Dear Mr. Basham, dear Commissioner,

At the meeting of the EC-U.S.-Joint Customs Cooperation Committee on 6 March 2008 CBP indicated it would submit a comprehensive report on 100% scanning to Congress in mid April 2008.
As promised at the JCCC, I am providing you with the Commission's comments on this issue (enclosed).
I would be grateful if you could take these comments into account when presenting your report to Congress. I would appreciate it if you could send me a copy of the report.

Yours sincerely,

Robert Verrue
(signed)

Annex: Commission comments on 100 % scanning

Annex to note n° TAXUD/SM/D(2008) 12145, 4 April 2008

Comments on 100% scanning

The purpose of this paper is to inform the United States Administration of the European Commission's strongest concerns about the prospect of imposing 100% scanning in foreign ports of containers bound to the USA[1]. These concerns are about the effectiveness of this measure in improving security as well as its economic efficiency. They are widely shared by the EU Member States and economic stakeholders in Europe.

1. Overall assessment

Since 9/11 and other terrorist attacks in Europe and elsewhere, security has become a top priority for European Customs. Customs administrations throughout the European Union have taken action to overhaul control procedures, techniques, resources and the relevant legislative tools. Customs policy is a European Union competence: the Member States of the European Union follow a common approach. The "security amendment" to the European Community Customs Code entered into force in December 2006; the full range of security measures will effectively come into play in July 2009[2].

The European Union complies with the International Ship and Port Facility Security (ISPS) Code and enforces security standards for all ships flying the flag of a Member State, and all other vessels sailing in European waters. Member States are required to carry out systematic checks on port facilities, vessels and their cargoes, in ports throughout the Union. Since 2004 the European Union has been implementing one of the strictest legislations worldwide in maritime security[3] and its successful implementation has been demonstrated by more than 100 inspections[4].

The United States and the European Union have a long record of Customs cooperation and mutual assistance in customs matters: from our first agreement in 1997[5], to EU early participation in the Container Security Initiative (CSI) under the specific agreement we concluded in 2004[6]. The objective of this cooperation has been to ensure our mutual security combined with facilitation of legitimate trade. Ten Member States are actively participating in the CSI, which implies the targeting and pre-screening of containers and the development of additional investigative leads related to the terrorist threat to cargo destined to the U.S.[7]

We have also worked together to develop a framework of security and control standards at international level. These efforts have resulted in the adoption of the internationally agreed recommendations of the World Customs Organisation (SAFE Framework of Standards)[8] as well of the International Ship and Port facility Security Code (ISPS Code) of the International Maritime Organization, which, together with numerous other nations, we have agreed to apply.

In recent years we have extended our cooperation further. We have engaged a process of establishing equivalent levels and standards of controls for US and EU economic operators. The mutual recognition of our respective trade partnership programmes (US C-TPAT and EU Authorised Economic Operator) is the first step in this direction. In November 2007, in the Transatlantic Economic Council[9], we confirmed our intention to achieve this within 2009. The roadmap to mutual recognition of C-TPAT and AEO programmes was formally approved by the US-EC Joint Customs Cooperation Committee on 6 March 2008.

It is, therefore, with great apprehension that we regard the recent US legislation on 100% scanning of maritime container cargo in foreign ports. The Security and Accountability for Every Port Act, in 2006, required the Department of Homeland Security to carry out pilot projects in foreign ports to test the feasibility of 100% scanning. It is to be regretted that the USA did not await the results of the pilot actions, including the European pilot in the port of Southampton, which are currently performed in connection with the US Secure Freight Initiative, before pressing ahead with this legislation.

There are two main reasons why we fundamentally disagree with the 100% scanning approach and we do not contemplate 100% scanning in Europe:

- Firstly, 100% scanning is unlikely to improve security; it might even create a false sense of security and undermine security by diverting scarce resources from other essential measures. Even on the hypothetical assumption that it was positive for US security, it would be extremely difficult to argue the case for European security.

- Secondly, 100% scanning has a high potential to disrupt trade and transport, within the EU and worldwide, unnecessarily, at high cost.

The US 100% scanning initiative is unilateral and implies extraterritoriality. If it were pressed on with, it would tend to undermine the process of mutual recognition of US-EU security standards and controls which we consider to be at the heart of our current cooperation to raise transatlantic security standards and promote legitimate trade. It would also tend to undermine the development and implementation of an international consensus on higher standards worldwide.

To our knowledge, the US 100% scanning legislation is not based on a proper assessment of its impact, and, currently, there is not enough evidence to measure it. The European Commission, in close cooperation with the EU Member States will continue to investigate the issue and further analyse its potential impact on security, transport and trade.

2. A false sense of security at high cost

The experience with the Southampton pilot project and preliminary contributions from EU Member States and other European stakeholders show that 100% scanning does not appear to be cost-effective compared to alternative approaches that would produce benefits to security.

In Southampton, three Radiation Portal Monitors, one Advanced Spectrographic Portal and one X-ray scanner (NII) were used. Data on US bound containers gathered by the scanner were transmitted to the US for risk analysis and targeting: if a container raised concerns, it was signaled by US CBP officers to the UK customs authorities for further inspection. The total cost is estimated at $18 million[10] for scanning around 5,500 US bound containers over a period of six months[11].

Results show that:

- For relatively small ports, the introduction of 100% scanning would require very high initial investments and important human resources devoted to it. In the case of

Southampton a simple calculation[12] of total cost relative to the number of scanned US bound containers gives an average cost/container that exceeds $500.

- In Southampton, there is quasi absence of multimodal incoming traffic: truck-borne containers are much simpler and cheaper to scan than those arriving by rail, barge or feeder vessel[13]. The presence of multimodal incoming container traffic needing increased handling (unloading, transporting, and reloading) and transhipment would pose tough challenges for 100% scanning in many ports.

- In Southampton, only limited infrastructural adaptations were required to allow for the scanning, and no bottlenecks or delays were created. In European ports shipping 10 or 15 times that amount of containers, congestion would be a much more likely outcome, unless major changes and investments in infrastructures were introduced. Such changes would often require expansion into nearby land side areas that would be very expensive or unavailable.

In seeking 100% coverage much less favourable situations than that of Southampton would have to be tackled: "diseconomies of scale" would come into play in trying to approach the 100% target.

At present, a majority of EU ports have scanning devices on their premises, mainly used to scan imported containers (and in some cases exported ones), under the current risk-based targeting approach, sometimes also within the CSI agreement. The share of containers scanned ranges from 0.1% in bigger ports to 3% in smaller ones. Scaling up Southampton's pilot action to 100% of European ports shipping containers to the US and to 100% of container shipments within these ports would be a huge challenge, which cannot be met at current levels of resources or with limited increases thereof.

A relevant share of the EU container traffic comes in on other vectors than trucks – trains, barges and increasingly feeder vessels – and require specific procedures to handle the containers before, during and after the scan. These vectors have a batch-flow nature, as opposed to the smoother inflow of trucks: when feeder vessels arrive and are transhipped onto oceanic vessels, either resources would have to be readily available to perform the scan near

the vessels, or the US bound containers would have to be stacked in extra storage area, and wait for the scan, raising costs significantly.

In the case of transhipped containers – the fastest growing segment of container trade – there would be additional operations involving in-port long-distance movement of containers or of customs officers and scanners. Aside from the issues of lower efficiency (of "mobile" personnel and equipment), and of data storage and transmission, scanning transhipped containers is likely to lengthen the average waiting time significantly. The need to secure the scanned containers until they are loaded on the final carrier vessel adds extra costs[14]. Preliminary feedback from large EU ports offers cost indications in excess of $300/container for moving stacked containers to scanning stations, as well as insights on the complex organisation of large ports having numerous terminals shipping to the US, operated by different companies, and dealing with all transport modes[15]. Unit costs would rise as the more difficult and costly types of traffic (rail, barge, feeder vessel) in the less favourable ports (those with tighter physical constraints) would have to be targeted to reach 100% coverage[16].

While attempts have been made to estimate some of the direct costs of upgrading security equipment, procedures and resources[17] and of additional time spent by containers waiting at and before port, no quantification of indirect costs stemming from the impact of 100% scanning on the reorganisation of port infrastructures, on congestion and diversion of transport routes and on slowing down commercial exchanges[18] between Europe and the United States is available at this stage (points 3 and 4 below). Such costs could amount to billions of dollars annually. Clearly, any estimate limited to some cost components cannot be representative of the cost of 100% scanning in Europe.

The US legislation does not contain any financial clause or spending authorization for equipping foreign ports. Costs for the installation of the necessary equipment and adaptation of infrastructures, as well as operational costs would have to be borne by the respective ports, shipping companies and/or foreign administrations which would have to implement and enforce the unilateral extraterritorial requirements.

It might be argued that cost should not be a decisive issue when it comes to improving security. Such a line of thinking would assume that 100% scanning was superior to alternative measures for improving security. No such demonstration exists.

The 100% scanning legislation goes against the currently practiced multi-layered risk-based approach agreed by the US Administration and the European Union. Compared to existing risk-based assessment and targeting of containers to be scanned, 100% scanning would come out as less effective overall (let alone cost-effective). For one, to be credible, 100% scanning would need to apply 100%. Container traffic is only one quarter of cargo shipped worldwide[19]. The 100% requirement leaves aside – out of sight of customs and security officials busy with scanning containers – many other maritime transport vectors (bulk cargo ships, ro-ro ships, passenger ferries, cruise ships and yachts) which may carry weapons of mass destruction or their components. Scanning is also of little use in detecting other security risks such as chemical and biological weapons. The possibility of tampering with cargo after the scan was performed would not be eliminated.

The relevant staff increases demanded by 100% scanning could not be met by many EU Customs administrations. Staff would probably have to be reallocated from other tasks. The direct cost of this reallocation, including training, re-location, and organisational changes, may be limited but new questions, such as health and safety concerns would arise. The impact on other customs operations (e.g. fight against fraud, smuggling, and counterfeit) would be very significant, not only in terms of cost (missed customs revenue), but also in terms of negative effects for other security measures. Having highly skilled officials trying to make a meaningful interpretation of the millions of images of innocent cargo does not seem to be an effective use of taxpayers' money.

Overall, 100% scanning could actually instil a false sense of security in the concerned authorities and in the public, based on an excessive reliance on technology and potentially leading to complacency. Compared to the current risk-based approach, 100% scanning might reduce the security of international trade.

From a European perspective, it would be difficult for Customs administrations to set sovereignty issues aside in order to implement the US legislation, to invest massively in a

measure designed to protect the US, and to divert resources away from measures designed to strengthen security in the EU as well as that of international trade. It would also be difficult to imagine a situation where the 100% scanning requirement would be applied in one direction, to US bound containers only. Finally, 100% scanning would imply systematic transfer of sensitive information which could only take place in the context of a new international agreement between the USA and the EU.

The EU priority is to work together with the USA and other nations in an effort to further develop and implement the WCO SAFE Framework of Standards. Particular attention should be given to strengthening risk analysis including through a review of data requirements for advance declarations. Greater emphasis on selective scanning may be one of many ways to improve the current multilayered system for targeting and inspecting dangerous cargo.

In addition, it is important to redouble joint efforts in the direction of transatlantic 'secure trade', notably through mutual recognition between the USA and the EU of security standards and controls. This would effectively increase the resources jointly mobilised to combat terrorism and criminality in transatlantic trade as well as help to strengthen implementation of security standards worldwide.

3. A diversion of transport flows

The 100% scanning initiative would have serious repercussions for EU-US maritime transport and trade without any clear benefits in terms of enhanced security.

Worldwide more than 700 ports with direct exports to the US will be concerned, of which many are European ports with both direct traffic to the US and feeder traffic. Investments into scanning equipment will be costly and the supply chain will be slowed down due to the time needed for scanning operations. Moreover, 100% scanning has the potential to induce an important reorientation of transport flows worldwide and in the EU and would risk undermining the European Union's port policy.

Scanning cost would be a sizeable additional burden on direct freight costs as 100% scanning would increase freight costs significantly, hitting a sector characterised by tight margins and fierce worldwide competition.

Moreover, 100% container scanning would slow down container transport and increase inventory requirements and land--use. It would considerably increase port and hinterland congestion. European transportation and environmental protection policies aim to promote multimodality in transport, and a better use of maritime capacities, in order to reduce the growth of road transport. Road transport is a major source of health and environment problems, with its congestion, high carbon footprint, pollution and accidents problems. Increased congestion induced by an obligation of 100% scanning would not only affect the port and its immediate hinterland but would also have wider effects on traffic flows for which road transport remains an attractive option even at today's fuel prices.

In addition, 100% scanning would tend to divert transport flows towards those ports –mostly the larger ones- with the necessary financial leverage and container traffic volume to amortise the additional 100% scanning costs. This in turn would further increase congestion problems in and outside ports: to reach the ports capable of increasing their traffic, US bound containers would be shipped by feeder vessels or transported inland by truck on already nearly congested roads.

The tendency to reallocate EU exports to the US to a limited number of larger ports or newly developing hubs would be to the detriment of smaller ports and their hinterland. The consequence could be a competitive disadvantage for certain regions and further road and port congestion with negative environmental and regional development consequences within the EU.

With the aim of reducing barriers to trade, the EU has promoted uniform regulations across economic operators, such as the port security regulations. The uneven impact that 100% scanning would have on the European maritime transport operators would tend to create a distortion of competition in this sector. Distortions would not only occur between small and large ports, but also between port facilities in the same port.

Transport-diversion effects may also arise between Europe and the other US trade partners and could give a competitive advantage to alternative suppliers of US imported goods.

4. A potential new trade barrier

The potential share-out of the additional cost of 100% scanning between EU ports business and governments, EU and US business, and US taxpayers and consumers is a complicated issue that has not yet been examined. In any case, traders, logistics operators (shippers, consolidators, terminal operators), and the whole up- and down-stream supply chain involved in exporting goods to the US via maritime containers would bear at least part of the cost.

Many factors would influence the direction and intensity of the effects on trade flows and prices. An additional "transaction cost" to international trade would raise transport prices and depress growth (via reductions of imports/exports) without offering any real security benefit.

Developing countries (including emerging economies and less developed countries) handle about two thirds of the world port container throughput. 100% scanning can be expected to hit some harder than others. In many less developed countries 100% scanning would hinder the development of freight container operations in domestic ports and of the related shipping, logistics and trading sectors.

Finally, the US 100% scanning initiative assumes compatibility with WTO rules which is not established.

5. Conclusion

The unilateral US initiative imposing 100% scanning in European ports of US bound containers is a high cost option compared to alternative approaches that would produce benefits to security. It would tend to divert scarce resources from other essential measures and might create a false sense of security and complacency. It would call for a shift of European resources away from European security requirements. It could have serious repercussions for EU-US maritime transport and trade, and on transport organisation within the EU and worldwide, without any clear benefits in terms of enhanced security.

Priority should be given to strengthening the current multilayered system and risk analysis for targeting and inspecting dangerous cargo. This may require a widening of information systems and greater emphasis on selective scanning. US-EU cooperation is critical in achieving transatlantic 'secure trade' and strengthening security conditions for world trade.

Annex – Container transport statistics

US bound container shipping is highly concentrated in a relatively small number of EU ports. According to available EU statistics for 2006, a total of 2.6 million TEU were shipped to the US from 64 different ports. Only 23 ports ship more than 10,000 containers to the US.

When the total container traffic is considered, EU ports ship around 36.5 million TEU worldwide, including within the EU. The share of US bound traffic varies considerably from port to port (see last column in the table below). "Feeder ports" that do not ship containers to the US directly but use a "hub port" instead, are not represented in the table below. These are typically small to medium sized ports, often located at seas further away from the US, like the Baltic Sea or the Black Sea.

Beside the size element[20], EU ports can be distinguished according to other factors, such as whether containers mainly come from inland road transport, or use different modes, from rail to barge, to transhipment from feeder vessels. All three major ports handle multimodal incoming transport, while lower sized ones differ in this respect. Some are located on navigable rivers (e.g. Le Havre, Hamburg) while others deal essentially with truck traffic (e.g. Southampton, Genoa). Some ports mainly act as transhipment hubs (Valencia, Gioia Tauro, Cagliari).

Table 1 - Main EU ports for container traffic with US
(> 10,000 TEU shipped to the US, 2006. Source: EUROSTAT)

Rank	Port	Country	U.S.-bound		Total TEU	% U.S. / Tot
			TEU	%		
1	Bremerhaven	Germany	573.105	21,9%	2.343.650	24,5%
2	Antwerpen	Belgium	447.667	17,1%	3.405.005	13,1%
3	Rotterdam	Netherlands	400.343	15,3%	4.643.734	8,6%
4	La Spezia	Italy	143.551	5,5%	535.570	26,8%
5	Le Havre	France	114.698	4,4%	1.056.545	10,9%
6	Valencia	Spain	114.469	4,4%	1.285.869	8,9%
7	Hamburg	Germany	109.973	4,2%	4.261.958	2,6%
8	Barcelona	Spain	80.131	3,1%	1.150.696	7,0%
9	Liverpool	United Kingdom	80.019	3,1%	316.194	25,3%
10	Felixstowe	United Kingdom	75.083	2,9%	1.476.789	5,1%
11	Algeciras	Spain	73.660	2,8%	1.632.074	4,5%
12	Gioia Tauro	Italy	64.541	2,5%	1.383.745	4,7%
13	Livorno	Italy	44.424	1,7%	242.932	18,3%
14	Genova	Italy	43.142	1,7%	532.833	8,1%
15	Bilbao	Spain	36.917	1,4%	455.450	8,1%
16	Marseille	France	32.897	1,3%	463.434	7,1%
17	Southampton	United Kingdom	32.258	1,2%	725.561	4,4%
18	Medway	United Kingdom	20.052	0,8%	295.459	6,8%
19	Goteborg	Sweden	18.367	0,7%	404.094	4,5%
20	Lisboa	Portugal	17.568	0,7%	256.558	6,8%
21	Napoli	Italy	16.889	0,6%	90.713	18,6%
22	Piraeus	Greece	13.140	0,5%	691.878	1,9%
23	Cagliari	Italy	12.418	0,5%	229.597	5,4%
	Subtotal		*2.565.312*	*98,1%*	27.880.338	9,2%
	TOTAL EU		**2.614.316**	**100,0%**	**36.510.876**	**7,2%**

[1] In August 2007, the Homeland Security Bill came into force. It stipulates that all cargo which is loaded in a foreign port on a ship bound for the United States must be scanned before leaving for the USA. The devices to be used include X- or gamma-ray imaging systems providing an internal "picture" of the container's contents, and radiation-detection systems that provide a passive, non-intrusive means of spotting nuclear devices. All foreign ports shipping containers to the United States will have to install and use both types of equipment by 2012 at the latest.

[2] The implementing provisions of the security amendment (EC Regulation 1875/2006) entered into force in December 2006 and apply within the following timeframe: since early 2007 a common risk management framework has been used to support improved risk based controls by customs authorities. The risk management system will be fully computerised by 2009. The provisions for the Authorised Economic Operator programme (AEO) entered into force on 1 January 2008. The AEO programme aims to increase security requirements and facilitate compliant traders. In July 2009 it will become mandatory for traders to provide customs authorities with advance information on goods brought into, or taken out of the customs territory of the European Community.

[3] Regulation (EC) 725/2004 of the European Parliament and of the Council on enhancing ship and port facility security and Directive 2005/65/EC of the European Parliament and of the Council on enhancing port security.

[4] Since the adoption of the relevant legislation in 2004, the European Commission has carried out over 100 inspections of port facilities, ships, companies, recognised security organisations and national authorities in charge of maritime security, to complement Member States' own inspections and ensure correct application of the rules throughout the EU. Container terminals and ships have high levels of physical protection against unauthorised entry.

[5] Agreement between the European Community and the United States of America on customs cooperation and mutual assistance in customs matters, Official Journal L 222, 12/08/1997.

[6] Agreement between the European Community and the United States of America on intensifying and broadening the Agreement on customs cooperation and mutual assistance in customs matters to include cooperation on container security and related matters, Official Journal L 304/34, 30/09/2004.

[7] After the terrorist attacks on September 11, 2001, U.S. Customs Service began developing antiterrorism programmes to help secure the United States. Within months of these attacks, U.S. Customs Service had created the Container Security Initiative (CSI). CSI addresses the threat to border security and global trade posed by the potential for terrorist use of a maritime container to deliver a weapon. CSI proposes a security regime to ensure all containers that pose a potential risk for terrorism are identified and inspected at foreign ports before they are placed on vessels destined for the United States. CBP has stationed multidisciplinary teams of U.S. officers from both CBP and Immigration and Customs Enforcement (ICE) to work together with foreign government counterparts.

[8] In June 2006 WCO Council adopted the SAFE Framework of Standards to secure and facilitate global trade.

[9] In November 2007, a progress report on the state of play on mutual recognition, including on the establishment of the joint roadmap, was presented to the Transatlantic Economic Council (TEC), thereby emphasising the high political importance of this issue. As a conclusion, a joint road map was agreed, setting out the key performance-based stages required to reach mutual recognition of US and EU Customs-Trade partnership programmes in 2009 or to report fully if there are serious difficulties preventing this.

[10] Total cost to the US for buying and sending the equipment to Southampton, for building the infrastructure, and for paying for the US personnel to run the six months trial – the UK Customs and Port personnel costs are not included in this amount.

[11] Over the 6-month pilot action, 90,000 containers were checked for radiation at the port gates and 5,500 US bound containers were X-rayed for non-intrusive imaging of the container contents.

[12] Assuming a 5-year constant depreciation of the $18m initial investment, and projecting on an annual basis the human resources expenditure needed to scan the 5,500 containers for the duration of the pilot action.

[13] The scanning of transhipped containers required a dedicated area in the terminal, the double handling of containers, and the use of mobile scanners at a remote site.

[14] The more the scanning operation is centralised in the port (terminal), the higher the need to move containers to and from the scanner, and to store them in secure areas and comply with the ISPS code.

[15] In Rotterdam, for instance, 47% of US bound containers arrive on feeder vessels or barges and are transhipped.

[16] The most difficult targets have higher fixed costs; hence, the average cost of scanning one container grows more than proportionally towards the 100% target: in relative terms, the additional effort needed to reach the last small percentage points of coverage will likely cost more than the first 90-or-so percent.

[17] A hypothetical single stationary scan installation operating at full capacity reportedly costs $18m and has a maximum nominal annual capacity of 80.000 containers. Assuming a 5-year constant depreciation, an $18m fixed investment spread over 80,000 US bound containers per year, represents $45 per container; this is the bottom figure for the fixed cost. Adding variable costs for a 30-person staff devoted to service the equipment would raise the cost to roughly $75 per container scanned and sent forward to the loading area (between $2.25-3.5 million annually). This would increase to about $85 once the cost of false inspections was taken into account under ideal conditions (2% as in the Southampton trial. The direct cost of $85 to scan a container in the ideal conditions so far examined would increase steeply in

smaller ports with lower-than-optimal traffic volumes. (Ports shipping less than 80,000 containers annually).

[18] According to a study made by Professor D. Hummel of Purdue University in the USA (2001) the cost of any additional day of transport is on average worth 0.8% of the value of the good.

[19] Although growing at a fast pace, containerised cargo is not yet predominant in world shipping. The share of containerised cargo in the world's total dry cargo (in tonnage) is estimated by Clarkson Research Services at 24%. Overall, dry cargo (76% of which –bulk and break bulk cargo– currently escape scanning) represents two thirds of total cargo, the rest being oil and related products (see UNCTAD Review of Maritime Transport 2007).

[20] Only US bound container traffic is considered here: this entails an underestimate of problems for ports like Hamburg that handle several million containers per year, only few of which US bound.

C–TPAT

Mr. PRICE. Let's turn to questions which the committee will have for both of you.

And let me begin, Dr. Flynn, with you. You have stated that foreign enemies and terrorists are more likely to use a container and exploit weaknesses in our security systems because that may be the easiest way to deliver a disruptive weapon. And you this morning again repeated that that might well be a more likely scenario than a missile attack. You have offered scenarios where C–TPAT participation and radiation detection technology might not only fail to prevent a weapon from entering, but actually may facilitate its delivery by creating a false sense of confidence and security.

So I want to ask you to elaborate on that. What would you identify as the most critical gaps to fill in cargo security, to guard against a false sense of confidence, but to give us the protection we need? What are the priorities?

Mr. FLYNN. Sure. Let me begin with the threat. And I think, specifically, I would say giving the risk of a weapon, nuclear weapon, coming to us via the tip of an intercontinental missile versus the alternative, a nonmissile conveyance, is more probable. Where you can break down this threat in part is: Would a nuclear weapon itself potentially be smuggled into the United States if you could get a whole one in a container? There is a legitimate debate that somebody who intended to bring a nuclear weapon with a specific target might use other smuggling means than a container, and perhaps probably would because they want to hang onto it. There is another issue about nuclear material, highly enriched uranium, which you could then here develop a bomb. And again, that could be smuggled in in a variety of means besides just a container.

But the threat I am particularly worried about is the dirty bomb threat in a container, which is using commercial-grade radioactive material inside of conventional explosives. I worry about that scenario primarily because the dirty bomb is a weapon of mass disruption, not destruction. It is a conventional explosive that kills everybody within the range and it creates a real mess, but it is not a mushroom-cloud kind of dilemma.

If I were a terrorist intent on economic disruption, and we have adversaries who recognize out of 9/11 that that is in fact a strategic objective, is to cause mass economic disruption, I would specifically target the supply chain with a dirty bomb to set it off, to force a reaction to that. And I would target specifically something that is viewed today as low-risk cargo, because that will contaminate the risk management system.

In the scenario that I laid out in my testimony, it comes from a C–TPAT company, it goes through an IPSS, International Port Ship Security-compliant terminal—which they all are because everybody self-anointed themselves as compliant—on an IPSS-compliant ship through multiple CSI ports, arrives in the United States and goes off. I cannot imagine the President being able to say, Keep commerce flowing when the entire risk management regime has been compromised by what is a single event. Particularly with what the reaction tends to be when you are faced with that uncertainty is people to take raw information and suddenly throw it up-

stairs to decision makers, so nobody is caught potentially having what may have been—even though it is not well vetted—information about what the threat is.

So you end up with very chaotic information at the top level of the government with floods. And again as I laid out, uniquely in managing this problem versus our airspace, you have mayors that are involved in these decisions, you have labor involved in these decisions, you have port authorities involved in these decisions. It is going to be very difficult nationally to manage this without having worked their way through.

So the threat that I think that is out there is something that terrorists certainly have the means to do. And why they would put it in a container would be to target the Intermodal Transportation System itself as a critical infrastructure versus to get it Tom Clancy style—to the Super Bowl Game or to a convention—to blow it up. So that is something I think the committee needs to be mindful of as it thinks through working this.

The false sense of confidence basically comes around that the risk management protocols that we use were well developed and well refined and appropriate for contraband dealing with criminal conspiracies such as moving of drugs. Because organized crime is about repeat performance. Nobody actually raids the cookie jar once. They want to keep doing it over and over again. And so organized crime thinks about finding soft spots in the system that it has some confidence over time they will succeed in getting in. And most security controls are in place to set trip wires and react afterwards to investigate the problem and then create a culture of compliance within a company. That presents a significant deterrent for criminal behavior for smuggling and contraband.

But in the terrorist scenario that I laid out, we are talking about somebody trying to do something once. And therefore something we view as low risk today could be viewed as high risk for this worst-case scenario, because I am going to take a lot of time to essentially figure out the system and find its vulnerability. And as I suggest, and I think many of us who know the supply chain know, the weakest point is between the factory and the port of loading overseas. And imagining that risk is a significant challenge.

So what we are, I think in part, we are trying to do is both ideally find this weapon, but we are also trying to make sure that we have systems in place that, should something get through, we can parse the risk and manage the crisis in a way that does not lead to the mass shutdown of the system.

And I would be happy to go into some details about how that could be accomplished as well.

RISK ANALYSIS

Mr. PRICE. Can you just briefly indicate, given the way you have defined the most likely threat, the most likely risk, what would you do differently in terms of the kind of priorities you would set, particularly the direction of limited dollars?

Mr. FLYNN. As the first priority I would accelerate the efforts that CBP is trying to advance on 10 plus 2, the current risk analysis based on cargo manifest information provided by the ocean carrier, which is essentially what its customers told it was ship-

ping. In my testimony I have photographs of a ship, container ship the HYUNDAI FORTUNE, which was one of the most interesting non-news events of 2 years ago. It was the biggest container ship fire that has ever happened, 60 miles off the coast of Yemen, and it basically blew out the side of the ship and took out the back one-third of a 5,500 TEU ship. That is basically one of our larger size container ships.

This happened as the result of an investigation postulates that it was likely hazardous materials that were not advertised to the carrier as such. Basically, this happens not infrequently, because 10 percent of cargo that comes on container ships contains some form of hazardous materials that requires special handling. To avoid those fees, people do not necessarily 'fess up what they are shipping. So it is a dramatic example of what is out there, is that the carrier does not really know what is in the boxes. The terminal operator receives them, does not know what is in the boxes. It takes the word of the consolidator or of the original exporter to tell him this is what is in the box. That is what is provided to Customs, and Customs basically begins its risk analysis from there.

Now, when it is suspicious about a piece of cargo, it has very robust systems to find more about it. But what will trigger off the suspicion is that information on the cargo manifest. And it basically is about as effective of a system—about as viable as that customs declaration form that you fill out when you get into Dulles. If you think everybody who gets off there fills out precisely what they brought back overseas and its value and the contents, that is essentially the system we largely have with cargo manifests, particularly for large parts of the world. So that is clearly a priority is getting better data that CBP can target around.

But the other push that I have is we need, I think somewhere in the system, a physical validation not so much to find the actual needle in the haystack, but that the bulk of containers do not pose such a risk. The radiation portal technology's limit is that by using shielding like lead, you can defeat it; but, if combined with imaging, you are sensing a dense object, most containers, over 90 percent of them at 40-foot size, do not carry dense objects in them. So one tool that is out there is you put these in place, potentially in overseas ports, to screen automatically containers coming through.

You have that data available and you use it in two ways. One is when Customs wants to do an inspection, it pulls the bits instead of ordering the box out of the yard and being moved somewhere else. It has some preliminary information, which should improve its targeting. The second piece is if you have an incident, you have the means to be able to vet the system and be able to continue to facilitate the vast majority of cargo and start to isolate the portions of the supply chain that you may have worries about. So the absence of the ability to physically validate that containers do not carry—and it is really, very specifically, a dirty bomb, a nuclear weapon—that is the only thing that will lead to the kind of nightmare scenario I laid out, I think is something we have to advance.

I do not believe we are going to be anytime soon at a point where we will have 100 percent. Just about everything with security you don't get there. But I know it is going to be higher than a fraction of the percent we have right now to get that level of confidence and

to manage the incident. And I think we need to get the industry and the government to roll up its sleeves and figure out how we tackle this very complex problem.

But I want to reinforce one final thing; that is, there is no silver-bullet single approach. The data is very important. We can get conveyance devices. That is great. We want the cooperation. But a problem of this magnitude for our economy and our national security warrants a real roll up the sleeves and say this is something we have to work through, work through its complexities, work through the difficult economics, and find win-wins when we can.

TARGETING

Mr. PRICE. Mr. Koch, you have in your testimony today once again stressed the importance of improved targeting, improved information that would enable us to target intelligently, as opposed to a macro goal of 100 percent screening.

I wonder if you could in brief here respond to what Mr. Flynn said. Or what would be your answer to the question that I asked of how this lines up with the kind of priorities you articulated?

Mr. KOCH. I would be happy to try, Mr. Chairman. Steve is a very articulate and thoughtful guy, and a good critic of the problems we face. The difficulty I think we have is that no matter what we come up with, it does not take much to come up with plausible scenarios that make sure that whatever you construct can be circumvented. Even what Steve is articulating, I can come up in 10 minutes with a plausible scenario that says everything that would be created could be gotten around.

Before going on, I would say it is not clear to me the extent to which terrorist organizations would use containers. I think we all see the vulnerability. I do not know that we really understand the likelihood of that threat. Would they use a container as an operational way to deliver something bad to this country? It requires them to completely lose operational control of that asset, because they would no longer have operational control, which is certainly outside the way terrorist organizations have operated up to this point. They know every box is going to be screened. They know there is a good chance that it could get scanned. They know it could be stopped. And although we are wonderful operators, they also know we can roll cargo, we can miss ships, we can do a lot of things where that box is not 100 percent certain of being delivered on time, as promised.

So under those scenarios, there are a lot of questions that frankly you simply have to make judgments about how big a risk is this. And even when you recognize it is a risk with high potential consequences, what are the resources you devote to it? I do not know that there is a black-and-white answer to that. I would say better risk data is clearly a priority.

And I would say that the improvement and constant improvement of the technology being deployed is something that you will certainly be exploring with Mr. Oxford and Mr. Ahern in terms of the competence of this equipment that is being used. But even that equipment is not perfect, as Steve himself has identified, through shielding, et cetera. To say that you could find a cannister of nuclear material in a 40-foot container of machine parts by looking

at an X-ray image I think is fanciful. It is not going to happen. At least it is not going to happen very often.

So I think it is a multilayered strategy. It is trying to do programs like C–TPAT that give you increased reliance on certain supply chains. It is doing the better screening data. It is doing these various things, taking all the experiences that the agency has developed over time and continuously improves on and applying best judgment to it. We cannot find a guaranteed solution and allow this commerce to continue to flow.

And the idea that we can have terminal operators in foreign countries install equipment and give us an NII image and a radiation image of this still begs the questions of how good is that technology, and what are we going to do with it when we get all that data? Because those terminal operators, I guarantee you, are not going to do the risk analysis of that data. They are not going to take on that liability, nor do they have the competence to do it.

So we can fill CBP with images of 13 million containers 24 hours before they are put on a ship, or whenever they come into a marine terminal abroad, but that does not answer the strategy question of what is CBP expected to do with all of that. And I think that is a dialogue that does not have a clear answer, but one that certainly the Congress, the trade, and the agency needs to sit down and hammer through.

Mr. PRICE. Thank you very much. Mr. Rogers.

SCREENING TECHNOLOGIES

Mr. ROGERS. You know, I have not heard yet this morning, to my utter surprise, anyone mention the container security devices that we have been talking about now for 5 years, a gizmo that is readily available, to be placed inside the container, that would alert the outside world to whether or not the container's security had been breached anywhere along the way from the factory stuffing place to that truck driver that takes it to the ship. And I agree with you, that is the most vulnerable place we have. But a gizmo that I have seen, that could be manufactured I think at a fairly modest cost, that would tell us whether or not the container has been breached anywhere along the way, on the truck to the port, on the ship overseas, all the way through the U.S. Port and to the destination of the box wherever that may be.

That device would also be very helpful when the truck wrecks in the U.S., and some white fluid is flowing from the box, and the local police and fire departments approach what may be a bad situation. They do not know whether the white fluid leaking from the box is sulfuric acid or milk. And with today's technology, the device inside the box could immediately tell you or anyone else what it is that is in the box. And so I am surprised we have not heard that. What do you think? Dr. Flynn.

Mr. FLYNN. Congressman Rogers, I was involved in the initial program called Operation Safe Commerce that began this process of exploring this use of container security devices and tracking devices, and have been monitoring those closely over the years. There is little question in terms of our aspiration to get to a point where we have supply chain visibility and greater confidence of its security that such a device operating in the system would be quite help-

ful in bolstering our confidence. The operational issues of it operating in faraway places and issues like false alarms when it triggers off and who is going to respond to it, these are issues that I know the government has been wrestling with and has not come up with very good answers. And then potentially abilities to jam it and those kinds of issues.

So it is very much something that I see as promising, and is something that would be a part of the comprehensive layered approach. But the challenge has often been issues like the power to sustain it and who replaces the batteries or where that is done or where the maintenance happens and so forth.

Mr. ROGERS. Look, we have been to the moon and back safely. There is technology that is out there that would save us zillions of dollars if we could get a gizmo inside the box that is reliable. The chance of error or false alarms I think is minimal. And if we could develop such a device, think of the work and money and trouble and delays that could be saved here. All of the programs the Department has put forward, this multilayered approach to security of boxes is the best we can do for the moment. But the gizmo would solve all of those problems. Do you not agree?

Mr. FLYNN. I guess, being in the security world for a long time, I see it as a very important tool. And it could be ultimately evolved potentially, with the technologies and if these operational issues work out, to being the dominant tool that gives us that confidence. But I would not rely on any single tool, given the complexity of the supply chain. So many of the programs that are underway I would say we continue to need because the stakes warrant it, and because you need to continue to create a dynamic, challenging environment for the adversary to deal with.

So, again, it is not to be dismissive of it in any way. It is a very——

Mr. ROGERS. What do you think, Mr. Koch?

Mr. KOCH. Congressman Rogers, I think the gizmo is an attractive idea. I think there are various generations of gizmos. The current technology, when you talk about a conveyance security device, is generally thought of as the kind of thing that GE or Lockheed Savi are building, which basically tells you whether the right door has been opened. It does not tell you the kind of information you have described about what is in the box or detect even entry through other sides of the box. It is a right-door entry thing.

The issues in advancing that technology are what are the technology specifications? Is it RFID technology? Is it GPS technology? What are the standards that would be applied to it?

You talked about the error rate. CBP is conducting pilots now on these CSDs, which I think everybody is looking forward to. The error rate that CBP will tolerate from these manufacturers for their pilot devices is 4 percent. A 4 percent error rate would bring commerce to a halt.

The other thing that has to be considered when you look at this is, in a lot of countries, for example, the local Customs people will open the door on every container before it leaves that country. That means every CSD is going to alarm. So then the question is, well, what is the trade, and what does Customs do with all these boxes

that have alarms coming in because the door was opened somewhere along the way?

So there is a lot of real-world application questions that have to be addressed as we go through this. It is certainly a technology that can be explored. I think CBP is certainly identifying situations where, in the focus, they are looking at it might have real application. For example, I saw this down in Nogales recently, where they are going to try to put this on boxes coming from C–TPAT maquiladoras on the other side of the border, bring them across the border. CBP then will have the reading infrastructure to look at these devices. One of the big challenges for CSDs, if you apply it in a global environment, is where is this reading infrastructure put? It has to be put at hundreds of thousands of different points. And then how do you connect that infrastructure into CBP? It is not an insignificant challenge.

Mr. ROGERS. Wal-Mart has no problem with that.

Mr. KOCH. But Wal-Mart is putting it on a package level where they read the device at all times.

Mr. ROGERS. UPS has no problem with knowing where a box is any given second in its trip.

Mr. KOCH. That is correct. But these are devices that are supposed to tell you has a security event gone off that requires that box to in essence stop where it is. And UPS has uniform technology applied across its system. The Lockheed device is not consistent with the GE device. There is no standard for this. And we have dueling, warring vendors as to who should produce what kind of product.

Mr. ROGERS. Well, the ultimate arbiter of all of that, obviously, has to be Uncle Sam.

Mr. KOCH. That is correct.

Mr. ROGERS. And with the ability of the Federal Government to put conditions or restrictions on what can and cannot be brought into the country, it seems to me that we have a path to getting a uniform gizmo, and by limiting what can and cannot come into the country, require other countries to conform to those standards. I mean, this is elementary school stuff we are talking about here.

Mr. KOCH. If it is GPS technology and can be read remotely, then it is one thing. If it is RFID technology and has to have an RFID set of readers at various places around the world so that it can be read before it is put on a ship, it is a much more complicated enterprise to do that. Because then you are actually requiring ports, facilities, wherever this would be applied all over the world, to install a reading infrastructure, and then having to decide who is responsible for reading that infrastructure.

CBP and the Science and Technology Directorate within DHS, when they have looked at this, have tried to figure out what does that reading infrastructure look like? What is its interconnect with CBP? And then what are the operating protocols that go along with it? The vision is certainly an attractive one. I think we all would be well served by waiting to see what the lessons are out of the various pilot projects that CBP is about ready to undertake on all this, so we can all move forward with a better set of understanding of the issue.

Mr. ROGERS. We will be asking the government people about what their thoughts are about this as well. But as one fellow jokingly said one time, we are making policy you are talking about details. And it seems to me the policy of the country ought to be that we are going to require every box coming into the country to have a gizmo that will tell us whether or not the crate has been tampered with in progress, what is contained in the vessel, and its origin and destination among other things. And those gizmos can be read remotely and can be read without intrusion with something as simple as a BlackBerry gizmo. We are not talking rocket science here.

And I am amazed that the industry as well as the government has not seized on this and pursued it. I know GE was making a device 2 years ago, and others have done the same. And I saw one from a small inventor in North Carolina 4 years ago. And nothing has happened. And I am going to stay with this. And I am going to belabor everybody that comes before this subcommittee to find out why in the dickens haven't you done this. It would save everybody tons of money, thousands of people overseas at ports, and speed the flow of commerce in and out of the U.S.

Mr. Chairman, thank you.

Mr. PRICE. Thank you. Mr. Edwards.

Mr. EDWARDS. Mr. Chairman, let me first thank you for holding this hearing. There are dozens of hearings on the House and Senate side today. I cannot think of any one that would be more important to our country's future than this one. And I want to commend Mr. Rogers for his line of questioning.

You know, I know, Mr. Koch, there are important questions that have to be raised about these so-called gizmos. I wonder, can't help but think back several years ago when Peter DeFazio, our colleague in Congress, was telling the airline industry they needed to fortify the doors on their airplanes. And they were coming up with lots of technical reasons why they could not do it. And I wonder now how many lives we would have saved and billions of dollars, even the airlines would have saved, had we just said we are going to do this and get it done. I hope Mr. Rogers and Chairman Price do find a way to get that done.

Dr. Flynn, let me thank you for pointing out the inconsistency of not putting our Federal resources where the most probable threat would come in terms of delivery of a nuclear weapon to our country. I think, overwhelmingly, experts in the field have indicated it is less likely to be an ICBM than a nuclear device put in a ship container, delivered in a suitcase bomb somehow.

I am not against national missile defense, but it just does not seem right that we are putting so many more resources there in what is a less likely delivery system for a nuclear weapon, knowing that anybody who sends an ICBM in this country knows there is a return address stamped on that delivery vehicle the second it leaves the ground.

PERCENTAGE OF CONTAINERS SCREENED

Let me ask you, I just want to be factually correct, Dr. Flynn, in terms of the percentage of containers that are X-rayed before they come into a U.S. Port, what is that number today?

Mr. FLYNN. That number, it depends on the port. The ones where most is happening are the three main ports where the Secure Freight Initiative is underway and the other three ports that are unfolding. That means we are providing the equipment overseas in those ports for the host country to be able to do more of these screenings. And in Singapore and Hong Kong it is right now a fraction of a percent of U.S.-bound cargo, as in the low .2 percent.

Mr. EDWARDS. Right.

Mr. FLYNN. And it may be higher now, but the practical limits of why you cannot get above that are, again, the actual inspection is carried out by the host country. So you are asking the host country's Customs services to look at the cargo. The mechanics of it are once the CSI team, with support from the National Targeting Center, identifies the container as potentially high risk and warrants an inspection before loaded—it is usually inside the yard—almost always is, because it is a 24-hour advance of loading on the ship. So then the box has got to be located in the terminal, pulled out of the stack, driven usually to a facility that the host country has outside the terminal to have it examined. There is some risk it will miss the voyage if you do not do it. It also disrupts the yard to have that happen on a frequent basis.

But the most important challenge is you are asking the host country to do it. Virtually all of the ones, of course, we ask the host country to look at turn out to be benign. So you start wearing out your welcome mat when you start saying you want to do more of this, and none of them actually have any real threat, and it is coming out of the labor of the host country.

Mr. EDWARDS. Let me ask about that. I wonder what the country's reaction would be today if we said we are only going to check 2 percent of the passengers getting on commercial airplanes. We are requiring 100 percent inspection of every passenger, including Members of Congress who get on an airplane today, and that is in an attempt to save hundreds of lives, or perhaps thousands of lives. We are talking about a potential threat that could put at risk millions of lives, or hundreds of thousands of lives at the least.

And I realize the technology is complicated. But tell me, and I guess I probably have just a minute or two left, tell me the constraints on the technology. Maybe the next panel will get into this in more detail. But theoretically what you would want is every ship container checked where you just move the containers as they come through into a foreign port, you want them driven through some sort of X-ray machine or reviewing system. Is that technology possible?

Mr. FLYNN. There are really two issues. One is the technology. And it also gets with the container security device or the tracking device. It is the operations itself and how that technology works with the maritime intermodal transportation operations. On the technology itself, what you can identify is whether or not you have active radiation. And the way you can actually defeat that, though, is to shield it. And then you can identify whether you have very dense material in most containers.

Mr. EDWARDS. Let me interrupt you there. What percent of ship containers of the 22 million that come into the U.S. each year from

foreign ports, what percent have dense materials that could be shielding highly enriched uranium?

Mr. FLYNN. We do not know because we have never, of course, taken a full sample. But what was done in Hong Kong, in a pilot to look at just the process of gathering this information, the numbers came in that it was less—it was more than 90 percent did not have dense material in the containers; 40-foot containers tend to carry lighter material; 20-foot have more. So you have a higher percentage of 20-foot boxes, because they are used to carry heavier things.

I would say the technology is not available today to find highly enriched uranium in the size of that tier. If you are talking, though, the scenario that would take down the system and injure infrastructure, which would be a dirty bomb, that is of a size and it is of a density to shield it that could be detected by that technology if it was routinely put in place, with very small exceptions; that is, one that Chris laid out, that was really buried in a number of machine parts and so forth. So if you had that indicator, you are worried about it and you pulled it out, you would have to use other tools to get it.

Mr. EDWARDS. Okay.

Mr. FLYNN. For that scenario, there is the technology. But now applying is, at the overseas port, you can do it this, as was demonstrated, in a trucking gate by having the trucks go through this technology with the driver getting out at appropriate speed.

But when you talk about transshipment in a port like Singapore, where the box is coming from essentially one pier side, quay side to another, then you have to have the technology inside the port itself. And in Singapore, which is our largest port in the world, 95 percent or more, I think maybe close to 98 percent, is actually being transshipped through there. It is not originating from Singapore.

So that is where the operational issues get challenging.

Mr. EDWARDS. I understand.

Mr. FLYNN. But can you actually find a way that you could capture railcars and trucks and get an image of what is inside to identify whether you have dense material or not, of the size or proportion of a nuclear weapon or a dirty bomb, the technology could be out there.

Again, like every tool, I would not rely solely on that one. I would want these other ones, as well. But that is where I think we are at.

Mr. EDWARDS. Okay. Thank you.

Thank you, Mr. Chairman.

Mr. PRICE. Thank you.

Mr. Peterson.

Mr. PETERSON. I thank the panel. A very interesting discussion.

In what part of the world is our risk the greatest?

INTERNATIONAL COOPERATION

Mr. FLYNN. There are really, I think, two ways to talk about the risk. One is, where is the messiest neighborhoods where somebody could potentially get access to a container, defeat the existing controls, which aren't obviously very strong for a container, and where

we have a higher presence of people who would have intent of doing that? Clearly, when we talk about areas like Indonesia, that would be an area of concern. We obviously would have points of origin in the Middle East area that would be of concern, Pakistan and so forth.

The other, though, piece of this is—and this is, again, sort of a key part of the threat—is, if I am actually interested in targeting the infrastructure itself and disrupting, I am going to go to the places where I could cause the most harm. So I would go after places like a megaport, because even though there may be a lower probability, there would be a higher consequence. And so we look at the more homegrown threat.

And the scenarios that I am laying out here really are—we don't have active intelligence that says we have existing adversaries who are thinking about mass economic disruption using the supply chain as their modis operandi. What we see is, by viral development, from particularly in Iraq, is terrorists increasing are gravitating to targeting infrastructure as a way to confront the U.S. instead of going directly at the military.

And so I would just forecast out, given the dependency on the system and given its inherent vulnerability, at some point an adversary will likely try to spook us by exploiting it in the ways that I have laid out here. And that is why we should be working on this problem.

And it is not to throw the baby out with the bath water. We have a lot of good tools. But I think it is important to realize we are closer to the starting line than the finishing line, given the stakes associated with this issue that we have been talking about here today.

Mr. KOCH. Congressman, while I would certainly agree that geographies like Indonesia and Pakistan are areas of high interest, I would simply defer to your next panel, the people who are actually getting the intelligence briefings, to tell you where the higher risk is. I wouldn't be able to answer that information with enough information to be a credible respondent.

Mr. PETERSON. Aren't we dependent on fending countries' cooperation to make this work? I mean, we are the market of the world. I mean, this is where everybody wants to ship goods. And if you are going to ship me goods, I think you have a responsibility. And the day you let a dirty bomb get in a container coming to me, you are out of business. I mean, you are just done.

I guess, this being just our duty, I—this is their duty. Those who are reaping the billions and billions and trillions of benefit from our economy, they should be a partner in making sure what they are shipping us. And when they can't do that, we don't do business there.

And some of the ones you mentioned aren't big players. We could live without them. I mean, they wouldn't totally ruin our economy and our trade.

Mr. FLYNN. Congressman——

Mr. PETERSON. Is that a wrong approach?

Mr. FLYNN. There is no question that America has that leverage. The fact that we have been able to accomplish where we are today with getting both the commercial side, the private-sector industry

participation, as well as the countries who have signed up for a container security initiative is not out of a sudden surge of patriotism to protect American lives. It is because of a recognition of the broad economics of this. That is a leverage point.

But what is key is there is a bit of schizophrenia here, I would argue, on the Hill. On the one hand, we don't trust foreigners to do security for us. And on the other hand, this can only be done overseas. So we are going to be reliant on, essentially, these folks and the tools they have.

So it is in our national security interest to improve the ability to do this at port of loading or further up the supply chain. I think we want carrots, as well as the stick we have with our economy, to help build that capacity.

I have not found, as I have been around the world talking, particularly to major ports environments and government people, as well as industry, that folks say, "I don't want to do this." They all see the threat. It is more the issue about the coherence of the plan and its sustainability, because anything, given the size of the system, that we are going to do is going to take some time to roll it out.

And it has to be harmonized. You know, transportation lives and dies by standards. And there is no better illustration of that than the container itself, which Malcolm McLean, just over 50 years ago, came up with as a brilliant idea, and it took 30 years actually to start to do it. So when we start to think about how we do this—and it was a basic chicken-and-egg problem. Ships weren't going to be designed to carry boxes if there weren't any terminals to take them off. Nobody was building terminals to take boxes off because there weren't my ships. And the trucks were all different sizes, and the railcars were all different sizes.

So, while the notion was very simple—move everything in a box instead of pull things out of cargo—the development of this on a global scale was huge. Therefore, now trying to put, as we must, the security protocols in the system, it has to be done mindful of the need for that cooperation.

Again, the leverage is there, so we get the attention-getter. But we really need, I think, to figure out the practical methods and the accounts of operations to make this thing work. And I think the allies and the folks will be there. But it will take their cooperation at the end of the day. And we want it to be forward-leaning, because if it is basically just going through motions, somebody can compromise that system.

Mr. KOCH. Congressman, I think I agree with Steve; there are an awful lot of people around the world who are trying to work very closely with the U.S. Government on dealing with this, and there is a lot of cooperation going on.

I would also echo his comment that I think our government tends to confuse other governments on this issue at times too, because our strategy doesn't remain consistent. It moves around. And we are not very clear sometimes about exactly what it is our strategy is; 100 percent container inspection being a perfect example.

And, finally, I would note that, in terms of setting up an internationally consistent way to do this to share the obligation on a reciprocal basis, we have to decide whether or not we are willing to

do on our outbound cargo what we demand others to do on the inbound cargo.

And I would point out we do radiation screening of zero exports. We do NII examinations of virtually zero exports. And we don't even have rules in place to implement a law passed 5 years ago for advanced shipment documentation for exports.

So we are very much inconsistent in how we approach our own commerce, wanting to apply rules to inbound commerce that we don't remotely apply to our own outbound commerce. So the rest of the world, as we go down this road, would justifiably say, "Well, wait just a minute. If you are going to do this to us, why are you so special?" And that is an element that we have to factor into what the systems are that we are going to apply to this.

Mr. PETERSON. But I think our record is pretty good. We have a little credibility.

Just one quick question——

Mr. KOCH. I agree with that, but our trading partners——

Mr. PRICE. The time of the gentleman has expired. We will come back. We are going to have votes in just a moment.

Ms. Kilpatrick.

Ms. KILPATRICK. Thank you, Mr. Chairman. And forgive my tardiness. Trying to cover too many meetings at one time.

I want to pick up on what Mr. Peterson was asking. I was going to go another way. I live in an international community. Across our river, Detroit River, is Canada. Good partners. We are not near as busy as Singapore or Hong Kong, but international nonetheless. I always say that our northern borders in America are not nearly as protected as our southern borders, for a number of reasons, some good, some bad. The kind of world we live in, we need more.

But I want to go back to your last statement, Mr. Koch, in terms of inbound and outgoing. Yes, we need to do on our own going out. First priority, in my opinion, is the inbound, what comes in, in that much of the shipments that come in are private. And I see, regarding my notes here, that you represent and are president of the World Shipping Council.

Was your last statement an indictment on us, or is the Council doing more to protect us on the inbound?

Mr. KOCH. Oh, it is not an indictment at all. It is just an observation that the rest of the world, in looking at how we put this together, often comments on the fact that what the U.S. wants to do focuses only on inbound, whereas there is a legitimate expectation on their part that we would also understand that it ought to be considered for outbound cargo as well.

Ms. KILPATRICK. And I think we want both. As a matter of fact, I know we want both. In the world that we live in—and the Homeland Security Department is only 4 or 5 years old, so we anticipate—and Defense, by the way, is 20, and we are still massaging it. So we have a long way to go to get it just like we want it and need to be. But there are things that have to be looked at, properly prioritizing, in light of the dollars that are associated with each of those exercises.

WORLD SHIPPING COUNCIL

What is the World Shipping Council currently doing? And I am assuming that you represent several businesses who own these companies who do the shipping. What are some of the things that your Council works to improve, in terms of incoming cargo?

Mr. KOCH. The Council's members are the container ship operators, themselves, that carry the cargo. They carry probably roughly 93 percent of the containers coming in and out of the U.S.

So what we are doing is working with CBP and with the U.S. Coast Guard on the whole range of multilayered programs that they have to try to deal with this, whether it is C–TPAT, where all the ocean carrier members are participating in that, 24-hour-rule manifest where we file with Customs 24 hours before vessel-loading all the information we have about shipments, working with Customs on developing the improvement of that risk-assessment program, such as the 10 Plus 2 program, working with them on the pilot programs that they want to undertake, whether it be container inspection through Security Freight Initiative or whether they can use our assistance in dealing with the CSD pilots that they will be developing as they move forward.

If they have something that they would like us to do, we want to work with them. Because when the U.S. Government becomes comfortable with the confidence that they may have in this trade, that is absolutely something we want.

Ms. KILPATRICK. And that is an appropriate answer to say, but they want something—and we all want 100 percent checked and inspected and secure and safe—how close do we get to that 100 percent in the capacity of the Council?

You work with them, but I am assuming it is a two-way street in terms of information exchange and building the partnership in the secure nature that we want the freight to have. How close are we to that?

Mr. KOCH. To 100 percent safe?

Ms. KILPATRICK. Yes. From what you do and what you represent in their 90-plus percent of the cargo that comes into our country.

Mr. KOCH. I think the vast majority of the cargo that comes into the country is legal, it is safe. I wouldn't have a number. Mr. Ahern may know.

What is interdicted may be interdicted for a lot of reasons that don't have anything to do with safety. It may be a violation of textile quotas or a whole bunch of enterprises like that. But the vast majority of the commerce moving in and out of the U.S. is lawful and safe.

Ms. KILPATRICK. Is it inspected? What percent?

Mr. KOCH. I would refer to CBP to give you precise numbers, but my understanding is, on inbound boxes, it is probably somewhere in the neighborhood of 5 percent.

Ms. KILPATRICK. Last question. How does that compare to the rest of the world, in the busiest ports and otherwise?

Mr. KOCH. I don't have an answer for that.

Ms. KILPATRICK. Somebody may.

Mr. KOCH. Yes. I don't know.

Ms. KILPATRICK. Okay. And what is the main mission of the World Shipping Council?

Mr. KOCH. We are a nonprofit trade association. We represent those containership operators and liner shipping companies. So we try to interface with the European commission, with U.S. Government, with various international organizations on any public policy issue that affects the membership.

Ms. KILPATRICK. So if there were a tragedy, God forbid, and we had to look at one of the shippers who actually handles the cargo, would your Council also be liable?

Mr. KOCH. They would not be liable, but they would certainly do everything they could to help pass communications back and forth between the industry and the Government.

One of the issues that Steve raised earlier on was the need for contingency planning, what happens when we have an incident. The Commandant of the Coast Guard and the Commissioner of Customs recently signed a joint protocol as to how they would, in fact, communicate and coordinate efforts for the U.S. Government. They have reached out to the Council and asked us to put together operating people within our member companies who could interface with that joint effort that CBP and Coast Guard has. And we are in the process of trying to assemble that interactive communication mechanism to be of assistance.

Ms. KILPATRICK. Thank you.

Thanks, Mr. Chairman.

Mr. PRICE. Thank you.

Mr. Carter.

Mr. CARTER. Thank you, Mr. Chairman.

I do apologize for being late this morning. And I may have missed what I want to ask a question about. But we are here to come up with solutions to problems and do that by gathering evidence. And I agree with pretty much everything you have said, although I went with Mr. Rogers to look at container safety in several ports in the world, and I felt a little nervous about it, to be honest with you.

NUCLEAR WASTE

And I also agree that if I wanted to blow something up in somebody's country and I got my hands on a nuclear weapon, I wouldn't put it in a container and turn it loose and hope it gets there. It costs too much money, and it is too hard to get your hands on. So I agree with what you said. I think there would be some other alternative way if I had possession of a nuclear weapon.

But as far as nuclear waste is concerned, I think the question that my colleague Mr. Peterson asked was where is the most applicable that you could purchase an outlawed nuclear weapon of some sort. I would also like to know, is the same areas that you are out there the best place to buy nuclear waste over, say—you know, you hear these rumors that you can collect the disposable stuff from the hospital and this nuclear waste and package it up and make it blow up.

Is there more availability of the type of nuclear waste that would make a dirty bomb overseas at certain areas, the areas that you just told us, or not? That is one question I have.

Then secondly, I haven't heard your solution—now, maybe I missed it—but your solution to this problem. Everybody pretty well said Mr. Rogers's solution, the technology wouldn't work. I just want to know why it is 5 years going, we have been lucky, if you really look at it, and we just don't see to be inspecting a whole lot of cargo.

So what is your solution to the problem?

Mr. FLYNN. I think Mr. Oxford may be able to help, as well, on the issue of the specifics about where nuclear material may be gathered. You know, it is very important, I think, to make the difference between a nuclear weapon and a dirty bomb.

Mr. CARTER. I am.

Mr. FLYNN. I do put, though, a dirty bomb in a container as a higher-probability scenario because of the effect on the system, again, if I am going to target the infrastructure. So I think that is why I think that is one we have to be mindful of, versus the nuclear weapons scenario.

We are talking about commercial-grade radioactive materials that is found in medical equipment, that is found in oil exploratory equipment, that is found in a variety of items that are used in the developing world as well as the developed world. And we are not talking huge numbers to be able to create a radiological dispersal device. There is obviously more of that overseas. There is the orphaned materials here in the U.S. itself. Keeping track of this, since there is so much of it around, is hard.

Now, the life and death impact of that is very small, but it is a real, obviously, again, method of disruption because of the fear that it generates and the clean-up challenges that it generates.

So we have a problem globally on this. And not surprisingly, more of this material is in developed countries, but there is a growing amount in developing countries because of its use and application—and the ability to dispose of it. When equipment is no longer valuable and useful, people tend to throw it away, so there are ways to get it.

So the ability to construct a conventional explosive and find nuclear-grade material to mix in it here is not a particularly high bar and one that we need to be worried about. And we know that al Qaeda have intent, a stated intent, about that kind of development.

In terms of the kind of solution, I want to emphasize this again, a complex problem of huge global scale of enormous stake. And so, not surprisingly, there is no one solution, because the system itself is so dynamic. But one that I am currently working with the port of Los Angeles on an initiative where they are reaching out to the largest container terminal operator in the world, Hutchison Port Holdings, and trying to begin a process where the terminal operator itself will buy the equipment for a radiation screen and a gamma screen and house a secondary screen capability inside the terminal, where LA is looking at paying the terminal operator to do the screening.

And they are trying to create an incentive structure where basically that could be done by a third party with the supervision of U.S. authorities, where that information could be made available at no cost to the Government, but also where setting high standards, which we hope the Department of Energy would help to make sure

they are set and the quality control is there, that you build the analytical capability as a third-party operation, not just as a sole Government operation, to deal with those resource issues.

No third party can accept the liability of doing this on its own. So the Government has a critical role to play, and that is why you want to share it back and forth. But LA is looking at that and made that initiative as a business continuity risk they see associated with a dirty bomb or a nuclear weapon—low probability but high consequence.

The chief operating officer of that port, John Holmes, recently had a chance to bring Secretary Leavitt around the port when the food supply issue was getting high profile. And Secretary Leavitt pointed out that—wanted to see the radiation portals, and said, "Isn't this great we got you these portals?" And Captain Holmes' response was, "Well, Mr. Secretary, it may be great for the heartland, but it is not good for the port of Los Angeles. If we find a bomb here and it goes off, I've lost billions of dollars of infrastructure. If we find it here and it hasn't gone off, I have a labor force that walks out and my operations are shutdown. If we find it is coming here, you disrupt my operations. I want to find it before it starts. So as a business continuity risk, I have an interest in trying to find a way to do more screenings being done now."

And they are also, frankly, trying to drive this because they know Congress has said it is by law, right now, that we have to get 100 percent screening by 2012. Deadlines are always fudgeable, I suppose, but that is the law right now. And the reality is we are doing about .13 percent in Hong Kong. So it is probably somewhere in the middle of that that we are going to be working. And they are worried waiting for a Y2K moment, New Year's Eve 2011, when DHS says, "Here is how you are going to do it," and it can't be done, and the system then binds up.

So there is incentive here for the people in the industry to develop tools, working closely with the U.S. Government. Not surprisingly, it is very complicated. I would suggest, though, that same capability could then be tied into container devices that come in as well, as those get developed, as we work out all the kinks there and get the operations. But one can imagine ways in which the market can figure out to do this. And the end game would be that the terminal operators themselves would charge a surcharge fee for every container coming in to them to pay for the overhead to keep this an ongoing concern.

That is a long ways from where we are now——

Mr. CARTER. You bet it is.

Mr. FLYNN [continuing]. And it will be quite a rush to get there, but there are tools that can be done.

The scale of the problem warrants, I think, the level of creativity investment along that score. We clearly are not there as a country. We set a very high bar, but we are not putting in a lot of resources.

And the gentlemen behind me are the folks that run the real—again, when we look at the actual dollars they are receiving, the personnel they have to do something of this scale, we are not treating this like putting a man on the moon. We are basically saying, "Do this on top of everything else you are doing." And the stakes

would sincerely warrant, it seems to me, a much larger effort by the Government than the one we have asked these agencies to do.

Mr. CARTER. Thank you very much.

I assume you agree with what he says?

Mr. FLYNN. Parts of it.

Mr. KOCH. I would say, to your first question of where materials could be gotten for dirty bombs, Mr. Oxford could probably answer that better than I. But certainly there is enough domestic material available for that. You don't have to go foreign for that kind of enterprise.

As to the issue that Steve talked about, about this idea that Hong Kong and LA are coming up with it, it deserves to be fleshed out clearly, and then a discussion has to occur. Is the operation acquisition of that equipment something that the Congress believes is a private company enterprise? And that may be blunt. Is Dubai Ports World somebody that this Congress trusts to do this? This Congress made a pretty clear statement about its view of foreign terminal operators and their security value during the last Congress. And so, what is being proposed here is this would be transferred over to those enterprises to do this.

It is a key strategy question. As I said earlier, the issue in a lot of this is not the details of a proposal; it is, what is the strategy here we are trying to implement? Who are you going to trust? Is this a sovereign function, or is this a private function?

Secondly, once you have decided that issue, even if you assume it, there is a whole host of issues that would have to be addressed. It is easy in Hong Kong; there is not much transshipped cargo in Hong Kong. How one would conduct radiation and NII scanning of all boxes in a place like Singapore boggles the mind.

And thirdly, you have to bring CBP to the table—which is, these terminal operators can certainly build a business plan where they can make a lot of money by checking X number of bucks for every box that goes through a scan, but they are not going to touch the analytical work. So what is it—the interface with the U.S. Government, what is going to be done with this information?

Those are all the key strategy questions that don't get answered by simply people throwing out ideas of, "I will build this, I will charge you X amount of money for running a container through it, but you figure out what you are going to do with it." We have to figure out what we are going to do with it before we decide it makes sense to do this in a bigger picture.

Mr. CARTER. Thank you.

Mr. PRICE. Thank you very much.

Ms. Roybal-Allard.

Ms. ROYBAL-ALLARD. No questions.

Mr. PRICE. Mr. Culberson.

Mr. CULBERSON. Mr. Chairman, having just gotten here—I have been on the floor in debate—I want to listen to the testimony and read the testimony. I will pass for now. Thank you very much.

Mr. PRICE. All right. Well, thank you.

I want to thank both of you gentlemen. You gave us a lot to think about. You gave us excellent statements. Your answers were responsive. We are very grateful for your being here.

As we bring up our next panel, I want to give you advance notice. I am sure we will all have some questions for the record, but I want to ask you in particular to give us as concise answers as you can manage about the next question I would have asked. And it was raised very sharply, I think, by the proposal Mr. Rogers asked you to comment on and also by the responses to Mr. Peterson and Mr. Carter. And that does have to do with the private-sector role here, something very central to Mr. Koch's concern but of concern to us all.

And I am talking here partly about cost-sharing, burden-sharing, the kind of costs that are going to be borne in establishing the kind of system we need, also to be shared among shippers, carriers, consumers. But I am also talking about the kind of processes, adaptations that are going to be required on the part of the private sector, their role in pulling this off.

And that is central to this area, in particular, of Homeland Security. And so we will be looking for your wisdom on that as we approach this, not just from a budgetary standpoint but think about what these processes are going to look like and how they are going to be made to work.

So thank you, both of you. We are grateful for your help this morning.

WEDNESDAY, APRIL 2, 2008.

CARGO CONTAINER AND SUPPLY CHAIN SECURITY

WITNESSES

JAYSON P. AHERN, DEPUTY COMMISSIONER, U.S. CUSTOMS AND BORDER PROTECTION, DEPARTMENT OF HOMELAND SECURITY

VAYL S. OXFORD, DIRECTOR, DOMESTIC NUCLEAR DETECTION OFFICE, DEPARTMENT OF HOMELAND SECURITY

Mr. PRICE. And let me call our Homeland Security Department witnesses to the table. We will hear from Jayson Ahern first and then Vayl Oxford, the director of the DNDO.

Thank you, gentlemen, for being here.

Mr. Ahern, please proceed.

STATEMENT OF MR. JAYSON P. AHERN, DEPUTY COMMISSIONER, U.S. CUSTOMS AND BORDER PATROL

Mr. AHERN. Good morning, Chairman Price, Ranking Member Rogers, distinguished members of this committee. Thank you very much for the opportunity to discuss United States Customs and Border Protection's cargo security efforts and our other border security efforts as well.

First, I want to thank this committee for its strong support of CBP over time. You certainly have enabled us to make significant progress toward protecting our Nation, and we look forward to working with you to continue to build upon the success.

Mr. Chairman, you and your colleagues have seen CBP's operations in a number of domestic locations. You have also traveled to Amman, to Egypt and elsewhere to see our Container Security Initiative and our secure initiative operations. We appreciate your

efforts to witness firsthand also the multilayered cargo enforcement strategy and the incredible volume and the complexities that we deal with on a daily basis.

Our layered approach is one we apply to all modes of transportation: Air, land, as well as sea. It includes advanced information, sophisticated technology, and partnerships with the trade community as well as other countries, our critical partners.

We continually point out that the layers of the strategies are interdependent. Different layers focus on securing various parts of the supply chain, and this ensures that cargo is regularly assessed and that security is not relying on one single point that could be compromised.

I am concerned, however, that while we continue to increase resources for initiatives like Secure Freight Initiative, we could be neglecting other areas of concern that potentially pose greater risk and vulnerability to this country.

DHS has dedicated significant resources and efforts to our cargo and port security programs. And over the last several years, we have continued to develop a robust risk-management approach. Our focus on risk management in security has to be driven by informed judgment about the totality of all the risks. Although there has been much discussion about maritime container security in recent years, we have also been, and must remain, focused on other threats to our borders and to other components within the supply chain.

We must remain vigilant, for example, in securing all conveyances, in screening passengers at our land border ports, seaports, railways and small vessel terminals. In fact, although when we frequently talk about the 11.5 million containers arriving in this country in the maritime environment, we often don't talk about the fact there is an equivalent amount that cross the borders by truck, from Canada and Mexico, on an annual basis. General aviation and small vessel traffic require more attention.

People looking to gain entry to this country to do us harm remain the most significant threat facing this country today. In order to manage risk, we must strike a better balance and direct our resources, as precious as they are, to those areas that present the greatest risk to this country.

And as we, the Department and this Congress, look to apply limited resources to multiple areas of threatened vulnerability, we should not overemphasize maritime containers to the potential detriment to other threat areas that need those resources.

Since today's hearing is focused on maritime container security challenges, I will speak to the many layers that have been put in place, all post-9/11.

Our layered strategy is well-known, well-critiqued, and occasionally elements are critiqued in a critical way. In my view, when aggregated together, they provide a valid risk-reduction program that balances the security of the supply chain without negatively harming and impacting the flow of global trade in creating economic harm.

We have constantly improved the effectiveness of every layer of our strategy, and we are not yet done. In my limited time, I would

like to highlight some of the latest improvements of the various layers.

Under the Safe Port Act, Congress mandated that we improve the collection of information in advance for cargo shipments. We are meeting that goal through the implementation of the 10 Plus 2 security filing. We published the Federal Register notice on January 2nd and closed for comments on March 18th. We received over 200 comments that we are analyzing at this point in time. We are going to issue the final rule later this summer.

C–TPAT—we have continued to increase the rigor of our Customs-Trade Partnership Against Terrorism with our partners in the trade community. We have clearly defined minimum security requirements for all categories of participants. And we continue to strengthen the partnership with the member companies and leveraging the corporate influence throughout the entire international supply chain. And C–TPAT will also continue to ensure compliance with the Safe Port Act, as well.

The Container Security Initiative—we have continued to develop that program and work in partnership with the Department of Energy and the Megaport program. And CBP does partner with other countries, our critical foreign partners, in developing these programs to prevent terrorist weapons from entering the United States. CSI is operational today in 58 ports, covering 86 percent of the maritime container cargo that are destined for the United States.

The Secure Freight Initiative is the integrated scanning initiative system of RPMs, large-scale X-ray systems, and scanning containers as they move through three ports of Port Qasim of Pakistan, Port of Cortez in Honduras, as well as Southampton. They have been operational since October of last year. We have submitted a preliminary report on what we have learned from these pilots, and we will be sending another report to Congress later this month.

I also, at this point in time, want to apologize to this committee. We are overdue in that report, and unfortunately we didn't send this to the committee until late last evening—hardly enough time for you to review it, to provide enough time to review and analyze that. And I would be happy to come back to answer any questions in more detail after you have had adequate time to review that.

But there are many challenges that we face, and we will be looking at some of these throughout the course of this hearing. Significant costs associated with the 100 percent scanning of the 11.5 million containers. And while looking at additional data certainly may improve risk management to some degree, the commitment of resources may also be directed toward other venues that provide a more significant threat and warrant closer scrutiny and could be a better use of the dollars that we have.

I also think it is important to mention that no one should be misled that 100 percent scanning equals 100 percent security. Technology certainly is a key element of the strategy, and we have deployed large-scale X-rays and a variety of other radiation-detection devices at our Nation's seaports, airports, and land border ports of entry. Currently, our RPMs, they are scanning 98 percent of the

containers at our seaports here in the United States before they enter into the commerce of the United States.

We also are working with our partner agency, DNDO, on looking at the next generation of advanced spectroscopic portal monitors.

And we certainly are looking at the conveyance security device, Ranking Member Rogers, and we have closed on that process as far as with the procurement process that went out there. We had 10 companies that applied. Three were responsive to the technical requirements. We will be going through significant testing over the next few months. And then we will actually be going out and testing in certain pilot modes, as we go forward. So we will be happy to take more questions on that when we get into the environment of asking a question.

But I think it is important, as I talk about technology, in my 32 years I have not seen one single solution, whether it be technological or concept of operation or personnel or training, that is the silver bullet to meeting the various types of intricate challenges we face in border security.

And I certainly have had a chance here to outline some of the initiatives and some of the steps we have for enhancing cargo security. And I will tell you we continue to improve, and it is my personal pledge to this committee that we continue to do so.

I believe we need to be alert and address ourselves, focusing on the risk to our border in its entirety. To that end, we must effectively have a responsible, layered security in our sectors that I mentioned previously to keep bad people and bad things from entering into this country.

This effort needs to receive the same level of support and interest as Secure Freight and 100 percent scanning has. With your continued support, I am confident that we can meet the challenge of the ongoing terrorist threat and balance a fiscally prudent response as we look forward to maintaining both the security this country requires of us and also not negatively impacting the legitimate flow of commerce and trade into this country.

I look forward to having a dialogue with you today.

[The information follows:]

STATEMENT OF JAYSON P. AHERN
DEPUTY COMMISSIONER
U.S. CUSTOMS AND BORDER PROTECTION
DEPARTMENT OF HOMELAND SECURITY

Hearing before the
Committee on Appropriations
Subcommittee on Homeland Security
U.S. House of Representatives
April 2, 2008

INTRODUCTION

Chairman Price, Ranking Member Rogers, distinguished Members of the Subcommittee, it is a privilege and an honor to appear before you today to discuss the work of U.S. Customs and Border Protection (CBP) to both strengthen the security of containerized cargo entering our borders and facilitate the flow of legitimate trade and travel.

Let me begin by expressing my gratitude to the Committee for the strong support you provided for important initiatives implemented by CBP last year. Your support has enabled CBP to make significant progress in securing our borders and protecting our nation against the terrorist threat. CBP looks forward to working with you to build on these successes.

The CBP Fiscal Year 2009 budget request totals $9.49 billion in appropriated resources. This represents an increase of $1.6 billion, a 20 percent increase over Fiscal Year 2008. This increase is critical to help CBP to fulfill its priority mission. We must perform our important security and trade enforcement work without stifling the flow of legitimate trade and travel that is so important to our nation's economy.

CBP has made great strides toward securing America's borders, facilitating legitimate trade and travel, and ensuring the vitality of our economy. As America's frontline border agency, our priority mission is to protect the American public against terrorists and the instruments of terror while at the same time enforcing the laws of the United States and fostering the Nation's economic security through lawful travel and trade. Today, trained CBP Officers, technology, automation, advance electronic information, and partnerships with the trade and foreign governments are concepts that underpin CBP's cargo security and anti-terrorism initiatives. These concepts extend our zone of security outward and reinforce the components of our layered defense strategy.

As we work toward gaining control of our ports and borders, we must also continue to perform our traditional missions, which include stemming the flow of illegal drugs and other contraband, protecting our agricultural and economic interests from harmful pests and diseases, protecting American businesses from theft of their intellectual property, regulating and facilitating international trade, collecting import duties, and enforcing United States trade laws. In FY 2007, CBP processed more than 414 million pedestrians and passengers, 124 million conveyances, 30 million trade entries, examined 5.6 million sea, rail, and truck containers, intercepted 877 thousand illegal aliens between our ports of entry, and seized more than 3 million pounds of narcotics.

CBP OVERVIEW

I am pleased to appear before the Subcommittee today to highlight key accomplishments related to container security. Since the last time I testified, CBP has continued to make tremendous progress in ensuring the supply chains that bring goods into the United States from around the world are more secure against potential exploitation by terrorist groups as a means to deliver weapons of mass effect. CBP uses a multi-layered approach to ensure the integrity of the supply chain from the point of stuffing through arrival at a U.S. port of entry. This multi-layered approach includes:

- Advanced information under the 24-Hour Rule and Trade Act of 2002 (supplemented now by our Advance Security Filing, or "10+2" requirements)
- Screening the information through the Automated Targeting System (ATS) and National Targeting Center (NTC)
- Partnerships with industry and the private sector such as the Customs Trade Partnership Against Terrorism (C-TPAT)
- Partnerships with foreign governments, such as the Container Security Initiative (CSI) and the Secure Freight Initiative (SFI)
- Use of Non-Intrusive Inspection (NII) technology and mandatory exams for all high risk shipments

The goal of this layered approach is to combine each of these systems to allow us to receive, process, and act upon commercial information in a timely manner so that we can target, in a very specific fashion, the suspect shipments without hindering the movement of commerce through our ports.

While I will discuss each one of these layers in greater detail, I would first like to clarify a few points with respect to our multi-layered approach. Different layers focus on securing different parts of the supply chain, ensuring that cargo is regularly assessed and that security does not rely on any single point that could be compromised. Our approach is to look at all of these distinct but related threats and rely upon a layered security process which is designed to reduce risk

to the extent possible, but not to eliminate all risk at the expense of harming our economy.

We are continuously working to refine this layered process; our efforts focus on strengthening our tools and capabilities while at the same time maintaining an appropriate balance that considers the wide range of threats and allocates our limited resources accordingly. My concern with respect to our layered strategy is that the continuous focus on certain areas is often maintained at the expense of other, equally important areas that require similar attention.

For example, DHS has already dedicated significant resources and efforts to our cargo and port security programs over the last several years, resulting in a robust risk-management approach. Our focus on risk management and security has to be driven by our informed judgment about the totality of risks. Although there has been much discussion about container security over the last several years, we have also been, and must remain, focused on other threats to our ports and to other components of the supply chain. For example, we must remain vigilant in securing all conveyances and screening passengers at our land borders, airports, railways, and small vessels terminals.

In order to manage risk for all arriving cargo and passengers, we must direct our resources to those areas which represent the greatest threat. While the maritime environment does contain some element of risk for a weapon of mass effect to be transported in a maritime container, the logistics movements which involve multiple hand offs amongst various parties throughout the supply chain may in fact itself be a deterrent to a terrorist considering using a maritime container. In addition, as outlined in my testimony, much has been done to enhance the security of maritime containers and cargo compared to some other areas. As the Department and the Congress look to apply limited resources to multiple areas of threat and vulnerability, we should therefore not over emphasize maritime containers at the potential detriment of other threat areas in need of resources.

Advance Information

CBP has recognized Congress' mandate that we collect more and improved advanced information for cargo shipments. CBP, in fact, requires advanced electronic cargo information as mandated in the Trade Act of 2002 (including the 24-Hour Rule for maritime cargo). Advanced cargo information on all inbound shipments for all modes of transportation is evaluated through the Automated Targeting System (ATS) before arrival in the United States.

The function of ATS is to provide information to support for the decisions of CBP officers working in Advance Targeting Units (ATUs) at our ports of entry and CSI ports. The system provides a uniform review of cargo shipments, identifies the highest threat shipments, and presents data in a comprehensive, flexible format to address specific intelligence threats and trends. ATS uses a rules-based

program to highlight potential risk, patterns, and targets. Through rules, ATS alerts the user to data that meets or exceeds certain predefined criteria. ATS uses national targeting rule sets to provide threshold targeting for national security risks for all modes: sea, truck, rail, and air. CBP is continually striving to improve the ATS system by convening regular "rules conferences". The conferences are attended by our intelligence officers and representatives from various seaports and land border ports who update risk indicators and ensure that the most current intelligence and trends are factored into ATS.

As many of you know, CBP worked with the trade through the Departmental Advisory Committee on Commercial Operations (COAC) to create a new Security Filing in an effort to obtain additional advanced cargo information and enhance our ability to perform risk-based targeting prior to cargo being laden on a vessel overseas. CBP's close partnership with the trade community is the key reason why the "10+2" Security Filing proposal was developed in a smooth and timely fashion. The trade's input during the consultative process as well as its participation in the Advance Trade Data Initiative has been instrumental in the successful crafting of the proposal. Additionally, earlier this year, the COAC made almost 40 recommendations to CBP on how to implement the security filing or "10+2 Security Filing initiative". CBP carefully studied and considered the COAC recommendations and agreed in full and/or in part to a majority of the recommendations.

The CBP 10+2 Security Filing proposal covers the following key areas:

1. Ten unique data elements from importers not currently provided to CBP 24 hours prior to foreign loading of cargo,

    - Manufacturer (or supplier) name and address
    - Seller (or owner) name and address
    - Buyer (or owner) name and address
    - Ship to name and address
    - Container stuffing location
    - Consolidator (stuffer) name and address
    - Importer of record number/foreign trade zone applicant identification number
    - Consignee number(s)
    - Country of origin
    - Commodity Harmonized Tariff Schedule of the United States number

2. Two additional data elements provided by the carriers, including the Vessel Stow Plan, which is currently utilized by the vessel industry to load and discharge containers, and Container Status Messaging, which is currently utilized by the vessel industry to track the location of containers

and provide status notifications to shippers, consignees and other related parties.

The "10+2" Security Filing proposal was published in the Federal Register on January 2, 2008 and initially the public was provided a 60 day response timeline to comment on the proposed regulations (March 3, 2008). At the request of the trade, CBP extended the public comment period by an additional 15 days (March 18, 2008). Over 200 individual submissions were received by the March 18, 2008, deadline, and CBP is currently in the process of carefully considering all submitted comments.

In addition to the Security Filing, CBP has also explored another possible evolution of securing advanced information. On December 11, 2007, CBP issued a Request for Quotation (RFQ) soliciting bid proposals from the vendor/contractor community for the development and implementation of the Global Trade Exchange (GTX). Specifically, the RFQ outlined the requirements for the development of a privately operated, self-sustaining trade information system that would have the potential to collect commercial transaction data not currently available to CBP from parties in the supply chain who have contracted or provided services for the production/movement of international shipments. The system, furthermore, was envisioned to allow government and trade community participants to input and access trade data through an information broker. When combined with existing CBP targeting/analysis tools, GTX could potentially allow CBP to identify and target suspect shipments/transactions well in advance of a shipment's entry into a U.S.-bound supply chain.

The RFQ process required qualified vendors to develop a business model and technical solution for the GTX system and to engage directly with industry partners who would provide the data that would populate the GTX system. This process ensured that the vendor proposals would be responsive to industry and international concerns about information security, cost, and transparency. After evaluating the proposals submitted in response to the RFQ and in consideration of comments received from the trade community, CBP has decided not to move forward with a contract award for the Global Trade Exchange (GTX) pilot.

CBP has determined that further consideration of the GTX concept is premature at this time, and may not be a prudent use of limited resources. CBP's targeting systems will be enhanced through the 10+2 Security Filing, and before initiating further efforts aimed at gathering even greater supply chain security data, it is prudent to assess the benefits to be gained by the Security Filing.

Customs Trade Partnership Against Terrorism (C-TPAT)

C-TPAT is an integral part of the CBP multi-layered strategy through which CBP works in partnership with the trade community to better secure goods moving through the international supply chain. C-TPAT has enabled CBP to leverage

supply chain security throughout international locations where CBP has no regulatory reach.

In FY 2009, C-TPAT will focus its efforts on strengthening the partnership with member companies at both the macro and micro levels and leverageing corporate influence throughout the international supply chain. In doing so, C-TPAT will continue to ensure compliance with the requirements of the SAFE Port Act to include certifying security profiles within 90 days of submission and conducting validations within 1 year of certification and revalidations within 4-years of initial validation. C-TPAT projects that 3800-4500 validations will be required during FY 2009, requiring on site visits at facilities throughout the world.

In strengthening this successful program, CBP will also continue to review its performance and, where needed, enhance the minimum security criteria for each enrollment sector. Additionally, CBP will continue to conduct informational and training sessions for various internal / external audiences to improve knowledge of cargo security procedures and provide the latest information regarding terrorism trends and conveyance breeches.

Another important effort to note is the potential mutual recognition of other countries' customs-to-business partnership programs. The World Customs Organization has developed a global standard for trusted partnerships with the trade, known as the Authorized Economic Operator, or AEO, program. This concept is similar to our C-TPAT. Mutual Recognition Arrangements reduce costs and simplify these programs for both industry and government. We are engaged in mutual recognition discussions with several governments and are following a very methodical process to achieve recognition. These programs must meet three requirements:

- they must be security-based;
- they must be operational; and
- they must have a minimum level of validation to verify the company has done what it claims to have done.

Creating an international network to exchange information about trusted traders and knowing that those participants are observing specified security standards in the secure handling of goods and relevant information is a win-win for both government and business. In June 2007, CBP signed its first mutual recognition arrangement with New Zealand and we are beginning to see several positive outcomes and challenges taking form as the work to implement that arrangement continues.

Container Security Initiative (CSI)

To further our priority mission of preventing terrorists and terrorist weapons from entering the United States, CBP has partnered with other countries through our Container Security Initiative (CSI). Almost 32,000 seagoing containers arrive and

are off loaded at United States seaports each day and under CSI, which is the first program of its kind, CBP partners with foreign governments to screen containers at foreign ports and then identify and inspect high-risk cargo containers at those foreign ports, before they are shipped to our seaports and pose a threat to the United States and to global trade.

The goal is for CBP's overseas CSI teams to review all the manifests before containers are loaded on vessels destined for the United States. However, in those locations where the CSI team cannot review all the bills because of the tremendous volume, CSI targeters at the National Targeting Center - Cargo provide additional support to ensure that 100 percent review is accomplished. Utilizing the overseas CSI team and the CSI targeters at our National Targeting Center - Cargo, CBP reviews 100% of manifests under the CSI program.

Oversight of the CSI program is supported by automated tools for statistical analysis, an evaluation database to track and analyze any deficiencies identified during the evaluation process of the CSI ports, and a non-intrusive inspection (NII) equipment utilization database that tracks the use of NII equipment at CSI ports to include the downtime of the equipment.

Today, CSI has partnered with 32 countries and is operational in 58 ports world-wide in North, South, and Central America; Asia; Europe; South Africa; the Middle East; and the Caribbean.

Secure Freight Initiative (SFI)

The Secure Freight Initiative (SFI) pilot scanning project is another component of this layered enforcement strategy for protecting the nation. Integrated scanning systems, consisting of Radiation Portal Monitors (RPMs) provided by DOE/NNSA and NII imaging systems provided by CBP or the host nation, are used to scan containers as they move through the foreign ports. Data from these systems is integrated utilizing optical character recognition (OCR) technology and provided to CBP officers who determine if the container should be referred to the host nation for secondary examination prior to lading.

Meeting the legislative requirements of the SAFE Port Act, the first three SFI pilot ports (Puerto Cortes, Honduras; Port Qasim, Pakistan; and Southampton, United Kingdom) became fully operational on October 12, 2007, and are attempting to scan 100 percent of U.S.-bound maritime containers (total U.S.-bound container volume at these three ports from October 12, 2007 to February 12, 2008 was 51,937). Furthermore, CBP and DOE are expanding the deployment of scanning equipment to certain terminals in Hong Kong, Salalah (Oman), Port Busan (South Korea), and Singapore. SFI chose these ports because they present a unique set of challenges and provide diverse environments in which to evaluate varying options. While these are the deployments currently planned and anticipated, we are constantly assessing the priority of foreign ports and terminals that present the greatest opportunities to reduce risk through

deployment of SFI resources and will adjust our deployment plans and schedule accordingly and keep the Committee informed.

A preliminary report on the lessons learned through SFI has already been submitted to this committee, and another report will be sent to Congress later this month. The lessons learned from the SFI deployments in Pakistan, Honduras, and Southampton indicate that scanning U.S.-bound maritime containers is possible, however, results are based on scanning on a very limited scale. Scanning all 11.5 million containers that enter U.S. seaports from a foreign port presents significant operational, technical, and diplomatic challenges. They include:

- Sustainability of the scanning equipment in extreme weather conditions and certain port environments;
- Varying and significant costs of transferring the data back to the United States (National Targeting Center) in real-time;
- Re-configuring port layouts to accommodate the equipment without affecting port efficiency and getting the permission of host governments;
- Developing local response protocols for adjudicating alarms;
- Addressing health and safety concerns of host governments and local trucking and labor unions;
- Identifying who will incur the costs for operating and maintaining the scanning equipment;
- Acquiring necessary trade data prior to processing containers through the SFI system;
- Addressing data privacy concerns in regards to the scanning data;
- Concluding agreements with partnering nations and terminal operators to document roles and responsibilities regarding issues such as ownership, operation, and maintenance of the equipment; sharing of information; and import duty and tax considerations;
- Staffing implications for both the foreign customs service and terminal operator;
- Licensing requirements for the scanning technology;
- Host government support for continuing to scan 100 percent of U.S. bound containers after the pilot ends; and

- The potential requirements for reciprocal scanning of U.S. exports.

CBP is working to address these challenges in a manner consistent with the risk-management and layered approach to maritime cargo security we have in place and in a manner consistent with the WCO SAFE framework of standards.

There are significant challenges and costs associated with 100% scanning of all containers destined for the United States. While the additional data gleaned from the radiation detection and radiography can enhance CBP's risk management process to some degree, CBP already has robust layers in place to secure the supply chain, based on effective risk-management principles. We support scanning equipment in specific higher risk trade corridors where the challenges can be overcome. However, the resource commitment required to achieve 100% scanning at the more than 700 ports shipping to the United States could be more appropriately directed towards other cargo and passenger venues that present an equally real threat, but where current security programs are less developed. Based on preliminary results from our three pilot locations, USG-funded scanning of cargo containers at foreign ports is a worthwhile investment only in high-risk trade corridors.

Non-Intrusive Inspection (NII) and Radiation Detection Technology

Technologies deployed to our nation's sea, air, and land border ports of entry include non-intrusive imaging equipment, such as large-scale X-ray and gamma-imaging systems, as well as a variety of portable and hand-held technologies to include radiation detection technology. NII technologies play a key role in CBP's layered strategy and are viewed as force multipliers that enable us to screen or examine a larger portion of the stream of commercial traffic quickly, while facilitating the flow of legitimate trade, cargo, and passengers. An integral part of CBP's comprehensive strategy to combat nuclear and radiological terrorism is to scan all arriving sea containers with radiation detection equipment prior to release at domestic ports. Currently, CBP has 398 RPMs (RPM) deployed at priority seaports in the United States, through which approximately 98% of all arriving sea-borne containerized cargo passes. CBP is forecasting the deployment of 94 additional seaport RPMs by the end of FY 2009.

CBP has requested $27.3 million to hire 238 new CBP Officers to support the deployment and operation of RPMs at our seaport terminals. This staffing would ensure that at new seaport RPM deployment sites (i.e. small seaport terminals) CBP has the appropriate personnel to conduct radiological scanning of arriving sea-borne cargo while permitting the flow of legitimate containers.

Additionally, we currently have 241 RPMs on the northern border, which provides CBP with the capability to scan 91% of truck cargo and 81% of personal owned vehicles (POVs) for illicit radiological/nuclear materials. The current forecast calls for the deployment of an additional 385 northern border RPMs. This will give CBP the capability to scan approximately 100% of truck cargo and 100% of

personal vehicles for illicit radiological/nuclear materials with RPMs. CBP will also increase the southern border RPM deployments (currently scanning 100% of all truck cargo and 95% of POVs). By the end of FY2009, CBP plans to deploy 46 additional southern border RPMs - providing CBP with the capability to scan approximately 100% of POVs.

In the meantime, CBP, in partnership with the Domestic Nuclear Detection Office (DNDO), is continuing to move forward with the testing and evaluation of the next-generation RPMs, known as Advanced Spectroscopic Portals (ASP). The goal of ASP development is to further improve the efficiency of radiological scanning of cargo containers.

Role of Technology

I would like to take just a moment to discuss the role of technology for supply chain security. Security technology is continuously evolving, not only in terms of capability but also in terms of compatibility, standardization, and integration with information systems. It is important to note that there is no single technology solution to improving supply chain security. As technology matures, it must be evaluated and adjustments to operational plans must be made. Priority should be given to effective security solutions that complement and improve the business processes already in place, and which build a foundation for 21st century global trade. A more secure supply chain also can be a more efficient supply chain.

Both the *SAFE Port Act* of 2006 (SAFE Port Act) and the *Implementing Recommendations of 9/11 Act* of 2007 (9/11 Act) reference the potential benefits of container security standards and devices and encourage DHS to move forward with their development and implementation. However, neither law prescribes a clear path for their development and use. The *SAFE Port Act* provided the Secretary of DHS with the authority to initiate a rulemaking process and issue an interim rule to establish minimum standards and procedures for security containers in transit to the United States. The provision established that if the rule was not issued, the Secretary would submit a letter of explanation to Congress.

Because DHS does not believe that, at the present time, the necessary technology exists to adequately improve container security without significantly disrupting the flow of commerce, the Department did not make use of the rule-making authority or mandate the use of CSDs and instead issued the required congressional notification letter on May 18, 2007. DHS has thereby fulfilled the requirements under this provision of the *SAFE Port Act*.

The *9/11 Act* amended the *SAFE Port Act* by establishing that if an interim final rule was not issued by the Secretary of DHS by April 1, 2008, all containers in transit to the U.S. would be required to be secured with a bolt seal by October 15, 2008. DHS does not anticipate that an interim final rule will be issued by the

April deadline. Therefore, effective 10/15/08, all containers will be required to be secured with the standard bolt seal.

It is important to note that CSD technology only improves container security if one can ensure the integrity of the shipment before the CSD is activated. Requiring such a device independent of a process to ensure that the goods within a container were secure before its application would have an adverse effect on security, creating the false impression that a dangerous shipment was secure.

While DHS has decided to not exercise its rule-making authority regarding CSDs to-date, we continue to explore the potential efficiency of these technologies and how they can best enhance container security in very specific trade lanes. In fact, following CBP's recent Request for Information on CSD technology, CBP will soon begin testing the CSD technology provided by the most qualified vendors who participated. If this technology passes the laboratory testing phase, the devices will then be tested in real world operational environments. If ultimately proven mature and effective, CBP will determine potential high risk supply chain applications where the CSD would add security value. This measured approach will lessen the will allow CBP to better understand the state of available technologies that have the potential to increase the security of containers as they transit the global supply chain

DHS and other Federal Agencies continue to look to enhance and improve existing technologies. One such effort is the development of Crane-Mounted Radiation Detection Technology. CBP, in collaboration with the Department of Energy/Second Line of Defense (SLD) and the Domestic Nuclear Detection Office (DNDO), will develop and implement a two phase plan for this technology.

Phase one involved the issuance of a Request for Information (RFI), which solicited vendors to provide crane-mounted radiation detection technology for testing at a seaport facility where the technology can be assessed to determine its ability to detect and identify surrogate sources using different source types and configurations, container sizes, and shielding configurations (to include naturally occurring radioactive materials). After technological review of the received submissions, testing of the qualifying technology is tentatively planned for mid calendar year 2008 and will last several weeks. Individual test results will be discussed with vendors.

Subsequently, phase two of the plan will occur at a test facility where actual threat materials can be utilized to ascertain the ability of the devices to detect and identify threat materials. This activity is planned for late calendar year 2008, but is largely dependent on the outcome of phase one.

The reliability, ruggedness, and standard operating procedures associated with this technology will not be extensively evaluated during these tests as field

validation activity would be the logical course of action after testing with surrogates and actual threat materials, but this requires more time.

CONCLUSION

Mr. Chairman, Members of the Committee, I have outlined a broad array of initiatives and steps towards enhancing cargo security. I believe CBP has demonstrated and will continue to demonstrate its leadership and commitment to protecting America against terrorists and the instruments of terror. As we move forward to face the many challenges ahead, we look forward to working in partnership with the 110th Congress to build on our many accomplishments and focus on getting the desired results. With the continued support of the President, DHS, and the Congress, CBP will succeed in meeting the challenges posed by the ongoing terrorist threat.

Thank you again for this opportunity to testify. I will be happy to answer any questions you may have.

Mr. PRICE. Thank you, Mr. Ahern.

Let me announce to the committee that we will ask Mr. Oxford to complete his oral statement, but then we will need to go to the floor to vote. We will reconvene immediately after the third vote for questions.

But, Mr. Oxford, we invite you to proceed.

STATEMENT OF MR. VAYL S. OXFORD, DIRECTOR, DOMESTIC NUCLEAR DETECTION OFFICE

Mr. OXFORD. Good morning, Chairman Price and distinguished members of the subcommittee. I would like to thank you for the opportunity to discuss challenges in container security and to provide highlights of DNDO's 2009 budget request.

Additionally, I would like to thank the committee for its past support of DNDO as we address the threat of nuclear and radiological terrorism. I am also pleased to be here today with my colleague, Deputy Commissioner Ahern.

The threat of nuclear and radiological attack remains real, but it has evolved over the last 2 decades. The nuclear confrontation between the U.S. and the Soviet Union is gone, but new threats have emerged: North Korea has developed and tested nuclear weapons. Iran continues to enrich uranium that could result in the capability to produce nuclear material needed for a nuclear weapon. The A.Q. Khan network has been disrupted, but its overall impact is still uncertain, and the situation across Pakistan in general is very troubling. Terrorists continue to seek to acquire nuclear weapons and the material required for both dirty bombs and nuclear weapons to advance their idealogical agenda.

The U.S. strategy to combat this threat is based on three major challenges: reducing the U.S. and former Soviet stockpiles of nuclear weapons, as well as securing the materials associated with them; addressing the proliferation risk associated with the growing demand for peaceful nuclear energy that could be used as a step to producing the material needed for a nuclear weapon; and addressing the threat posed by nuclear materials and weapons in the hands of terrorists.

To deal with the terrorist threat, the strategy calls for several factors: expanded intelligence efforts to assess terrorists' capabilities and intentions; focused interdiction to deny terrorists access to nuclear materials and the expertise they seek; expanded efforts to prevent nuclear material or weapons from being imported and used against the U.S.; and, finally, strengthen nuclear forensics capabilities to support attribution and deterrence.

DNDO was established, in large part, to address major elements of the last two components of this strategy and to work with the intelligence and interdiction communities to deter, prevent and disrupt terrorist efforts to attack the U.S. with a nuclear or radiological weapon.

Recognizing the capabilities and motivations for such attacks on the homeland exist and could grow, DNDO is working with its partners within DHS and the interagency to develop a multilayered defense where success will be based on several factors: first of all, identifying key vulnerabilities and the technical and operational solutions needed to reduce such vulnerabilities; developing the means

to engage the threat along multiple pathways; developing systems with high-confidence detection and identification capabilities; and ensuring that interdiction protocols are in place once a threat is identified.

Let me now discuss DNDO's evolving vision and highlight of our budget priorities.

Since its inception in 2005, DNDO has had a principal focus on addressing challenges associated with container security, and, as Commissioner Ahern has stated, tremendous progress has been made. We are now scanning 98 percent of the containerized cargo entering the U.S. through our major seaports, while also scanning 100 percent of containerized cargo coming across our southern border and 91 percent along the northern border.

Meanwhile, we have plans in place with CBP to reach 100 percent cargo scanning along the northern border by the end of 2009, while also addressing smaller seaports, airports and personal vehicle traffic.

This is real and measurable progress; however, we recognize the limitations in our current detection capabilities and are addressing them through our development and acquisition programs.

The Advanced Spectroscopic Portal program shows real promise in improving the capability to detect and identify threat versus non-threat materials, while also reducing the number of secondary referrals that CBP must adjudicate. I am confident that we have a sound approach for taking an informed certification and production decision to the Secretary later this year.

With respect to the 2009 DNDO budget request, it reflects a balanced approach to address the vulnerabilities across ports-of-entry and non-ports-of-entry threat pathways.

Specifically, for ports-of-entry, the request includes: $157.7 million to acquire 365 and deploy 174 portal systems to address existing gaps in coverage along the northern border, airports of entry, and smaller seaports; $13 million to acquire and deliver handheld detection devices to recapitalize CBP and U.S. Coast Guard capabilities and to support pilot initiatives; $26 million for the Joint Integrated Non-Intrusive Inspection program to develop and evaluate a system to automatically detect special nuclear material and the materials capable of shielding, while also inspecting containers for traditional contraband such as explosives and drugs; $21 million to explore options to address scanning associated with intermodal and international rail; and $10 million to address solutions to augment existing systems to scan international general aviation aircraft landing at our ports of entry.

Regarding threats related to non-ports-of-entry pathways, the 2009 budget request includes: development of detection systems for commercial aviation baggage and passengers; continuing the maritime pilots in Puget Sound and San Diego; initiating deployment of handheld detection systems to the Border Patrol and completing field evaluations to determine other capabilities they might need; completing the technology demonstration of the Intelligent Personal Radiation Locator, which is a BlackBerry-sized device, to do radiation detection; completing the Securing the Cities Initiative in the New York City region; and training over 3,600 law enforcement agents in the proper use of radiation-detection equipment.

In conclusion, the DNDO mission reaches far beyond container security, and it has been the cornerstone of our efforts to protect the Nation from nuclear terrorism. Each layer of our strategy closes potential gaps and pathways for a terrorist attack, complicating the terrorist strategy and increasing the odds of failure. As each layer of the strategy is strengthened, so too, is Homeland Security.

Mr. Chairman, Ranking Member Rogers, and members of the subcommittee, this completes my statement, and I will be glad to answer any questions.

[The information follows:]

Opening Statement

Of

Mr. Vayl S. Oxford

Director, Domestic Nuclear Detection Office

Department of Homeland Security

Before the House Appropriations Committee

Subcommittee on Homeland Security

Container Security Challenges

April 2, 2008

Introduction

Good morning Chairman Price, Ranking Member Rogers, and distinguished members of the subcommittee. As Director of the Department of Homeland Security's (DHS) Domestic Nuclear Detection Office (DNDO), I would like to thank the Committee for the opportunity to discuss challenges in container security and to highlight the DNDO fiscal year (FY) 2009 budget request.

DNDO has made significant progress over the past three years towards mission success, from both a scientific and operational support standpoint. In sharing our FY 2009 budget request, it is my hope that the progress we have made is evident, and that future efforts to create better means to prevent radiological and nuclear terrorism are well justified.

Of particular focus for FY 2009 is the development of breakthrough technologies to meet new mission requirements, while we continue to deploy technologies to counter threats that may come through the supply chain. We have made great progress in deploying detection systems to our Ports of Entry (POEs). I would first like to go into greater detail about our accomplishments in this area.

Recent Accomplishments

In December of 2007, DHS met the Congressionally-mandated goal of the SAFE Port Act of scanning with RPMs all incoming containerized cargo at our top 22 seaports, which represents 98% of all incoming containerized cargo. Three years ago, we were only scanning 22% of cargo at seaports. This is real and measurable progress. In addition, we are now scanning with RPMs 100% of truck cargo entering the United States from Mexico and 91% of truck cargo entering the United States from Canada, resulting in a total of 96% of all cargo entering into the U.S. being scanned for radiological and nuclear threats.

To accompany the deployment of detectors at seaports, DNDO and the U.S. Coast Guard (USCG) have been working to improve the Coast Guard's maritime radiation detection program,

which will help to reduce the risk of nuclear or radiological materials entering the U.S. through other pathways. As a result of that effort, the Coast Guard is able to meet imminent mission needs related to radiological and nuclear detection. In fact, every Coast Guard boarding team is now equipped with radiation detection equipment.

Cargo Security Strategy

DNDO developed a cargo security strategy that is guided by our architectural analysis. That analysis concluded that we must first focus on securing our Nation's POEs. For the past three years, DNDO's focus has been on making further improvements to radiation detection capabilities for POE applications. In FY 2009, a large portion of the funds requested is to continue the acquisition and deployment of radiation detection equipment. Using this funding, DNDO will focus on deployments to the Northern border, where we are currently scanning 91% of incoming cargo. Our goal is to close this gap by the end of 2009.

We will also begin outfitting smaller ports with radiation detection technology, boosting our overall ability to scan almost all containers entering the United States by the end of 2009. Some other ports require unique detection configurations, such as those where cargo is offloaded directly onto rail lines. Right now, we do not have a system that can address this operational challenge. The SAFE Port Act of 2006 required DNDO to establish an Intermodal Rail Radiation Detection Test Center. This was a very forward thinking requirement and one that DNDO strongly supports. The Rail Test Center at Port of Tacoma, Washington allows us to test the operational needs associated with intermodal rail, as well as to evaluate innovative technical solutions to fit the unique radiological and nuclear detection requirements of intermodal terminals.

DNDO, U.S. Customs and Border Protection (CBP), and the Department of Energy (DOE) are also jointly planning a system test to be conducted at the Rail Test Center this summer for crane-mounted systems. CBP has already issued a Request for Information from prospective crane-mounted radiation detection system providers. DNDO is concurrently conducting a system requirements study, in conjunction with CBP, to determine appropriate user requirements for

these types of radiological and nuclear detection systems. Overall, DNDO is working closely with its partners to help develop additional passive detection systems that meet unique port requirements, thereby allowing DNDO to provide solutions that will eventually enable us to scan 100 percent of cargo containers entering the United States.

Another element of our cargo security strategy involves "pushing out" our borders. DNDO is a strong proponent of layered defense and is working with interagency partners to improve detection capabilities beyond the Nation's POEs. In late 2006, DHS, DOE, and the State Department announced the Secure Freight Initiative (SFI) —an effort to build upon existing port security measures by enhancing the Federal government's ability to scan containers for nuclear and radiological materials overseas and to better assess the risk of inbound containers. Phase I of the Secure Freight Initiative leverages the DOE Megaports Initiative, DHS Container Security Initiative (CSI), DHS domestic nuclear detection programs, and recent test deployments of relevant technology. Under SFI, all U.S.-bound containers are being scanned at three ports in Pakistan, Honduras, and the United Kingdom, fulfilling the 2006 SAFE Port Act requirement to couple non-intrusive imaging (NII) equipment and radiation detection equipment in order to evaluate the effectiveness of 100 percent scanning of U.S.-bound containers. Furthermore, DHS and DOE also expanded the deployment of scanning equipment to certain terminals in Hong Kong, Salalah (Oman), Port Busan (South Korea), and Singapore.

DNDO has been working with SFI representatives to develop methods for analyzing the combined data produced by these installations, i.e., the combination of passive radiation detection scans from polyvinyl toluene (PVT) radiation portal monitors (RPMs), x-ray or gamma-ray images from NII equipment, and targeting information taken from manifests and other sources. DNDO is working in coordination with CBP to develop image analysis tools that could be included in the viewers that CBP officers use to scan SFI data. The groundwork for these cooperative efforts has been laid by DNDO's analytical work on the Global Nuclear Detection Architecture (GNDA). DNDO continues to work with DOE and partners in DHS to coordinate data fusion efforts and support development and acquisition of technology that meets the operational and performance needs of detection programs.

Near-Term Development of Capabilities

DNDO remains committed to finding technical solutions that enable us to successfully execute our cargo security strategy, even as we develop solutions for non-POE applications. These technical solutions include RPMs, radiography solutions, and human portable systems.

As I have previously stated, one major element of our cargo security strategy is our Advanced Spectroscopic Portal (ASP) program, which promises to improve upon existing PVT-based RPMs that are currently in use throughout the global architecture. DNDO has conducted an in-depth series of test and evaluation campaigns that will provide information to support a Secretarial certification decision for the ASP program. To date, these campaigns have included performance testing at the Nevada Test Site (NTS), deployment readiness testing at the Pacific Northwest National Laboratory (PNNL), operational testing at the New York Container Terminal (NYCT), and field validations at several POEs in 2007.

Additional 2008 ASP testing includes: system qualification testing (SQT) to verify compliance with the performance specification; integration testing at PNNL to verify that ASP performance remains sound when it is integrated into the POE architecture; performance testing at NTS to validate the detection and identification capabilities of ASP systems against special nuclear materials (SNM) and radiological dispersal device (RDD) threats; and operational test and evaluation activities to validate operational performance of the system at POEs. The successful completion of these steps will provide data for the Secretary's Certification decision. Part of the certification process will involve working with the National Academy of Sciences as required in the FY 2008 Consolidated Appropriations Act. If Secretarial certification occurs, we will move forward with our full-scale production and deployment of ASPs to priority POEs. By FY 2009, we will be conducting research to adapt these and other detection concepts for use in maritime, aviation, and rail environments.

Passive spectroscopic systems, such as ASP, only provide part of the technical solution required to protect our Nation against a wide range of radiological and nuclear threats. The Joint Integrated Non-intrusive Inspection (JINII) program is a joint program between CBP and DNDO

that coordinates future development, testing, and acquisition efforts to address the "integrated" contraband and high-Z material (i.e., dense materials, particularly radiological/nuclear and "shielding" materials) detection missions within DHS. The JINII program will include the continued development of the Cargo Advanced Automated Radiography Systems (CAARS), specifically designed to automatically detect special nuclear material (SNM) and materials capable of shielding SNM at a high throughput rate. The implemented technology will distinguish between low density non-threat materials such as aluminum and food stuffs, and higher density materials such as lead, uranium or plutonium. CAARS units will also continue to provide capabilities for the inspection of containers for traditional contraband such as high explosives and drugs. The JINII program R&D phase will deliver three CAARS prototype systems in FY 2009. FY 2009 activities will focus on subjecting systems to an extensive test and evaluation program necessary to evaluate the technology.

In FY 2009, we will also continue our Human Portable Radiation Detection Systems (HPRDS) program, which supports a wide variety of Federal, State, and local law enforcement and first-responder services with the capability to detect and identify radiological and nuclear threats. Next-generation HPRDS provide radiation detection, threat source identification, and notification capabilities to aid operators in mitigating threats in both POE and non-POE environments. By FY 2009, the HPRDS development process will result in the low-rate acquisition of the first production-ready HPRDS handhelds utilizing lanthanum bromide crystals. These systems will offer improved resolution compared to current systems, and thus will provide improved probability of correctly identifying detected threats.

Long-Term Development of Capabilities

Not all of the challenges that we face in improving container security will be met with short-term solutions. We have several programs underway that support long-term research – Exploratory Research, Advanced Technology Demonstrations (ATDs), and a dedicated Academic Research Initiative (ARI). There is tremendous involvement with the National Labs, private industry, and academia for these efforts. I am proud to say that these programs have already yielded some

very promising results that we hope will make a tangible impact on this Nation's nuclear detection capabilities.

Our Exploratory Research program focuses on technical solutions that are feasible and show significant promise, but require further concept development and demonstration. Successes to date include the development of a new scintillating material that offers improved detection and identification performance, while also showing potential to decrease cost and increase ease of manufacture. We have also developed a new semiconductor material, which is proving to be as good as the best current room temperature materials, but should be easier to grow to a large size. We have seen breakthroughs in passive detection of shielded special nuclear material. Finally, a project that integrates video with directional gamma imaging has made good progress towards making it feasible for us to "tag" vehicles that might be transporting a nuclear threat. In FY 2009, we will focus on continuing research into new detector materials, passive and active detection concepts, and systems integration. Over $16 million is dedicated in FY 2009 to begin new projects, while mature projects become candidates for future ATD programs.

Currently we have four ATD programs. In FY 2009, we will be completing our Intelligent Personal Radiation Locator (IPRL) ATD with an expected transition to an engineering development program in FY 2010. The IPRL emerged from an end-user requirement for a next-generation personal radiation detection system similar to the radiation pagers often used by CBP, the Coast Guard, first responders, and law enforcement officials. IPRL will have sufficient energy resolution and sensitivity to reliably discriminate between NORM, background, and potential threats, and will be used by law enforcement, first responder, counterterrorism, the intelligence community, and others in routine activities and surveillance.

In addition to IPRL, the Standoff Detection ATD will be completing critical design reviews and undergoing laboratory tests that will determine the technology's readiness to undergo performance tests. This ATD will allow DNDO to develop and evaluate key existing technologies such as coded aperture and Compton imaging techniques that may dramatically improve sensitivity and directional accuracy. The Shielded SNM Detection ATD is scheduled for preliminary design reviews in early FY 2009, with final system design review expected in

late FY 2009. This ATD will develop and test capabilities to definitively verify the presence of SNM despite cluttered environments or intentional countermeasures like shielding, giving this type of equipment the potential to be effective in multiple applications. Our final ATD is a new start for FY 2009 and deals with Remote Emplaced Sensors. This ATD will assess the performance capabilities of small, low-power, inexpensive detectors to detect and track the movement of SNM.

The final component of our long-term research program provides a much needed emphasis in nuclear detection sciences. DNDO's Academic Research Initiative (ARI), administered in partnership with the National Science Foundation (NSF), spurs the academic community to provide the nuclear detection experts of the future by funding universities to conduct R&D in areas relevant to the detection of nuclear and radiological material, as well as nuclear forensics. In addition, the program fosters potentially high-risk, but high-payoff, ideas that could lead to solutions that have not yet been considered. Our ARI program is expected to expand as the academic community responds to this reliable, growing investment in nuclear detection related R&D by attracting more researchers and faculty from related disciplines in nuclear, particle, solid state, materials, accelerators, chemistry, plasma, astrophysics, etc. This will, in turn, attract more students and post-doctoral researchers.

We initiated ARI in FY 2007 and received 132 applications from universities around the U.S. We awarded 22 projects, totaling $58 million in funding over the next five years. The program currently supports over 70 graduate students in nuclear and radiological research areas. However, ARI is considered a multi-disciplinary program with students working on ARI projects pursuing degrees in various related university departments, including physics, chemistry, chemical engineering, mechanical engineering, electrical engineering, materials science, and operations research. This year we are hosting our first annual grantee conference to showcase research and foster academic collaboration. In FY 2008, follow-on grants will be made for the ARI projects begun in FY 2007. In addition, we are soliciting for new proposals and we hope to add seven to ten multi-year projects to the current twenty-two. In FY 2009, follow-on grants will be made for previous ARI projects, in addition to another separate round of new awards for ARI grants.

It is our hope that DNDO efforts through ARI, as well as our nuclear forensics programs, and combined with the academic support efforts of other Federal agencies like DOE, will help provide the nuclear scientists and engineers of the future. In FY 2009, ARI will continue to expand – demonstrating long-term, stable funding to support new innovative ideas and nurturing the next generation of scientists.

Evaluating Capabilities

With a strong research and development portfolio, DNDO also maintains a comprehensive test and evaluation program. All technologies, tactics, and processes developed and acquired in support of the DNDO mission are evaluated and demonstrated prior to full-scale deployment. In addition, technologies are regularly assessed once deployed. DNDO also adheres to strict systems engineering principles that ensure that integrated and balanced solutions are developed for the global nuclear detection architecture. This means that our tests not only evaluate the technical performance of systems, but also reflect and involve our customers and their needs. For example, CBP and DNDO are working closely with the Under Secretary of Management to ensure an independent evaluation of ASP systems for use at POEs. Similarly, Federal, State, and local users have been critical partners in evaluating handheld and backpack systems.

In FY 2009, test and evaluation activities will support ASP spiral development, acquisition decisions for the HPRDS program, selection of detection systems in support of maritime and international general aviation pilot programs, and a variety of ATD transitions. I am pleased to report that 2009 will also mark the beginning of nuclear operations at the Radiological and Nuclear Countermeasures Test and Evaluation Complex, or RNCTEC, in Nevada. This is a permanent DNDO facility that allows us to bridge the gap between "bench-top testing" performed by developers and operational field testing conducted during pilot deployments, providing the unique capability to test systems in a near real-world environment against actual nuclear materials in authentic configurations (vehicles, shielding, cargo, etc.).

We are also conducting test activities related to the development of unique configurations of our detection systems, including crane-mounted and rail scanning systems. As I previously mentioned, DNDO, CBP, and DOE are jointly planning a crane-mounted system test to be conducted at the Rail Test Center this summer. DNDO is also conducting a system requirements study, in conjunction with CBP, to determine accurate user requirements for a radiological and nuclear detection system for international rail applications. DNDO continues to work with experts from the National Laboratories to assess the feasibly of different system concepts as we try to find the best way to inspect international rail traffic for illicit radiological and nuclear materials.

In addition to traditional test and evaluation activities, DNDO will continue to conduct red teaming and net assessment activities in FY 2009. Section 121 of the SAFE Port Act directs DNDO to plan covert testing to evaluate radiation detection capabilities. Last year, we provided Congress with a classified report that details plans for covert testing of the top 22 seaports. DNDO and CBP are well ahead of the SAFE Port Act deadline to complete these activities by the fall of 2009. We currently estimate that we will complete operations at the top 22 seaports by September 2008. In fact, all 22 ports will have been assessed at least once by the end of May 2008. This fall, we will develop and submit a strategy to Congress for completing testing activities at any remaining ports not included on the top 22 listing.

Additional Port Security Efforts

I wanted to take the opportunity today to provide an update on additional port security efforts in which DNDO is involved. DNDO has an excellent working relationship with our USCG operators. We have a joint acquisition strategy in place that will allow DNDO to both develop and acquire systems for USCG use. We are also developing next-generation technologies that have the identification capabilities, connectivity, and ruggedness required in the maritime environment.

One activity that we have received significant support from the Coast Guard on is our West Coast Maritime Pilot program. Since the September 5, 2007 announcement of the program, we

have conducted an analysis of the Puget Sound region to better understand current public safety capabilities and identify willing participants for the pilot program. This analysis was informed by 53 agencies/offices, including twelve Federal agency elements (e.g. CBP Air and Marine Unit, CBP Field Operations, etc.), one Canadian law enforcement agency, three tribal police departments, three state agencies, four port authorities, four cargo terminal operators, 15 local law enforcement units, three fire departments, and eight Departments of Emergency. In addition, CG Sector Seattle Area Maritime Security Committee (AMSC) has organized a sub-committee to oversee the pilot project. The AMSC has been meeting monthly since October and provided a forum where Federal, State, local, and tribal representatives are identifying their needs and requirements under the facilitated leadership of the CG Sector Commander and DNDO.

From a capabilities development standpoint, we are conducting workshops to look at equipment and associated concepts of operations (CONOPs). Once a regional maritime PRND CONOPs is approved by the local stakeholders, a limited amount of human portable radiation detection equipment will be purchased and deployed to various stakeholders by the end of the fiscal year.

In FY 2009, we will be developing and evaluating maritime detection systems, techniques and procedures. Additional capability beyond human portable radiation detection equipment, such as boat-mounted or fixed detectors, will also be evaluated.

Similarly, we are learning many lessons from our pilot activities in the New York City (NYC) region through the Securing the Cities (STC) Initiative. Separate from cargo and port security, these lessons provide examples of how best to broadly integrate detection and interdiction capabilities within a major urban area. In FY 2009, DNDO will complete the development and documentation of deployments to the NYC region. Additional DNDO activities will focus on operational testing and evaluation of a unique fixed site detection system, as well as the completion and implementation of a capability for detection system supportability. By August of this year, DNDO will conduct an assessment of the STC business model to determine its applicability in other urban areas.

Other Elements of the FY 2009 Budget Request

DNDO understands that detection technology development and acquisition alone will not adequately combat the threat of nuclear terrorism. The FY 2009 request also includes funding for Operations Support to fuse detection data and intelligence assessments in a near real-time environment to maintain an overall system and situational awareness. This requires that DNDO closely interact with the Intelligence Community, through the DHS Office of Intelligence and Analysis (I&A), as a developer of intelligence requirements and consumer of intelligence products. This integrated approach to detection and information analysis will ultimately provide substantial improvement in nuclear alarm resolution, threat assessments, data trend analysis, and overall probability of mission success.

On May 15, 2007 the President signed Annex 1 to NSPD-43/HSPD-14. This directive assigns responsibilities and specifies the federal government's protocols for nuclear alarm adjudication. An interagency memorandum of agreement is in place that provides additional implementation details to these protocols. The Department of State-led Nuclear Trafficking Response Group (NTRG) conducted a series of tabletop exercises on the international alarm adjudication process. In March and April of this year, DNDO, DOE, and the Federal Bureau of Investigations (FBI) are hosting tabletop exercises on the domestic alarm adjudication protocols. Since the implementation of the protocols, interagency notification and data sharing have ensured rapid and well-coordinated responses to numerous alarms. Fortunately, none of the alarms posed a threat, but have served as excellent opportunities to practice and refine the process.

DNDO also conducted PRND training for over 400 State and local officials in FY 2006, and over 1,400 officials in FY 2007. DNDO plans to train another 2,400 personnel in FY 2008 and 3,600 personnel in FY 2009.

Finally, the FY 2009 request includes funding to continue activities of the National Technical Nuclear Forensics Center (NTNFC). In FY 2009, the NTNFC will continue to lead the development of the national capability for pre-detonation rad/nuc materials forensics, which provides the technical capabilities to rapidly, accurately, and credibly conduct nuclear forensics

to support attribution conclusions about the origin, nature, and pathways of interdicted threats. In FY 2009, NTNFC has three primary research priorities: first is advancing our capabilities to perform pre-detonation materials forensics; second is continuing development of the Nuclear Forensics Knowledge Management & Analysis System; and the third priority is focused on assuring a viable and enduring nuclear forensics expertise pipeline. These priorities will be guided by the results of a National Academy of Sciences' study on nuclear forensics capabilities, sponsored jointly by DOE, the Department of Defense (DoD), FBI, and DNDO, and to be completed in FY 2009.

NTNFC also serves as the national "system integrator" weaving together the various specialized nuclear forensics activities across a number of different agencies. NTNFC's role includes exercising, assessing, planning, and providing overarching stewardship. We are committed to assuring an enduring national capability founded on a viable pipeline of nuclear forensics-related expertise, from revitalizing the dwindling academic programs to capturing the unique knowledge of a retiring generation of nuclear experts.

Conclusion

As you can see, the mission of the DNDO reaches far beyond container security. However, container security is still the cornerstone to our approach to protecting the U.S. from nuclear terrorism. DNDO and its partners have made significant progress over the last three years, and will continue to make progress in keeping this Nation safe. I look forward to continuing to work with components within DHS, other departments, State and local agencies, and the members of this subcommittee and Congress in continuing to pursue this goal.

This concludes my prepared statement. Chairman Price, Ranking Member Rogers, and Members of the Subcommittee, I thank you for your attention and will be happy to answer any questions that you may have.

Mr. PRICE. Thank you very much. And we will look forward to resuming as soon as these votes are concluded.

[Recess.]

Mr. PRICE. Gentlemen, let us resume.

SECURE FREIGHT INITIATIVE

I will begin with a question having to do with the Security Freight Initiative.

SFI is designed to meet Safe Port Act mandates to scan containers in overseas ports, as well as to pilot test methods to meet the 9/11 Act mandate for 100 percent overseas scanning. As you said in your testimony, the Phase 1 SFI ports are at Southampton, England; Qasim, Pakistan; and Cortez, Honduras. There is limited implementation at Salalah, Oman, and individual terminals at the ports of Singapore, Hong Kong, and Busan, Korea. In January, our committee toured the port of Salalah, which is becoming an SFI port this year.

Commissioner Ahern, the CBP Web site says Phase 1 SFI ports will scan 100 percent of U.S.-bound cargo. As I heard you today, you were a bit more nuanced, saying CBP is attempting to achieve this goal.

Candidly, what is your experience, to date? Are you achieving this 100 percent anywhere? Is it going to be feasible in the near term to achieve it?

And beyond that, how would you assess and how do you assess and verify the scanning at the three initial ports, in particular Qasim, which uses so-called remote screening and relies on foreign nationals at the port?

Mr. AHERN. Thank you. If I did cause any with the nuance, it was making the reference and distinction between the three ports that we currently have implemented under the Safe Port Act, which are 100 percent, versus moving forward with the current mandate of 100 percent by 2012. And some of the issues that face us to move forward with 100 percent globally are certainly challenges, and I really hope to have an opportunity to speak in some detail about that as well.

But for a place like Qasim, Pakistan—and I should mention also, even before the Safe Port Act and also the 9/11 Act were thought of, Customs and Border Protection recognized the risk in a place like Pakistan and the Port of Qasim and recognized, under our Container Security Initiative model, that we did not have the opportunity to put our personnel on the ground there because of the security issues of being outside of the Embassy or the consular compound. And we still realized we needed to figure out a way to be able to do scanning of the containers that come out of that particular area of the world. It is only about 3,000 containers a year that come from Qasim to the United States.

And we were actually in the process, before the Safe Port Act, again, to conceive the program of having a joint partnership with the Government of Pakistan, having actually MC-hired personnel that are foreign service nationals to actually be able to be there within a secure compound that we would go over and we would certify, and then have the ability to monitor in a variety of different ways. And I will go through those.

Certainly, with the capability to have 100 percent manifest information, that gives us control on what the inventory is being put on a ship bound for the United States. We then had the ability to have every one of the containers as we continue to move forward with the implementation of having radiation portal monitors put on the ground, as well as the X-ray capabilities, and then also having the remote imaging of those real-time provided to us in the United States. We have a one-by-one inventory of what actually is coming out of that universe. Special circumstance, because it is only 3,000 containers a year, versus a Hong Kong, which is 1.2 million containers per year. Just unrealistically feasible when you compare Hong Kong, but very feasible when you look at a place like Qasim, Pakistan.

Mr. PRICE. So how would you assess where you are versus where you want to be and need to be, with respect to the kind of pilot role of these three ports?

Mr. AHERN. The three pilot ports, I would submit—and, again, I regret that the report did not get here in advance of this hearing. And I will offer again, if you would like any further detailed briefing outside of the hearing, we will be happy to that.

SECURE FREIGHT INITIATIVE—CONT

Mr. PRICE. We realize the report just arrived, and we will be perusing it. If you could just give us a quick update based on that.

Mr. AHERN. My take is, at this point, we will have the 180-day test—actually it would be concluding on April 13th, and we will be doing the full report. But a couple of the points that we have seen thus far. Even though Southampton, very small universe—again, it is about 30,000 containers; Honduras is about 60,000; it has been stated that Pakistan, Port Qasim, is about 3,000—very manageable workloads coming out of those environments. And that is something that, again, we had good host-country partnerships, which is a key thing when we consider any kind of overseas initiative. You have to have the partnership of the foreign government and their authorities.

When I look at where we are, at this point, some of the things, beyond just the costs involved with something like that that are not inconsequential—and just for these two ports, I believe our investment for CBP and also for the Department of Energy is about $30 million each just for these three very small, modified implementations.

But challenges we have identified thus far, as we go forward, is certainly looking at sustaining this scanning equipment, not just as far as recurring operation and maintenance costs that will be recurring over time, but we also realize, as far as with our own examples here in the United States, sometimes this breaks down. And what do you do in that particular environment, when you are facing up to a 24-hour departure requirement? Those things are issues.

Some of the extreme weather conditions we see in a place like Pakistan—power outages, things of that nature.

Varying costs of transferring data back to the United States. You had the opportunity to go to Oman, and I believe they probably told you that it is going to be into the millions of dollars a year just

to pay the data transmission from the overseas location back to our national targeting center here in the United States for, again, a relatively small population of containers. So that is going to be a real issue.

Two weeks ago, I was in Southampton and looked at that footprint. It is a very small footprint. It is a very manageable footprint, but to have the portal monitors, to have the X-ray capabilities and be able to have an inspection site, as well as a secondary location, you don't have that luxury elsewhere.

So, even though these were small locations that were manageable for meeting the requirements of the Safe Port Act, when you then go ahead and put them out exponentially what it would be in a large, meaningful port, those are significant issues.

On the point of Southampton also, transshipment containers we are not going to have the opportunity to get, because the way it is currently set up and given the current operational throughput capacity of a foreign terminal operation, it is basically gate traffic that you have the opportunity to get. So transshipment is a huge problem, as we go forward.

Mr. PRICE. Let me ask you to focus just for a moment on the personnel aspect of this. You referred to this briefly.

We did have, I think, very enlightening, not necessarily totally encouraging visits to Alexandria, Egypt, and Salalah, Oman. And the question of personnel does arise there, both the quantity and the training and qualifications of the personnel. We realize Alexandria is clearly the more difficult case, in terms of technical and organizational and cultural challenges. But it was pretty clear that problems there had been exacerbated by having four different program managers in just about 4 months.

So staffing these posts, I think all of us came back with more of a sense of just how challenging that was, both staffing it from our side and staffing it from the foreign national side. There are some skill sets here that are not normally in ample supply. And it is not a function, it is not a role that CBP is used to playing, this degree of international presence.

SECURE FREIGHT INITIATIVE—CONT

Having people on the ground who can be, day to day, with foreign institutions, with our partners, developing working relationships, that is a big challenge. CBP, we were told, needed to transfer one of their rare Arab speakers from Salalah to Alexandria. That just illustrated how thinly staffed CBP was in that regard.

So I wonder how you are dealing with this staffing challenge. The budget request for 2009 provides for only 189 positions for CSI/SFI. That is no change from the 2008 level. So I am amazed that it is a flat funding request, given the needs that we saw. But I am well aware the problem is not just one of the number of positions, but also the kind of qualifications that you are seeking.

And this isn't something that is going to work just from the top down, just from having an agreement among top officials from our two countries. This is something that is going to require day-to-day engagement and monitoring.

I am just interested in how you view that staffing challenge, what kind of sources are you drawing on to get the people you

need, and, of course, how are you going to do what needs to be done with flat funding.

Mr. AHERN. Again, I think you address one of the many complexities with the overseas initiative, whether it be when we first started the CSI program, over 6 years ago now, to the 58 ports that we have or as we have looked to expand it for the Secure Freight Initiative, just three locations and with the modified implementations moving forward with the remaining three of four ports.

It does go ahead and require a different type of individual. Certainly, we recruit from our core frontline officer crew, and then certainly they are very proficient at using the technology, because it is basically the same technology that we use at our ports of entry, but when you put them in an overseas environment, certainly that requires a different type of individual. Not every one of our 18,000 frontline personnel have a desire to work foreign. Do they have the language skills?

You can work around the language skills by hiring an interpreter to be there to interact in this. It is unlike an environment where you need to be able to take sworn statements or have exact interviews translated immediately, but to be able to engage you certainly have to have the language capability. That is in short supply in some of these countries. We try to match that, but oftentimes that is not able to be met.

The other challenge is beyond just our own staffing requirements; it is having the commitment of staffing from the host-country counterparts as well. As we have learned from the CSI program and the implementation, getting that commitment, that was one of the most critical pieces as we moved forward, not only just signing the declaration of principles but through the implementation of the agreement, making sure that they had the will and the capacity, the wherewithal and the resources to execute that agreement.

As we move forward with 100 percent scanning, as we expand the SFI program, that is going to be a huge undertaking, not only for us but also for our host-country partners that we cannot execute the program without.

BUDGET REQUEST ADEQUACY

Mr. PRICE. And what would you say about the adequacy of your budget request?

Mr. AHERN. I would say that, you know, we would always be looking for ways to be able to increase our staffing to fulfill our mission on all fronts.

Mr. PRICE. Well, beyond that kind of generic response though, I mean, are there—it appeared to me, anyway—I will just speak for myself—it appeared to me that both the quantity and the qualifications of this overseas staff was a challenge in these few ports where we have this underway.

Mr. AHERN. Well, you know, the staffing issues we hoped to learn as we were going forward. I can't tell you at this point in time that we hit the mark with the 2009 request. As we learn, going forward, what is really going to be the future with the implementation of the 9/11 Act, I think we will be able to give you a better reality of what it is going to take, staffing-wise.

I will tell you, from just experience of what we have seen, we are going to need significant amount more resources than we requested in 2009 as we look to the 2010 to 2014 cycle. If we have to fully implement this by the 2012 mandated in the 9/11 Act, it is going to take a substantial amount of resources, more than I believe that we would even be able to bring forward in a request to you. Particularly when you take a look at beyond just as far as the overseas capabilities.

Absent a software recognition package, an anomaly recognition software package, we are looking at the X-ray images. If 100 percent means 100 percent, that means that every single one of those images needs to be reviewed, examined and determination made prior to lading. And that means there needs to be a trained operator looking at every one of those images or to be able to have a credible software package that does anomaly recognition to be able to point to what is the anomaly within that container configuration. And I would submit to you we will probably need a football field or several football fields of analysts looking at those images to be able to manage the universe of 12 million containers coming to these United States from foreign on an annual basis, sir.

Mr. PRICE. Mr. Rogers.

THREATS TO CARGO

Mr. ROGERS. What can you tell us in this setting of any threats, intelligence threats to cargo or otherwise?

Mr. AHERN. In this environment, I would submit that, even though the maritime global supply chain certainly is of high consequence should there be a threat, I can tell you in this open setting that I am not aware nor have I actually been made aware—and I sit through daily classified briefings at the beginning of each day—of any threat to containerized traffic for the introduction for a significant nuclear weapon or weapon of mass effect destined for this country.

Mr. ROGERS. And, Director Oxford, can you respond, as well?

Mr. OXFORD. Let me start by saying that our chief intelligence officer and his counterpart from the Department of Energy are testifying in front of the Senate today on nuclear threat. I would certainly offer the opportunity for them to come in and brief this committee on both an open and a closed session. That is what they are doing with the Senate today.

Let me give you some personal observations. First of all, we clearly know the intention is there. And without going into a lot of detail, we see their sophistication increasing on almost a daily basis.

There have been over 800 attempts at nuclear smuggling in the last several years. What we see is a sense of them getting smarter on how to bargain in that trade space. They have been scammed multiple times, so we see them in the marketplace trying to buy handheld radiation detectors so that when they are in the market for buying material they know it is actually radioactive material.

We see them now increasing their attempts to recruit smarter people. We see them going after post-Docs coming out of colleges around the world to get to smarter people to help build their programs.

Again, their attempts to get material is continuing to grow. And as I stated in my opening statement, we worry about the growing interest across the world, not just in Iran, on the global nuclear energy, the peaceful use of nuclear energy that could be used as a stepping stone to enriched uranium that becomes, again, problematic from a weapons point of view.

So I think we see a growing threat in terms of their sophistication. They have the intention.

I would like to suggest, based on some of the previous discussions in the first panel, that I also think they are risk-averse. I do not think they are going to put a weapon in a pathway where they think there are multiple opportunities for it to be inspected or intercepted. And that is why we advocate the layered defense, as I mentioned before, where we have other ways of getting a weapon into this country much quicker without it going through multiple layers of potential inspection.

THREAT ENVIRONMENT

Mr. ROGERS. Well, this hearing is about cargo containers principally. However, the work that both of you are doing has application far broader than just that. And you have to spread your security across a lot of vectors, maritime security, maritime cargo, general aviation, land ports of entry, small craft. You name it. What can you say about that, Mr. Ahern?

Mr. AHERN. As far as the threat or the particular——

Mr. ROGERS. The threat and what you are doing about it.

Mr. AHERN. I think as far as what we are doing is we are trying to apply some of the same layers. When you look in the truck environment, we are getting advance information, but it is not 24 hours in advance, it is, depending upon the mode, whether it be a trusted shipper or not, it is 30 minutes or 60 minutes and still running it through the same targeting system. On the borders with Canada we have 91 percent of the truck traffic coming across that go through radiation portal monitors. We are at 100 percent on the southern border. We do have C–TPAT manufacturers that are part of the shippers that come forward. But still with even the layers, there are opportunities. And again, I believe what Mr. Oxford said is appropriate. Is somebody going to go ahead and try to come through a gauntlet of systems, each one with their flaws? When you aggregate them together, it comes with a very solid risk reduction protocol. Where are there opportunities in other areas where there are not the layers of defense? Some of the issues that we are talking about that need attention are small maritime environments, something that can be controlled from point to point by someone that may have intent of doing harm on this country. Or a small aircraft or somebody that can go ahead and control general aviation. Or even as we look towards securing our physical borders between the ports of entry, some of the northern border environments we know we need to do work after we complete some of the southern border efforts under the Secure Border Initiative.

SMALL CRAFT CHALLENGES

Mr. ROGERS. You know, all of this, as we have easily said, is highly complex. And I think the best briefing we have had, Mr.

Chairman, certainly me, on container security and the complexities of the problem, particularly from the shippers' point of view and the industry's point of view we had in Oman, who explained how the cargo containers are stacked on the ship and how it is difficult in a trans shipment point to get at the particular one. It is a complex problem. However, there are lots of similar dangers that are more simply undertaken. I remember reading a couple years ago, or whatever, a cheap novel—I forgot the name of it—about terrorists shipping a small atomic weapon on a small boat up the Potomac, or up the Chesapeake Bay to the Lincoln Memorial and detonating it, having shipped it overseas into a small port I think in South Carolina and then transporting it by truck up to the Chesapeake and then onto a small boat and up the Chesapeake to this city. What are we doing about that type of thing? Is that far-fetched?

Mr. AHERN. I am not necessarily inclined to say whether it is far-fetched or not. I would not qualify it that way. I think certainly it points to one of the vulnerabilities we spoke about here. And that is the small vessel traffic, something that can be controlled by an operator from point A to point B to the point of detonation. Those are issues that we need to be addressing. It is something the Secretary certainly challenged us both to do is look at the maritime environment beyond just the container traffic. I think that is some of the emphasis that needs to be, to focus our attention on versus continuing to focus on the maritime container traffic.

Mr. ROGERS. I thought I just did that. I thought I just focused attention on small craft. What are you doing about it?

Mr. AHERN. Again, we are undertaking some initiatives where we are looking at having better control over the operators of the vessels, certainly some partnership with the Coast Guard, whether it is 300 gross tons and below, being able to have them tag so we understand where they are. We need to bring that down to the small boat operators. When you take a look at not only just as far as the Chesapeake Bay environment, go to a South Florida, go to a Great Lakes, those are issues that we are going to be looking to see what we can do with working with Coast Guard and CBP and the department. We actually held a small boat summit to take a look at what might be some things we can undertake to go ahead and actually engage with the small boat operators so we can identify where they are. We need to be able to have an effective sorting mechanism of who is a compliant boater versus a noncompliant boater to be able to target who might be the individuals posing harm.

Mr. ROGERS. Where are we on all these things? I mean, we have had——

Mr. AHERN. Not as far as we need to be.

SMALL CRAFT CHALLENGES—CONT.

Mr. OXFORD. Mr. Rogers, if I could help address that. We have launched within DHS under the Secretary's direction a west coast pilot program. And it is dealing specifically with the small maritime craft. We chose two ports, the Puget Sound area and San Diego, because of their strategic nature. Seattle will be directly involved, for example, in the Vancouver 2010 Olympics. There will be

a lot of traffic that goes through that area. It is the third largest strategic port. The Navy has strategic submarines in that area. It is the largest ferry system in the U.S. And it is the number one port of call for CBP's oceangoing pleasure craft that come in. CBP keeps records of this every year. So Puget Sound is number one; San Diego, again with a large Naval presence as well as the proximity to the Mexican border, made them opportune locations to go look at, put a layered strategy around major seaports in this country to deal with the small maritime issue. And Puget Sound, for example, which is the most mature, we have been able to find seven screening zones that allow us to put stand off around the populated areas of Seattle and Tacoma that will then be handed to the operators to come up with concepts of operations on how they would detect and interdict materials coming into Seattle and Tacoma. So we are starting with those two ports. We are also doing this in the City of New York with our Securing the Cities Initiative. There is a maritime element to that. So we will learn from these, and then we will be able to expand that architecture across some of the major ports around the country.

Mr. ROGERS. Well, there are literally hundreds of thousands of craft that we are talking about coming and going from our shores as we speak. So it is an enormous undertaking. But it is also an enormous vulnerability that I think we have been slow in addressing. And while we have been focused on airline security, we are fighting the last war. And while we are focused on container freight security, both of which are obviously vulnerabilities, there are many, many, many other vulnerabilities that we are not doing much on that we will be sorry about, I am afraid, one of these days. Let me close my section here, getting back to the container security devices, the gizmos, containers, where are we?

CONTAINER SECURITY DEVICES

Mr. AHERN. Where we are at this point, first off, we have not been neglecting this issue over the last 4 or 5 years. We have just not found a device that performs. We recently put a request for information out that was responded to by 10 contractors. We went through the technical evaluations and made a determination that three actually had technical capabilities and devices worthwhile of testing. We will be doing that testing over the next 3 months in a laboratory environment to make sure as far as everything that was submitted through their technical submission actually would go through performance standards before we would then deploy in four or five very specific risk environments. We would be looking at those on container traffic that would come from a high-risk location, like a Pakistan, to the United States where it would make sense after we have looked at securing the containers through the regime of x ray and RPMs and that high-threat environment, see how the seal performs in a maritime environment. As we take a look then with a Mexico, where we do see a lot of containers, truck containers that leave some of the twin plant operations and maquiladoras where things are manufactured, absolutely stated correctly in the previous panel that one of the biggest vulnerabilities is diversion before it actually hits our borders. We do see drugs introduced into the trucks coming across the borders.

So we are going to look to go ahead and secure that with a device and see how it performs. As well as in-bound movements that come from one part of the country to the other parts. So for something that lands in Long Beach and then goes across the United States for consumption in Philadelphia. We are going to take a look to see how it moves in those environments. So it will be those test environments we are going to look at. And we are going to take a look at the performance rate. And one of the things that we need to make sure is these devices do perform. And we need to be concerned about all the things we have remained concerned about for 4 years. And that is, how well do they perform under operational real-life circumstances? A lot of vendors do come in and show the devices certainly to us on a regular occurring basis. And when we actually take them out and see how rugged they are in a performing operational environment, we find there are many flaws.

Mr. ROGERS. You have had plenty of time. I mean it has been 5 years since 9/11. Longer than World War II. When we started World War II, we had no tanks, no planes, no guns, no nothing. We were drilling our privates with pieces of wood. Within 4 years, the war only lasted 4 years, within 4 years, we had built 6,500 Naval vessels; 297,000 airplanes; 86,000 tanks; 64,000 landing craft; 3 and a half million Jeeps; 53 million net weight tons of cargo vessels; 12 million rifles, blah, blah, blah; 47 million tons of artillery shells; and on and on and on. Why can we not build in 5 years a little gizmo that tells you whether or not a container box has been tampered with? That is not rocket science.

Mr. AHERN. No, you are absolutely right; it is not rocket science. And some of the bolt seals that are currently on about 90 percent of the containers will show as far as whether a container has actually been tampered with. One of the points that is also very critical is making sure that we put a container security device or a conveyance security device on something we have confidence of what went into that box. Otherwise we would be potentially securing something that——

Mr. ROGERS. When will we get a device?

Mr. AHERN. We will be looking to do field testing in about 4 months after we have done the technical evaluation and the performance testing in the laboratory environment.

Mr. ROGERS. Well, I will be seeing you.

Mr. AHERN. Look forward to it, sir.

Mr. PRICE. Ms. Lowey.

Mrs. LOWEY. Thank you, Mr. Chairman.

SECURING THE CITIES INITIATIVE

And following up on Mr. Oxford's comments about the Securing the Cities Initiative, and I apologize, we all have hearings, but this is a particularly important one. I would have liked to hear from you earlier. Out of all the risks we face, the detonation of a nuclear weapon in Manhattan might be the most catastrophic scenario. One program dedicated to preventing this is the Securing the Cities Initiative. And this is an excellent partnership between DHS and the Tri-State region to detect and interdict illicit radiological and nuclear materials before they reach New York City. New York Police Department Deputy Commissioner Falkenrath has even

called it the most important DHS program to the region. In fiscal year 2008, STC was funded at $40 million. The President's fiscal year 2009 request proposes $30 million for the program. This is one area where I strongly believe we must provide additional funds. I have been told that in addition to more detection devices, a $40 million funding level, $10 million above the President's request, could be used to help conduct a full exercise spanning detection, interdiction, and rendering safe, as well as to further networking capability to centrally link assets in the field.

Director Oxford, what is the justification for the $30 million request when the end user, public safety agencies in New York, strongly support $40 million?

Mr. OXFORD. Well, thank you. And Police Commissioner Falkenrath and I—or Deputy Commissioner—have known each other for a long time, so we have a mutual working relationship, and clearly any city would like as much as they could get. We think this has been a prudent request to build upon what we started with. The idea of a full-scale exercise that Mr. Falkenrath has proposed is rather new on the stage at this point in time. It will take a lot of coordination beyond DHS as well as the New York Police Department; it will take the FBI and the Department of Energy resources. We are not sure that is actually going to be able to be conducted within the time period we are talking about because of that coordination; especially the render safe activities that you mentioned typically will take the Bureau and DOE years to plan. So, again, I am not as comfortable that that actually can be done within the time period available. So we think the rest of the equipment that is being provided through the 2008 and 2009 program to equip that region is a necessary first start. We also believe that in working with this committee and others that the Securing the Cities model needs to be evaluated for its long-term effectiveness. There are billions of dollars available through the grant process, as you know, that should be part of the building block upon which this program could then build long term. We have committed to this committee to do an evaluation of the business model for Securing the Cities to see whether it is a program we want to extend into the future and how much then it would cost to do additional cities beyond just New York City. So there is an evaluation that will take place over the next 8 or 9 months. And we will have a better sense of what the long-term prospects are and what the future requests should be.

Mrs. LOWEY. I wonder if you could disclose what DNDO originally requested for STC when you submitted your budget proposal to OMB.

Mr. OXFORD. I submit a budget request to the Secretary, who then makes a determination. But it was the original $40 million.

Mrs. LOWEY. Well, I thank you very much. And it seems to me from the conversations that I have had, this is an absolutely critical program. And given the threats that are apparent, it is hard for me to believe, I did not even know that number was 800. You said 800 threats were actually identified?

Mr. OXFORD. We have had 800 cases of nuclear smuggling attempts worldwide. Again, in many cases, they were scam, where people were just trying to sell material, giving the illusion that it was radioactive. But what we see is a growing commodity in nuclear and radiological kinds of materials. I will tell you that we had a lot of discussion on the first panel on dirty bomb threats. My personal opinion is that is not something that we would introduce through our container security. There are too many domestic sources of that. I worry more about securing our radiological materials and sources within the U.S. as a necessary first step to reduce the dirty bomb threat rather than importing it, where our detectors are pretty effective against radiological materials compared to some of the other special nuclear materials.

Mrs. LOWEY. It is certainly good to hear some good news, Mr. Rogers, about some detectors that are really working. Thank you very much. And I look forward to following the progress in this area.

Thank you, Mr. Chairman.

Mr. PRICE. Thank you, Ms. Lowey.

CLOSING REMARKS

We are going to have to bring this hearing to a close, I think with some frustration, because we were interrupted, and our time is limited. As I did with the last panel, I want to mention that I will be submitting a number of questions for the record.

But one in particular, Mr. Oxford, which I had hoped to take up with you, has to do with the advanced spectroscopic portal monitors, the ASP monitors. There has been a review of the program conducted by the Homeland Security Institute. It says that you need to devise a better process to test and evaluate how effective these machines are. We will want an update on what you are doing to respond to that. And in terms of the budget for next year, we note that secretarial certification of ASPs is now—their effectiveness is now tentatively scheduled for late in this fiscal year. We want to know how much of your $158 million system acquisition request is tied to this, how much of it will depend on that certification. But rather than ask you for oral responses in this setting, we will look forward to your response for the record. With regard to the workforce issues that we were talking about earlier, Mr. Ahern, we were concentrating on the challenge of these foreign operations. I just want to ask you quickly about your workforce situation more generally. We know that you have some serious needs. In fact, your 2009 request is going to add 234 CBP officers at land points of entry and 238 CBP officers to operate the radiation portal monitors. We will be looking as a committee at that request and at the kind of needs as we assess them. In the meantime, there is one thing I want to ask you about. The law enforcement officer status for your CBP officers is kicking in on July 1. As you know, the budget request looks to repeal that or to rescind it. And I will speak for myself again, I am certainly not inclined to do that and in fact inclined to carry it forward. But all I want to ask you really is to say whether you think in terms of your personnel needs and

your ability to attract and retain key personnel whether you think this LEO measure is going to be helpful to you.

Mr. AHERN. Absolutely. In my 32 years, this is one of the most critical things facing our workforce that needs to be followed through on, and we look forward to implementing it on July the 6th.

Mr. PRICE. Well, I could not ask for a more powerful answer or shorter one for that matter. So I appreciate your response.

Mr. Rogers, do you have anything further?

Mr. ROGERS. No, Mr. Chairman, except to say thank you to these two gentlemen. They have got one of the toughest chores I think in the whole department, whole country. And with the most consequence to the country. So we want to thank you for your service, your dedication and your determination to make things not happen.

Mr. PRICE. I certainly share in those sentiments. We appreciate your being here today, and we look forward to working with you as we put our bill together for next year. The subcommittee is adjourned.

QUESTIONS FOR THE RECORD SUBMITTED BY

CHAIRMAN DAVID PRICE

U.S. Customs and Border Protection and Domestic Nuclear Detection Office
Supply Chain Security

Statistics and Data

Question: Please list the type and volume of contraband (e.g., narcotics, fraudulent products, illegal shipped weapons) and value of smuggled currency seized or interdicted by CBP Officers and Border Patrol Agents, as well as the related arrests, from FY year 2007 and projected for fiscal years 2008-09. Please break this out by land border, airports, seaports, other locations, and indicate the source of the data.

ANSWER: Because of its size, this information will be provided separately.

Question: Please list average land border wait times for privately operated vehicles and commercial vehicles, by crossing (as tracked on the CBP web page), for fiscal year 2007.

ANSWER: Please see the following table.

(Note: POV = Privately Owned Vehicles; COV = Commercially Owned Vehicles)

Border Wait Times FY 2007 Average Wait Times (In Minutes)		
Port/Crossing	Type	Average
Blaine/Pacific Highway	COV POV	9.9 13.7
Blaine/Peace Arch	POV	13.7
Pembina	COV POV	5.1 2.9
Sumas	COV POV	3.8 8.1
Sweetgrass	COV POV	7.0 4.3
Detroit/Ambassador Bridge	COV POV	5.7 7.7
Detroit/Windsor Tunnel	COV POV	5.8 6.0
Port Huron/Bluewater Bridge	COV POV	13.2 9.3
Sault Ste. Marie/International Bridge - SSM	COV POV	3.8 3.7
Alexandria Bay/Thousand Islands Bridge	COV POV	5.2 2.7
Buffalo/Niagara Falls/Lewiston Bridge	COV POV	1.3 4.7

Buffalo/Niagara Falls/Peace Bridge	COV POV	2.2 1.6
Buffalo/Niagara Falls/Rainbow Bridge	POV	2.1
Buffalo/Niagara Falls/Whirlpool Bridge	POV	0.0
Champlain	COV POV	3.6 6.6
Calais/Ferry Point	COV POV	7.2 7.3
Calais/Milltown	COV POV	4.1 4.2
Derby Line	COV POV	4.2 4.6
Highgate Springs	COV POV	4.9 6.4
Houlton	COV POV	4.6 2.8
Jackman	COV POV	0.7 1.9
Norton	COV POV	0.1 0.5
Columbus	COV POV	0.4 1.9
El Paso/Bridge of the Americas (BOTA)	COV POV	4.0 36.6
El Paso/Paso Del Norte (PDN)	POV	28.9
El Paso/Ysleta	COV POV	8.6 24.6
Fabens	POV	2.7
Fort Hancock/Fort Hancock	POV	0.1
Presidio	COV POV	0.1 6.4
Santa Teresa	COV POV	0.5 4.5
Stanton Dedicated Commuter Lane	POV	0.4
Brownsville/B&M	POV	16.4
Brownsville/Gateway	POV	14.9
Brownsville/Los Indios	COV POV	1.2 5.7
Brownsville/Veterans International	COV POV	5.5 12.7
Del Rio	COV POV	2.3 8.7
Eagle Pass/Bridge I	POV	9.8
Eagle Pass/Bridge II	COV POV	2.4 10.6
Hidalgo/Pharr/Hidalgo	POV	21.3
Hidalgo/Pharr/Pharr	COV POV	9.0 14.3

Laredo/Bridge I	POV	22.8
Laredo/Bridge II	POV	25.3
Laredo/Colombia Solidarity	COV POV	7.3 3.0
Laredo/World Trade Bridge	COV POV	22.9 0.0
Progreso	COV POV	4.4 11.4
Rio Grande City	COV POV	1.1 7.7
Roma	COV POV	0.2 7.5
Douglas	COV POV	0.0 14.3
Lukeville	COV POV	0.3 9.3
Naco	COV POV	0.1 1.6
Nogales/Deconcini	POV	29.2
Nogales/Mariposa	COV POV	10.5 22.6
San Luis	COV POV	0.0 35.9
Andrade	COV POV	0.0 18.7
Calexico/East	COV POV	9.9 19.3
Calexico/West	POV	37.4
Otay Mesa/Commercial	COV	24.0
Otay Mesa/Passenger	POV	35.3
San Ysidro	POV	44.4
Tecate	COV POV	2.8 24.2

Container Security Initiative (CSI)

Question: Please provide a listing of the CBP staffing per CSI/SFI port and their status (TDY vs. permanent).

ANSWER: Please see the table on the following pages.

CSI STAFFING DEPLOYMENTS
(As of 4/22/2008)

	TDY Staffing		Permanent Staffing	
CSI Port Information	Sup. CBP Officer	CBP Officer	Sup. CBP Officer	CBP Officer
ALEXANDRIA, EGYPT	0	4	0	0
ALGECIRAS, SPAIN	0	0	1	1
ANTWERP, BELGIUM	0	0	1	3
ASHDAD, ISRAEL	0	0	0	0
BALBOA, PANAMA	0	4	0	0
BARCELONA, SPAIN	0	0	1	1
BREMERHAVEN, GERMANY	0	1	0	4
BUENOS AIRES, ARGENTINA	0	0	1	2
CARTAGENA, COLOMBIA	0	1	0	0
CAUCEDO, DOMINICAN REPUBLIC	0	2	0	0
CHI LUNG, TAIWAN	0	1	0	0
COLOMBO, SRI LANKA	2	0	0	0
COLON, PANAMA	0	0	0	0
DUBAI, UNITED ARAB EMIRATES	0	0	0	2
DURBAN, SOUTH AFRICA	0	0	0	1
FELIXSTOWE, UNITED KINGDOM	0	0	1	2
FREEPORT, BAHAMAS	0	3	0	0
GENOA, ITALY	0	1	1	1
GIOIA TAURO, ITALY	0	0	1	2
GOTHENBURG, SWEDEN	0	0	1	1
HAIFA, ISRAEL	0	0	0	0
HALIFAX, CANADA	0	2	0	0
HAMBURG, GERMANY	0	0	1	3
HONG KONG, CHINA/CSI	*0*	*2*	*1*	7
KAOHSIUNG, TAIWAN	0	0	1	7
KINGSTON, JAMAICA	0	3	0	0
KLANG, MALAYSIA	0	0	1	1
KOBE, JAPAN	0	0	1	2
LAEM CHABANG, THAILAND	0	2	1	1
LASPEZIA, ITALY	0	1	1	1
LEHAVRE, FRANCE	0	0	0	3
LISBON, PORTUGAL	0	2	0	0
LIVERPOOL, UNITED KINGDOM	0	0	1	1
LIVORNO, ITALY	0	0	1	2
MANZANILLO, PANAMA	0	0	0	0
MARSEILLE, FRANCE	0	0	0	2
MONTREAL, CANADA	0	2	0	0
NAGOYA, JAPAN	0	0	1	2
NAPLES, ITALY	0	0	1	1
NATIONAL TARGETING CENTER (NTC), UNITED STATES	0	3	0	8
PIRAEUS, GREECE	0	0	1	1
PUERTO CORTES, HONDURAS	*0*	*3*	*0*	*0*
PUSAN, KOREA/CSI	0	*4*	1	4
QASIM, PAKISTAN	***0***	***0***	***0***	***0***
ROTTERDAM, NETHERLANDS	0	1	1	2
SALALAH, OMAN	*0*	*3*	*0*	*0*
SANTOS, BRAZIL	0	1	1	1

CSI STAFFING DEPLOYMENTS (As of 4/22/2008)				
	TDY Staffing		Permanent Staffing	
CSI Port Information	Sup. CBP Officer	CBP Officer	Sup. CBP Officer	CBP Officer
SHANGHAI, CHINA	0	6	0	0
SHENZHEN, CHINA	0	6	0	0
SINGAPORE, SINGAPORE/CSI	0	0	1	4
SOUTH HAMPTON, UNITED KINGDOM	*0*	*4*	*1*	*3*
TANJUNG PELEPAS, MALAYSIA	0	0	0	2
THAMESPORT, UNITED KINGDOM	0	0	0	0
TILLBURY, UNITED KINGDOM	0	0	0	0
TOKYO, JAPAN	0	0	1	2
VALENCIA, SPAIN	0	0	1	2
VANCOUVER, CANADA	1	1	0	0
YOKOHAMA, JAPAN	0	0	0	2
ZEEBRUGGE, BELGIUM	0	0	0	0
TOTALS	3	63	27	84
***SECURE FREIGHT INITIATIVE (SFI) Ports are italicized.				

9/11 Act Mandate

Question: Commissioner Ahern's statement lists over a dozen challenges to achieving 100 percent scanning for all outbound sea containers – and suggests resources could be applied more effectively to other "cargo and passenger venues" activities where risk exists but "security programs are less developed." What "cargo and passenger venues" are being referred to? How much of the FY09 CBP budget is aimed at addressing these "less developed" security programs?

ANSWER: While CBP has devoted considerable resources to establishing multiple maritime cargo security programs, such as the Container Security Initiative, (CSI), the 24 hour rule, the "10+2" Security Filing Initiative, and Customs-Trade Partnership Against Terrorism (C-TPAT), other cargo and passenger venues, such as in-bond movements, air cargo, general aviation, and small boats, have security programs which are less developed. CBP is currently working with the Department to enhance the security protocols associated with these venues, as follows:

- **In-bond Program**

By law, cargo can travel in-bond from a port of arrival to a port of destination without appraisement or payment of duty. Duty is not due until in-bond cargo traveling under an Immediate Transportation Bond arrives at the port of destination. Some goods are eventually exported without ever entering the commerce of the United States and do not require the payment of duty. CBP is developing automation changes through existing funding streams for the ACE project, and those changes will facilitate greater accountability, better tracking, and better oversight. The FY09 ACE budget, which includes development of the in-bond module as a component, is $317 million.

- **Air Cargo**

CBP currently inspects 100% of identified "high risk" cargo. CBP Officers in the course of walking through an air cargo warehouse to identify the high risk cargo that has been placed on hold may experience an alarm from the PRD. In that instance, the RIID would be used to identify the isotope and ultimately to mitigate the risk. No CBP resources in the air cargo environment are dedicated solely for radiation scanning. CBP is currently working with the Domestic Nuclear Detection Office towards the deployment of radiation portal monitors to scan all arriving air cargo shipments.

- **Small Boat Program**

CBP relies on the small boat user fee to provide funding on a limited basis. The small boat user fee provides a limited amount towards investment in programs to improve compliance, but is insufficient to fully support the program. The Outlying Area Reporting Station (OARS) – Videophone system allows pleasure boaters an option to report arrival in the United States. OARS may be used by pleasure boaters in place of in-person reporting to CBP. Over the years, the systems have begun to deteriorate and are in need of updating or replacement. CBP estimates receipts from the small boat user fee to be $988,887 in FY 2009.

- **General Aviation**

General Aviation Facilities are used to clear private aircraft and charter flights with no more than 20 people aboard. They are generally located in a city that has been designated as a port of entry. Most GAF's are not staffed with CBP officers. Either the pilot, plane's company, or GAF notifies CBP of the future arrival of an aircraft, and an officer or officers (depending on the passenger count and other situations) is dispatched to the GAF to clear the flight. Operations at General Aviation Airports are funded by a combination of CBP's Salaries and Expenses base budget and the Small Airport, Immigration and COBRA user fees collected from the private and business clientele who use these services.

Performance

Question: The CBP budget justification shows a significant increase in the target rate of non-intrusive inspection, or NII, scanning for sea containers, but a decrease for truck and rail containers. CBP also projects a marked increase in foreign cargo exams (after a steep drop in FY07); and a decline in C-TPAT validation compliance rates. With such fluctuation, how does CBP draw firm conclusions, qualitative or otherwise, about progress in improving security?

ANSWER: After receiving this question, CBP referred back to the performance projections submitted as part of our FY 2009 Budget Justification. The cases where a decline is indicated (NII scanning for truck and rail containers and C-TPAT validation compliance rates) were actually errors. CBP does not anticipate any of these performance goals to decline.

In the case of NII scanning of truck and rail containers, the FY 2009 target is actually 43.5%. The entry of 33.5% was a typographical error.

In the case of the C-TPAT validations, we had failed to adjust the FY08 and FY09 targets to account for higher than projected performance in prior years. We do not expect compliance rates to decline. Rather, we expect to sustain similar levels achieved in FY06 and FY07

By way of additional background, CBP's progress in improving security can be gauged by reviewing the multiple layers in the cargo security strategy. Each layer is complimentary to the others, and helps establish a more secure import process.

Advanced data is now received in every mode of transportation prior to the arrival of the cargo in the United States. This manifest data will soon be enhanced through CBP's "10+2" Security Filing initiative. 100% of all advanced data is screened using CBP's automated targeting systems, and a national cargo centric targeting center was established in May 2007.

Through the continued deployment of non-intrusive inspection technology, CBP has significantly increased the number of examinations which occur at U.S. ports of entry from 2002 levels. In FY07, 25.3% of trucks, and 89.3% of rail cars were subjected to a NII examination, up from FY06 rates of 23.9% (truck) and 83.3% (rail). [Note: truck examination rates in FY02 were 10.5%, while rail experienced a 19.7% exam rate].

For maritime cargo, the NII rate dropped from 5.0% in FY06, to 3.8% in FY07 due in large part to refinements made to CBP's automated targeting systems. The FY07 rate still exceeds FY02's examination rate of 2.3%.

As part of the CSI, over 137,000 examinations of high risk cargo were conducted in foreign ports of export in FY07, up from 78,000 in FY06. Additionally, as part of the Secure Freight Initiative, over 128,000 containers were processed through the integrated scanning systems in the ports of Qasim, Pakistan, Cortes, Honduras, and Southampton, United Kingdom between October 12, 2007 and April 17, 2008. This type of security activity did not exist in 2007.

CBP's deployment of radiation portal monitors since 2002 has also added greater security. The first RPM was deployed in October 2002, and to date, over 1,100 RPMs are now deployed at our land borders and sea ports. 100% of trucks arriving from Mexico, and 91% of trucks from Canada are presently scanned for radioactive materials prior to entry into the U.S. Scanning coverage from Canada will reach 97% by the end of 2008. In the seaport environment, 98% of maritime containers undergo scanning for radioactive materials, up from 37% in April 2006.

Under the Customs-Trade Partnership Against Terrorism Program (C-TPAT), 8,600 importers, carriers, and brokers voluntarily adopt tougher minimum security criteria, which CBP validates through on site visits to foreign point of stuffing locations. Over 7,400 validations, in 87 countries, have now been performed. Staffing of C-TPAT Supply Chain Security Specialists has increased from 38 in 2005, to over 200 today.

Question: Commissioner Ahern testified last year that CBP does annual assessments of CSI port performance on a range of activities, information sharing and cooperation elements. Has this resulted in improvements in the operations or relationships at CSI ports?

ANSWER: CBP believes that its annual Container Security Initiative (CSI) port evaluation process has resulted in improving operations and relationships with our host government counterparts. As GAO has stated in a previous audit (CBP's International Supply Chain Security efforts), "CBP has taken a lead role in working with members of the domestic and international customs community on approaches to standardizing supply chain security worldwide. Further, CBP's CSI and C-TPAT programs have provided a model for developing global customs security standards, and other countries are adopting a framework that embodies the core principles of these programs." CBP strongly believes that working with our host government counterparts is the best path to take in achieving a global customs security standard. To date, there have been no Weapons of Mass Destruction detected in containers that have been reexamined when arriving in the United States due to CBP's own Compliance Measurement program or reexamined due to local port policies.

Through the CSI, U.S. officers work with host customs administrations to establish security criteria for identifying high-risk containers. With the establishment of security criteria, CBP has benefited not only in identifying potentially high-risk containers for terrorism, but has also benefited by the information received when examinations are conducted by the host government. Those benefits derive from the fact that foreign customs administrations are now using non-intrusive (NII) technology to inspect high-risk containers before they are shipped to U.S. ports and this was not the case previously.

With the establishment of CSI at the 58 CSI operational ports, host government administrations have invested millions of dollars not only on NII equipment, but many have also purchased their own radiation detection devices, including Radiation Portal Monitors (RPMs) to use as part of their examination process. Increased levels of workload resulted in: over thirty-seven (37) significant instances of enforcement actions: the research and dissemination of one hundred seventy (170) intelligence alerts; and the initiation of one hundred thirty eight (138) investigative cases. This level of success could not have been accomplished without the host government continued cooperation and having an effective examination process.

Question: What standards does CBP have for foreign port examinations, inspection equipment, and training, and what does CBP do to ensure foreign port inspections at CSI ports are capable of inspecting high risk containers?

ANSWER: CBP continues to work on an accepted examination process through the World Customs Organization (WCO), through CBP's Capacity Building Branch within the Office of International Affairs and Trade Relations and working with our host government counterparts. In working with the host country counterparts, basic standards for the type of NII equipment and usage and training for such are established, as well as protocols for examinations in each location. Because regulations governing the use of NII equipment, as well as Customs authorities, vary in the different locations where CSI is established, standards for conducting examinations, examination equipment and training are established in cooperation with the individual host country and are not applied across the board to all CSI locations. As GAO has stated in a previous audit, "CBP has taken a lead role in working with members of the domestic and international customs community on approaches to standardizing supply chain security worldwide. Further, CBP's CSI and C-TPAT programs have provided a model for developing global customs security standards, and other countries are adopting a framework that embodies the core principles of these programs." CBP understands the importance of determining the effectiveness of the foreign customs service conducting examinations of high-risk maritime containers destined to the United States, but CBP strongly believes that working with the WCO is the best path to take in achieving a global customs security standard. Further, based on our experience with our foreign counterparts, CBP is confident that all requested cargo examinations are conducted effectively. If there were ever an issue of whether a country's NII equipment or examination process were in doubt, there are protocols in place which enable CBP to place a "Do Not Load" order on a shipment or instruct that a shipment be examined upon arrival into the U.S.

CBP has not had to institute such measures due the established confidence in CSI host's ability to conduct cargo examinations as well as the fact that CBP Officers witness such examinations and are provided with NII images of examined cargo.

Host government officials have provided CBP with the technical and performance specifications of the equipment used for the inspection of containers. This information includes the manufacturer, model and penetration capabilities. Through use of these systems, CBP Officers stationed at CSI ports confirmed that these systems' technical capabilities and performance was equal to or better than the equipment used by CBP at its domestic ports. CBP officers are fully trained in the equipment being used by the host government, and in the cases where CBP has provided NII equipment, those host government customs officers have also been trained in the use of that equipment.

CBP provides training and technical assistance to the customs administrations of a number of countries that currently participate in CSI, including Brazil, Honduras, the Dominican Republic and South Africa. While this training has been conducted in only 5 of the 32 countries with CSI ports, this training and technical assistance forms a long-term capacity building program to support implementation of the World Customs Organization Framework of Standards to Secure and Facilitate Global Trade, in those countries where such training has occurred. Expansion of such training to additional CSI locations will further support capacity building.

The standards incorporated in the Framework incorporate many of the key elements which support CSI including: the advance electronic presentation of cargo information; the screening of cargo containers using non-intrusive inspection equipment; the use of automated risk management systems; the standardization of targeting criteria to identify high-risk cargo and containers; an emphasis on employee integrity programs; and the inspection of cargo in the country of origin, transit and destination.
Most importantly, as a nation's sovereignty is critical, CBP will continue to respect this and not require something from a host government that we would not be willing or able to reciprocate in turn. CBP will continue to use the World Customs Organization (WCO) through its Safe Framework of Standards, to promote a uniform customs process and technical standards for equipment to ensure that the examination process of cargo is one that is uniform throughout the world.

To ensure CBP Officers in foreign ports are capable of inspecting high risk containers, the Officers (targeters) complete extensive training prior to deployment including Sea Cargo Targeting Training, CSI Orientation, WMD Controlled Commodity Identification Training, large-scale non-intrusive inspection (NII) equipment training, Radiation Academy (RADACAD) Training. To complete inspection of high risk containers, CBP's arrangement with host nations includes CSI targeters witnessing the inspection or examination and the foreign Customs counterparts providing non-intrusive inspection equipment images and Radiation Isotope Identification Device (RIID) readouts to the CSI targeters. CBP conducts yearly evaluations of CSI ports. The evaluation process looks at the following Core areas:

- Administrative Functions – Training, database proficiency (Automated Targeting System (ATS), Automated Manifest System (AMS), etc.) hours of operation, and office security where CSI has access control in order to secure CSI equipment, records, etc.
- Targeting – Automated Targeting System (ATS) functions, review of Bill of Lading, host government information and tracking logs.
- Examinations – Referrals/coordination with host government, shipments already laden on vessel, Do Not Load Messages, witnessing of inspections and bolts and seals.

The evaluation process also looks into the CSI team's interaction with their host government counterparts and how that relationship is working. Since this is a partnership between the United States and the host government, communication between the two is very important to the success of the CSI program. For those CSI ports that were provided with loaned NII equipment, CBP receives daily reports on the usage and downtime of the NII equipment.

CBP also continues to strengthen its evaluation process. CBP has established an evaluation tool, the "Container Security Initiative Team Evaluation (CSITE)" that will capture all relevant evaluation information (e.g., targeter training/competency with ATS, if Continuity of Operations Plan is current, if targeters are witnessing container inspections, etc.) and retain other relevant data (e.g., samples of targeter ATS proficiency, examples of ship sailing schedules provided by host nation, etc.) in order to establish a proper audit trail. CBP will also ensure that evaluation teams follow established guidelines by making all fields mandatory. CBP is in the process of establishing a data base with all recommendations and Action Plans as a result of a CSI port evaluation. This data base will have due dates on the recommendation and annotate the action taken and the results. This data base will be linked to CSITE in order for the evaluator to have a record of previous recommendations and action taken for reference when conducting any additional evaluation or follow-up.

Recovery

Question: Please describe the resources, training and planning CBP devotes to preparing for a possible incident or attack on the supply chain, and describe how CBP is organized for associated response and recovery efforts under the Strategy to Enhance International Supply Chain Security and the National Response Plan. Please list funding and staffing associated with this in fiscal years 2007-09.

ANSWER: CBP has a number of initiatives that are designed to ensure an appropriate and timely response to critical incidents, including those that affect the international supply chain. These programs are described on the following pages.

- **The Incident Management Task Force (IMTF)**

U.S. Customs and Border Protection, acting on recommendations made in the CBP after-action review of CBP's support to the Federal Hurricane Katrina response, established the Incident Management Task Force (IMTF) on March 31, 2006. The IMTF was given two overarching objectives; prepare for the 2006 hurricane season and develop a coordinated incident management strategy for U.S. Customs and Border Protection. The basic strategy of the IMTF was developed based on the 2006 hurricane preparedness efforts and is applicable virtually any foreseeable threat, incident, or terrorist act that would have an effect on CBP or its Federal or private partners to include supply chain events. Several key principles were adopted to form the basic strategy:

- Build CBP Incident Management processes and procedures on the principles of the National Response Framework (NRF) the National Incident Management System (NIMS) and Incident Command System (ICS);
- Keep tactical control at the lowest possible level;
- Cultivate enhanced cross-office coordination at all levels;
- Engage all CBP Offices and delineate clear roles and responsibilities for each office;
- Leverage external partnerships;
- Exercise plans on a regular basis.

- **The Incident Management and Operations Coordination Division**

The Incident Management and Operations Coordination (IMOC) Division was created within CBP in October 2007 to enhance the coordination of internal and external CBP operational issues, particularly CBP's response to critical incidents and the coordination of cross-cutting operations.

- **Lead Field Coordinator (LFC) Construct**

In an effort to increase the safety and security of CBP personnel and assets while ensuring CBP's ability to maintain the continuity of mission essential functions in the event of an actual significant incident, CBP's Office of Intelligence and Operations Coordination appointed a Lead Field Coordinator (LFC) in each of the 10 pre-established FEMA Regions. Each LFC has two secondary field coordinators/deputies representing each of the three component offices within CBP ensuring proper and efficient backup. Appointing the LFC's and adopting the established FEMA-region boundaries for all incident management purposes will allow CBP to improve coordination efforts, provide support and benefits to our Federal, State and Local partners, and continue to align CBP's emergency preparedness and incident management efforts with FEMA.
The primary role of the LFC in each FEMA Region is to coordinate with IMOC to facilitate emergency preparedness and incident management planning which includes coordinated port security planning. LFC's are expected to establish relationships and a presence at appropriate Emergency Operation Centers, Joint Field

Offices, and the FEMA Regional Response Coordination Centers, and coordinate with trade partners as appropriate. In addition, CBP LFCs coordinate CBP's involvement in local exercises within their area of responsibility. In accordance with NIMS, NRF and ICS, any incident should be handled at the lowest possible level. With that concept in mind, LFC's act as a dedicated incident management planner in their area of responsibility providing a communications link to the field.

- **CBP Business Resumption Plan**
  - In January 2008, CBP published *The Business Resumption Coordination Directive (3340-042)*, which specifies procedures and assigns roles and responsibilities of CBP offices related to maintaining and/or restoring the continuity of trade during and after an event that disrupts the flow of trade at U.S. border Ports of Entry.
  - In accordance with the *Security & Prosperity Partnership - Initiative 9.2.7*, the *Safe Port Act of 2006 – Sections 202 and 203*, and the *CBP/Mexican Customs Bilateral Strategic Plan*, CBP spearheaded the development of joint protocols with Canada, U.S. Coast Guard and Mexican Customs for communication and coordination procedures following an incident that affects the flow of trade at the border.
  - Both the Commissioner of CBP and the President of the Canada Border Services Agency (CBSA) have signed the *Joint CBSA/CBP Business Resumption Communication and Coordination Plan*
  - In coordination with CBSA and the trade community, CBP led the development of the Unified Business Resumption Message System which provides stakeholders with situational awareness (e.g., operating status and wait times for ports of entry) following incidents that affect the flow of trade at the border so that the trade community can make informed decisions based on timely and reliable information.
  - This process proved effective during the recent California Wildfires that closed the Port of Tecate, CA and assisted in managing the messages to the trade community.

- **CBP Crisis Action Team (CAT)**
  - The CBP Crisis Action Team (CAT) is an integrated CBP cross-functional team that supports CBP personnel during a field level incident that requires cross-office coordination.
  - The CAT proved effective during the recent California Wildfires that closed the Port of Tecate, CA and assisted in managing the support to all CBP field components.
  - CBP CAT members have received the training required to be an effective member of the team. This training includes:
    - Assessing situations, Identifying Critical Information Requirements, Developing Courses of Action for Senior Leadership, Detailed planning and analysis, Cross-Walking multi-component operational issues, and developing Incident Action Plans in accordance with National Response Framework and ICS Guidelines
  - CAT Training is designed to foster rapid, effective decision making within CBP under the most difficult of circumstances and is scalable to the scope of any event.

- **Continuity of Operations Plan (COOP)**
  - Every field office within CBP has a COOP that lays out the plan and steps that would be taken to ensure mission essential functions are carried out in the event that office were rendered inoperable.
  - The Headquarters Continuity of Operations (HQ COOP) focuses on CBP's ability to recover the business of CBP in the event that CBP Headquarters is not accessible.
  - This HQ COOP details all aspects of "resuming CBP business" – from communications and the accessibility of vital records to transportation of critical personnel to alternate sites.
  - DHS-sponsored National Level Exercises are periodically conducted to assess DHS agencies' ability to bring up their emergency relocation site and perform mission essential functions during an emergency scenario.

- In addition to large-scale exercises, -CBP conducts regular tests of its "Notifind" system, which accustoms key personnel to receiving information via the automated system that will be used to spread situational awareness following an incident.
- CBP's HQ COOP capability will ensure that critical HQ functions will continue to support supply chain activities in the event that CBP HQ is required to relocate from its primary location.

CBP direct funding for Supply Chain Incident Response for FY08 totals $1.8M, and $1.21M for FY09. Three Full-time Government employees are assigned to Incident Response duties; an additional 20 within the CBP Office of Intelligence and Operations Coordination, Incident Management and Operations Coordination Division are organized, trained and available for Incident Response as required. Prior to the establishment of the Office of Intelligence and Operations Coordination in October 2007, CBP's incident response preparation activities were led by the Office of Anti-Terrorism within the CBP Office of the Commissioner. There was, however, no direct funding account for those activities until FY 2008.

Container /Conveyance Security Devices (CSDs)

Question: Commissioner Ahern's statement says CBP will investigate potential use of container/conveyance security devices to enhance container security in specific trade lanes. How would this be done, and would it be in conjunction with C-TPAT or CSI programs?

ANSWER: U.S. Customs and Border Protection (CBP) has developed a phased testing and evaluation process to measure the performance of the Conveyance Security Device (CSD) against the CBP requirements, as outlined in the CSD Request For Information (RFI). CBP has identified operational scenarios where the potential use of a CSD may enhance container security in specific trade lanes. The operational field testing of such device(s) is contingent upon the device(s) successful completion of subsequent phases within the testing and evaluation process. Test phases include:

- Phase 1- Technical Review of Vendor Submittal (paper review)
- Phase 2A – Initial Technical Evaluation (cursory lab testing)
- Phase 2B – Laboratory Testing (intensive lab testing)
- Phase 3 – Limited Operational Testing
- Phase 4 – Large-scale Operational Field Testing

In order to fully evaluate the capabilities of CSDs, CBP evaluations will be conducted in scenarios that accurately represent CBP's operational environment. These may include:

- A supply chain scenario from a C-TPAT company in Mexico from the point of stuffing to arrival at a U.S. port of entry along the southern border.
- An in-transit scenario involving high-risk commodities in International Organization for Standardization (ISO) maritime containers as they travel in-bond via Transportation and Exportation (T&E) entry from a west coast seaport to a land border port along the southern border.
- An in-transit scenario involving high risk agriculture products in-bond via Transportation and Exportation (T&E) entry through the United States from either Canada to Mexico or Mexico to Canada.
- **A maritime scenario involving containers that are scanned overseas at a Secure Freight Initiative (SFI) port and laden aboard a vessel bound for the United States.**

These limited deployments will help CBP identify any potential limitations of available CSDs (e.g., doors can be compromised without triggering an alarm, ease of use, reliability, etc.), impact on ports and trade due to false alarms, additional resources and infrastructure required (i.e., costs and challenges) to support any further CSD

implementation, and quantify any potential benefits to commerce (e.g., reduction of pilferage or theft of cargo, reduced wait times at border, lowering of insurance costs due to use of device, etc.).

CBP is also piloting the use of CSD's on maritime containers processed through the SFI systems in Qasim, Pakistan. Many of the containers that are laden in Qasim transship through other ports before arriving in the United States. By placing a CSD on these containers, CBP will be able to evaluate their performance in a maritime environment and determine their usefulness in the SFI program.

Crane-Mounted Radiation Detection Technology

Question: Commissioner Ahern's statement indicates that CBP expects to test crane-mounted radiation detection systems this year, possibly with actual threat materials, but this would not include "field validation." What would it take to get to the "field validation" stage of testing? When do you estimate such tests could begin?

ANSWER: This year CBP will be evaluating the crane-mounted radiation detection systems to determine its capability to detect surrogate threat materials and properly identify those gamma-ray emitting isotopes. Each system that successfully meets these requirements will be further evaluated against actual threat materials at a DOE National Lab. Once these milestones are successfully passed the systems must be further evaluated to prove that they are mechanically robust and reliable for use in the seaport environment. If it can be shown that proper continuity of operations (CONOPS) can be developed for the crane mounted system then further testing must be performed for alarm response/resolution and stream-of-commerce testing to quantify the nuisance and false alarm rates. Systems successfully completing testing stages such as these, and showing the capability to transition from prototypes to COTS products, would be candidates for operational testing in a field environment.

If a crane mounted radiation detection system meets all the requirements then it would be eligible for the "field validation" stage of testing. The system must demonstrate the capability to detect CBP threat surrogate materials and actual threat material. Also, it must be mechanically robust and reliable, have a low false alarm rate, and fully developed CONOPS. In addition, the crane mounted radiation detection system must have the potential to be integrated into existing CBP and port infrastructure at a wide range of port locations. Follow-on system evaluation would be dictated by the availability of resources from the evaluating agencies and equipment vendors. The timeline required for "field validation" has not been developed at this time. It requires coordination with multiple government organizational entities and additional funding. It also may require additional technical system development by the vendors which has yet to be identified.

Global Trade Data Exchange (GTX)

Question: Given the decision by CBP not to proceed with the GTX at this time, how does CBP propose to use the $13,000,000 appropriated for that purpose in FY 2008?

ANSWER: Appropriations language (P.L. 110 -161) stated that the $13 million shall be used to procure commercially available technology in order to expand and improve the risk-based approach of the Department of Homeland Security to target and inspect cargo containers under the Secure Freight Initiative and the Global Trade Exchange. CBP will use the $13 million to identify and acquire technology enhancements in direct support of the Secure Freight Initiative and its component programs, to include the Advanced Security Filing (or "10+2").

Analysis of Shielding

Question: Has CBP or any other U.S. agency done a statistical analysis of containers and cargo entering the U.S. to estimate how many containers could contain materials that could shield or otherwise inhibit the detection of radioactive or dangerous material? If so, please provide the findings; if not, is such a study planned?

ANSWER: DNDO has not performed a comprehensive study to develop statistics concerning the type and amount of cargo that would shield or mask radioactive materials. However, DNDO has done limited scope studies to characterize and understand the mechanisms involved of those commodities where trends and/or issues in resolving alarms have been encountered at US Borders and USG deployed detectors overseas. The DNDO Secondary Reachback Program working in conjunction with DOE National Laboratories and CBP has developed reports on such items as television sets, cat litter, food items that uptake radioactive materials, contaminated metals, ceramics, fertilizers, and industrial materials that have consistently caused alarms in Radiation Portal Monitors.

A comprehensive study has not been conducted nor is one currently planned. DNDO and CBP continue to monitor alarms at deployed detectors and analyze those cases where trends are seen and those that may indicate a potential vulnerability. Currently, DNDO is analyzing the data from several recent cases of neutron only alarms to determine what type of materials could be "hidden" in different loads that would result in such signatures and the protocols necessary to get adequate technical data to resolve these alarms.

Non-Intrusive Inspection (NII) Technology

Question: What is the base funding for operation and maintenance of current inventory equipment in fiscal year 2008 and planned for fiscal year 2009?

ANSWER: FY 2008 funding for Inspection and Detection Technology is $105,027, of that amount $78,352 million is for operation and maintenance. In FY 2009, CBP requested $117,144 for Inspection and Detection Technology, of that amount $86,995 million will be utilized for operations and maintenance.

Question: Please provide an updated inventory by location of deployed NII systems, including planned deployment using FY08 funding, a description of the type of system and the date it was acquired/entered into service. To the extent there will be additional or replacement acquisition in FY09, please reflect that. For all cargo scanning equipment to be deployed in FY 2009, please provide a list of each planned procurement by type of equipment, number of planned systems, method of acquisition, and whether the procurement will be fully competitive or restricted. In the case of any non-competitive procurement, please provide the rationale for proceeding without competition.

ANSWER: The tables on the following pagesdetail domestic U.S. deployments of large-scale NII technology deployed as of April 21, 2008.

HIGH ENERGY FIXED X-RAY SYSTEM: 1

LOCATION	# OF SYSTEMS
LAREDO - WORLD TRADE, TX	1

HIGH ENERGY MOBILE X-RAY SYSTEM: 16

LOCATION	# OF SYSTEMS	LOCATION	# OF SYSTEMS
BALTIMORE, MD (EAGLE)	1	NEWARK, NJ (SMITHS)	2
CHARLESTON, SC (SMITHS)	1	NORFOLK, VA (SMITHS)	2
HOUSTON, TX (SMITHS)	2	PORT EVERGLADES, FL (SMITHS)	1
LA/LONG BEACH, CA (EAGLE MOBILE)	1	SAVANNAH, GA (EAGLE)	1
LA/LONG BEACH, CA (SMITHS)	2	SAVANNAH, GA (SMITHS)	1
MIAMI, FL (SMITHS)	1	SEATTLE, WA (SMITHS)	1

MOBILE GaRDS: 2

LOCATION	# OF SYSTEMS	LOCATION	# OF SYSTEMS
OROVILLE, WA	1		
ROOSVILLE, MT	1		

MOBILE TRUCK X-RAY (MTXR): 16

LOCATION	# OF SYSTEMS	LOCATION	# OF SYSTEMS
BOSTON, MA	1	LAREDO - J/L, TX	1
BROWNSVILLE, TX	1	LAREDO - WORLD TRADE, TX	2
BROWNSVILLE - LOS INDIOS, TX	1	NOGALES - MARIPOSA, AZ	1
EAGLE PASS, TX	1	PHARR, TX	1
EL PASO - BOTA, TX	2	PROGRESSO, TX	1
LA/LONG BEACH, CA	1	SAN LUIS, AZ	1
LAREDO - COLUMBIA, TX	1	WEST PALM, FL	1

MOBILE VACIS: 71

LOCATION	# OF SYSTEMS	LOCATION	# OF SYSTEMS
ACADEMY - FLETC, GA	1	MAYAGUEZ, PR	1
ALEXANDRIA BAY, NY	1	MIAMI SEAPORT, FL	2
BALTIMORE, MD	2	MOBILE, AL	1
BUFFALO - LEWISTON, NY	1	NACO, AZ	1
BUFFALO - PEACE, NY	1	NEW ORLEANS, LA	1
CALAIS, ME	1	NEWARK, NJ	3
CHAMPLAIN, NY	1	NORFOLK, VA	2
CHARLESTON, SC	3	OAKLAND/SFO, CA	2
CHICAGO, IL	1	OTAY MESA, CA	1
COLUMBUS, NM	1	PEMBINA, ND	1
DERBY LINE, VT	1	PHILADELPHIA, PA	1
DETROIT, MI	1	PORT EVERGLADES, FL	1

DOUGLAS, AZ	1	PORT HURON, MI	2
EASTPORT, ID	1	PORTAL, ND	1
EL PASO - YSLETA, TX	1	PORTLAND, OR	1
GULFPORT, MS	1	PRESIDIO, TX	1
HIGHGATE SPRINGS, VT	1	ROMA, TX	1
HONOLULU, HI	1	SAN DIEGO, CA	1
HOULTON, ME	1	SAN JUAN, PR	2
HOUSTON, TX	2	SAULT STE MARIE, MI	1
HOUSTON - MORGANS PT, TX	2	SAVANNAH, GA	1
INTERNATIONAL FALLS, MN	1	SEATTLE, WA	2
JACKSONVILLE, FL	1	SUMAS, WA	1
LA/LONG BEACH, CA	4	SWEETGRASS, MT	1
LAREDO - CONVENT, TX	1	TACOMA, WA	1
LYNDEN, WA	1	TAMPA, FL	1
MASSENA, NY	1	WILMINGTON, DE	1
		WILMINGTON, NC	1

PALLET GAMMA-RAY: **19**

LOCATION	# OF SYSTEMS	LOCATION	# OF SYSTEMS
BROWNSVILLE - LOS TOMATES, TX	1	MIAMI, FL	1
CALEXICO EAST, CA	1	NEWARK, NJ	2
CHARLESTON, SC	1	NOGALES, AZ	1
EL PASO - YSLETA, TX	1	OTAY MESA, CA	1
HOUSTON, TX	1	PHARR, TX	1
JACKSONVILLE, FL	1	PORT EVERGLADES, FL	1
LA/LONG BEACH, CA	1	SAVANNAH, GA	1
LAREDO - COLOMBIA, TX	1	SEATTLE, WA	1
LAREDO - (RAIL), TX	1	TECATE, CA	1

PORTAL VACIS: **2**

LOCATION	# OF SYSTEMS
LAREDO, TX	1
OTAY MESA, CA	1

RAIL VACIS: 20

LOCATION	# OF SYSTEMS	LOCATION	# OF SYSTEMS
BLAINE, WA	1	INTERNATIONAL FALLS, MN	1
BROWNSVILLE, TX	1	LAREDO, TX	1
BUFFALO, NY	1	NOGALES - DECONCINI, TX	1
CALEXICO, CA	1	PEMBINA - NOYES, ND	2
DETROIT - WINDSOR, MI	1	PORT HURON - SARNIA, MI	2
EAGLE PASS, TX	1	PORTAL, ND	1
EASTPORT, ID	1	ROUSES POINT, NY	1
EL PASO - DEL NORTE, TX	1	SAN YSIDRO, CA	1
EL PASO - UNION PACIFIC, TX	1	SAULT STE MARIE, MI	1

TRUCK X-RAY 8

LOCATION	# OF SYSTEMS	LOCATION	# OF SYSTEMS
BROWNSVILLE - LOS TOMATES, TX	1	LAREDO - COLUMBIA, TX	1
CALEXICO EAST, CA	1	NOGALES - MARIPOSA, TX	1
EL PASO - BOTA, TX	1	OTAY MESA, CA	1
EL PASO - YSLETA, TX	1	PHARR, TX	1

VEHICLE & CARGO INSPECTION SYSTEM (VACIS): 30

LOCATION	# OF SYSTEMS	LOCATION	# OF SYSTEMS
BLAINE, WA	1	LAREDO - COLUMBIA, TX	1
BROWNSVILLE - LOS INDIOS, TX	1	LUKEVILLE, AZ	1
BROWNSVILLE - LOS TOMATES, TX	2	NOGALES - MARIPOSA, AZ	1
CALEXICO EAST, CA	2	OGDENSBURG, NY	1
CHAMPLAIN, NY	1	OTAY MESA, CA	2
DEL RIO, TX	1	PEMBINA, ND	1
DETROIT, MI	1	PHARR, TX	2
EAGLE PASS, TX	1	PORT EVERGLADES, FL	1
EL PASO - BOTA, TX	1	RIO GRANDE CITY, TX	1
EL PASO - YSLETA, TX	1	SANTA TERESA, NM	1
HIDALGO, TX	1	SAVANNAH, GA	1
HOWLAND HOOK, NY	1	TECATE, CA	1
LAREDO - BRIDGE 4, TX	2		

Z-BACKSCATTER VAN (ZBV): 12

LOCATION	# OF SYSTEMS	LOCATION	# OF SYSTEMS
ANDRADE, CA	1	MIAMI, FL	1
BLAINE, WA	1	NEWARK, NJ	1
CALEXICO, CA	1	OTAY MESA, CA	1
FABENS, TX	1	PRESIDIO, TX	1
HOUSTON, TX	1	SAN YSIDRO, CA	1
LAREDO, TX	1	WEST PALM BEACH, FL	1

TOTAL DEPLOYED AS OF APRIL 21, 2008: 197

- **SYSTEMS UNDER CONTRACT IN FY07 AND BEING DEPLOYED IN FY08 AND FY09.**

High-energy Fixed-site System (VMS – IntellX-2) (Replacements)	Deployment
o Laredo Columbia, TX	14 August 08
o Los Tomates, TX	09 October 08
o Pharr, TX	06 November 08
o Nogales, AZ	12 February 09
High-energy Fixed-site System (Smiths - HCVG) (Replacements)	
o El Paso Ysleta, TX	18 September 08
o El Paso BOTA, TX	15 October 08
o Otay Mesa, CA	19 November 08
o Calexico, CA	17 December 08
o Detroit, MI (New system not a replacement)	18 January 09
High-energy Mobile System – (HCVM) (New Systems)	
o Baltimore, MD	08 May 08
o Wilmington, DL	05 June 08
o Philadelphia, PA	03 July 08
o Newark, NJ #3	31 July 08
o Seattle, WA #2	21 August 08
o Boston, MA	25 September 08
o Savannah, GA	16 October 08
o Tacoma, WA	13 November 08
o Portland, OR	18 December 08
o Jacksonville, FL	29 January 09
o Miami, FL #2	26 February 09
o San Juan, PR	26 March 09

High-energy Mobile System – (Eagle Mobile) (New Systems)

o Laredo (WTB), TX	19 June 08
o Oakland, CA	17 July 08
o Calexico, CA	21 August 08
o El Paso Ysleta, TX	25 September 08
o New Orleans, LA	23 October 08
o Gulfport, MS	13 November 08
o Nogales (Mariposa), AZ	11 December 08
o Otay Mesa, CA	05 February 09
o San Luis II	13 August 09

Rail Gamma Ray System - (RVACIS) (New Systems)

o Sweetgrass, MT	09 October 08
o Jackman, ME	13 November 08
o Vanceboro, ME	18 December 08
o Highgate Springs, VT	29 January 09
o Norton, VT	05 March 09

Portal Gamma Ray System – (Portal VACIS) (New Systems)

o Pharr, TX	08 May 08
o El Paso BOTA, TX	19 June 08
o Calexico, CA	17 July 08
o Laredo Columbia, TX	14 August 08
o El Paso Ysleta, TX	18 September 08
o San Luis II, AZ	09 September 09

Total: 41 systems still to be deployed to domestic U.S. ports in FY08 and FY09.

- **Current Container Security Initiative/Secure Freight Initiative Deployments:**

Location	Type	Entered Service
Piraeus, Greece	MTXR-Moblie X-ray	July, 2004
Freeport, Babamas	HCV-2500-Mobile X-ray	September, 2006
Buenos Aires, Argentina	CAB-2000-X-ray	November, 2005
Colon, Panama	CAB-2000- X-ray	December, 2005
Chi Lung, Taiwan	CAB-2000- X-ray	September, 2006
Kaohsiung, Taiwan	CAB-2000- X-ray	July, 2005
Santos, Brazil	CAB-2000- X-ray	September, 2005
Caucedo, Dom. Rep	CAB-2000- X-ray	September, 2006
Kaohsiung, Taiwan	CAB-2000- X-ray	September, 2006
Haifa, Israel	HCV-2500- Mobile X-ray	July, 2004
Manzanillo, Panama	CAB-2000- X-ray	September, 2007
Cartgena, Columbia	CAB-2000- X-ray	September, 2007
Balboa, Panama	CAB-2000- X-ray	September, 2007
Alexandria, Egypt	CAB-2000- X-ray	September, 2007
Port Qasim, Pakistan	CAB-2000- X-ray	March, 2007
Port Qasim, Pakistan	CAB-2000- X-ray	December, 2007
Southampton, U.K.	P-7500-Portal X-ray	July, 2007
Busan, Korea	P-7500-Portal X-ray	April, 2008

Hong Kong	P-7500-Portal X-ray	Awaiting deployment
Alexandria, Egypt	P-7500-Portal X-ray	Awaiting deployment
Salallah, Oman	RAPISCAN-Mobile X-ray	April, 2008
Karachi, Pakistan	Smith's HCV- Portal X-ray	In storage
Singapore	M-6500-Mobile X-ray	Currently being procured

- **Future acquisitions beyond FY 2008**

By the end of FY 2009 all new deployments of Large Scale NII systems to U.S. ports will be completed. Therefore, except for acquiring and deploying replacement systems, acquisitions of NII systems for new deployment beyond FY 2008 will depend on the strategic direction of the SFI program.

- **Method of future acquisitions**

All Large Scale systems acquisitions will be based on a competitive procurement using an Indefinite Delivery Indefinite Quantity (IDIQ) contract that was awarded in September 2005 between five domestic vendors (SAIC, Rapiscan, Smiths Detection, Varian (formerly Bio Imaging Research) and L3). This IDIQ contract runs through September 30, 2010. Each of these vendors will be issued a Request for Quote for any future acquisitions and will be evaluated for the best value. CBP is currently going out with an RFP for a 5 year IDIQ contract for Small Scale systems this year (FY08).

Question: Please provide an update of deployments and redeployments of NII systems associated with the SFI. Please provide a matrix showing NII equipment purchased, deployed and proposed purchase/deployment for CSI for FY 2009.

ANSWER:

- Current Secure Freight Initiative Deployments

Location	Type
Port Qasim, Pakistan	CAB-2000- X-ray
Port Qasim, Pakistan	CAB-2000- X-ray
Southampton, U.K.	P-7500-Portal X-ray
Busan, Korea	P-7500-Portal X-ray
Hong Kong	P-7500-Portal X-ray
Alexandria, Egypt	P-7500-Portal X-ray
Salallah, Oman	RAPISCAN-Mobile X-ray
Karachi, Pakistan	Smith's HCV- Portal X-ray
Singapore	M-6500-Mobile X-ray

There are no plans to purchase or deploy additional systems to CSI ports in FY 2009. Following is a list of systems currently deployed under CSI.

- **Current Container Security Initiative Deployments**

Location	Type	Entered Service
Piraeus, Greece	MTXR-Moblie X-ray	July, 2004
Freeport, Bahamas	HCV-2500-Mobile X-ray	September, 2006
Buenos Aires, Argentina	CAB-2000-X-ray	November, 2005
Colon, Panama	CAB-2000- X-ray	December, 2005

Chi Lung, Taiwan	CAB-2000- X-ray	September, 2006
Kaohsiung, Taiwan	CAB-2000- X-ray	July, 2005
Santos, Brazil	CAB-2000- X-ray	September, 2005
Caucedo, Dom. Rep	CAB-2000- X-ray	September, 2006
Kaohsiung, Taiwan	CAB-2000- X-ray	September, 2006
Haifa, Israel	HCV-2500- Mobile X-ray	July, 2004
Manzanillo, Panama	CAB-2000- X-ray	September, 2007
Cartgena, Columbia	CAB-2000- X-ray	September, 2007
Balboa, Panama	CAB-2000- X-ray	September, 2007
Alexandria, Egypt	CAB-2000- X-ray	September, 2007

Question: What is the Department's overall plan to purchase new cargo inspection systems and to modernize its inventory of older, less-capable systems that are deployed today throughout the nation? What is the Department's long-term requirement and plan for procurement of modern cargo inspection systems, and when will deployment to all U.S. ports be completed?

ANSWER: Beginning in FY09, the Department plans to acquire new Large Scale NII systems to replace outdated technology and NII systems that have reached their 10 year life cycle. The Department currently uses a competitive form of acquisition using an Indefinite Delivery Indefinite Quantity contract with multiple vendors. Each acquisition is competitively awarded among the vendors. By the end of FY09, all new deployments will be completed; however, replacements are planned through FY14 and beyond.

Question: We understand a CBP team visited China in March to inspect Chinese inspection technology for possible use in the U.S.

Does DHS intend to procure Chinese designed and manufactured systems for use in the United States?

ANSWER: A team from CBP - Office of Field Operations (OFO) and Office of Information and Technology (OIT) visited China in March 2008 to evaluate the Chinese NII manufacturer Nuctech Corporation. The evaluation was not conducted as part of a CBP procurement effort but rather, as a means of assessing the viability of including or incorporating Nuctech systems already procured or under procurement by foreign host governments into the SFI program. An evaluation report is currently being completed of the equipment that was tested at the Nuctech facility in China.

Question: How do Chinese cargo inspection systems compare to systems made by American vendors in terms of technical performance? Are they far superior to American-made systems?

ANSWER: A team from CBP visited China in March 2008 to evaluate the Chinese NII manufacturer Nuctech Corporation. An evaluation report is currently being completed of the equipment that was tested at the Nuctech facility in China.

Question: How much of the costs of Chinese cargo inspection systems are subsidized by the government of China? How would the Department factor this in to its acquisition strategy for procurement of new cargo inspection systems, to ensure that U.S. firms can compete on an equal footing with no unfair price disadvantage?

ANSWER: CBP has no specific information with regards to Chinese government subsidies of Chinese cargo systems. As the evaluation was not conducted as part of a CBP procurement effort, this issue was not included as part of the systems evaluation.

All CBP NII acquisitions are based on a competitive procurement using an IDIQ contract that was awarded in September 2005 between five domestic vendors (SAIC, Rapiscan, Smiths Detection, Varian (formerly Bio Imaging Research and L3).

Two other vendors, American Science and Engineering, Inc. and NucTech, Inc. (a Chinese firm) participated in the competitive procurement action in FY 2005, but were not among the vendors to receive an award because they were not able to meet all the requirements of the Request for Proposals (RFP).

Since technology is constantly evolving and new products have been developed, CBP-OIT plans to release another RFP in the next fiscal year to re-compete the IDIQ contract. This will allow all vendors to participate and will also allow CBP to get the most current technology.

Question: DNDO and CBP have formed a working group known as JINII. What is the status of this program with regard to decision about the types of technology that will be deployed?

ANSWER: The JINII program has two main components. First, DNDO will test Commercially-Off-the-Shelf (COTS) and Government-Off -the-Shelf Non-Intrusive Inspection (NII) systems to fully characterize the ability of each system to manually detect shielded nuclear material. Simultaneously, DNDO will fund a rapid prototyping campaign to determine if simple methods are available to upgrade the currently deployed and soon to be deployed NII systems to incrementally improve shielded nuclear material detection performance.

Second, the JINII program will continue its assessment of the Cargo Advanced Automated Radiography System (CAARS). In FY 2009, the CAARS prototypes will be demonstrated in order to characterize the ability of each system to detect shielded nuclear material.

The results of the CAARS testing and evaluation will be compared to the results of the COTS/GOTS NII system testing and evaluation, with and without incremental upgrades. DNDO will then conduct a cost benefit analysis (CBA) to determine how to proceed. The results of this analysis should be completed in late FY 2009.

Question: Will this result in the deployment of a hybrid Non Intrusive Inspection (NII) system that can both identify radioactive shielding materials and provide an image of container contents in a single inspection?

ANSWER: Developing a hybrid system is the goal through the JINII program, DNDO and CBP will coordinate efforts to develop, test, and acquire NII systems that perform the traditional contraband mission (i.e., detection of drugs, explosives, money, etc.) as well as or better than current systems, and perform the shielded nuclear material mission with little or no impact on CBP operations.

Question: How do you expect this technology to improve the cargo container screening rate?

ANSWER: The limiting factor in the cargo container scanning rate is the amount of time it takes an operator to inspect the image for contraband. The current requirement for large scale non-intrusive inspections (LSNII) systems is 10 containers per hour (cph) with a goal of 20 cph. The goal is to increase this rate by automating the image inspection process.

The JINII working group is also working to develop image analysis tools and other techniques to automate the detection of traditional contraband in addition to nuclear contraband (and thereby improve the overall scanning rate).

Automated Targeting System

Question: Please provide a status report on the ATS modules under development.

ANSWER: ATS is a decision-support tool that compares traveler, cargo, and conveyance information against intelligence and other enforcement data by incorporating risk-based targeting scenarios and assessments. As such, ATS allows DHS officers charged with enforcing U.S. law and preventing terrorism and other crime to effectively and efficiently manage information collected when travelers or goods seek to enter, exit, or transit through the United States.

ATS includes the following six components: ATS-N, for screening inbound or imported cargo; ATS-AT, for outbound or exported cargo; ATS-L, for screening private passenger vehicles crossing at land border ports of entry using license plate data; ATS-I, for cooperating with international customs partners in shared cargo screening and supply chain security; ATS-TAP, for identifying anomalous trade activity and performing trend analysis; and ATS-P, for screening travelers and conveyances entering the United States in the air, sea, and rail environments.

- ATS-N is the primary decision support tool for inbound targeting of cargo. This system is available to CBP officers at all major ports (air/land/sea/rail) throughout the United States, and also assists CBP personnel in the Container Security Initiative (CSI) and Secure Freight Initiative (SFI) decision-making process. ATS-N provides CBP officers and Advance Targeting Units (ATU) with an efficient, accurate, and consistent method for targeting and selecting high-risk inbound cargo for intensive examinations. ATS-N increases the effectiveness of CBP officers dealing with imported cargo by improving the accuracy of the targeting of weapons of mass effect, narcotics or other contraband, commercial fraud violations, and other violations of U.S. law. ATS-N processes data pertaining to entries and manifests against a variety of rules to make a rapid automated assessment of the risk of each import. Entry and manifest data is received from the Automated Manifest System (AMS), Automated Broker Interface (ABI), the Automated Commercial System (ACS) and, its successor system, the Automated Commercial Environment (ACE).

- ATS-AT is the outbound cargo targeting module of ATS that assists in identifying exports which pose a high risk of containing goods requiring specific export licenses, narcotics, or other contraband or exports that may otherwise be in violation of U.S. law. ATS-AT uses Shippers' Export Declaration (SED) data that exporters file electronically with CBP's Automated Export System (AES). The SED data extracted from AES is sorted and compared to a set of rules and evaluated in a comprehensive fashion. This information assists CBP officers with targeting and/or identifying exports with potential aviation safety and security risks, such as hazardous materials and Federal Aviation Administration (FAA) violations. In addition, ATS-AT identifies the risk of specific exported cargo for such export violations as smuggled currency, illegal narcotics, stolen vehicles or other contraband.

- ATS-L is a module of ATS that provides for the analysis and rule-based risk assessment of private passenger vehicles crossing the nation's borders. By processing and checking the license plate numbers of vehicles seeking to cross the border, ATS-L allows CBP officers to cross-reference the TECS crossing data, TECS seizure data, and State Department of Motor Vehicle (DMV) data to employ the weighted rules-based assessment system of ATS.

- ATS-I was developed to provide foreign customs authorities with controlled access to automated cargo targeting capabilities and provide a systematic medium for exchanging best practices and developing and testing targeting concepts. The exchange of best practices and technological expertise can provide vital support to other countries in the development of effective targeting systems that can enhance the security of international supply chains and fulfill the objective of harmonizing targeting methodologies. If information from foreign authorities is run through the ATS-I module, it may also, consistent with applicable cooperative arrangements with that foreign authority, be retained in ATS-I by CBP to enhance CBP's targeting capabilities.

- ATS-TAP improves CBP's ability to examine, locate, and target for action violators of US laws, treaties, quotas, and policies regarding international trade. ATS-TAP also offers a trend analysis function. The trend analysis function summarizes historical statistics that provide an overview of trade activity for commodities, importers, manufacturers, shippers, nations, and filers to assist in identifying anomalous trade activity in aggregate.

- ATS-P is the module used at all U.S. airports and seaports receiving international flights and voyages to evaluate passengers and crewmembers prior to arrival or departure. It assists the CBP officer's decision-making process about whether a passenger or crewmember should receive additional screening prior to entry into or departure from the country because the traveler may pose a greater risk for violation of U.S. law. ATS-P's screening relies upon the following databases, Advanced Passenger Information System (APIS), Non Immigrant Information System (NIIS), Suspect and Violator Indices (SAVI), the Department of State visa databases, the Passenger Name Record (PNR) information from the airlines, TECS crossing data, TECS seizure data, and information from the consolidated and integrated terrorist watch list maintained by the Terrorist Screening Center.

Customs Trade Partnership Against Terrorism (C-TPAT)

Question: Please provide details on C-TPAT validation staffing (both government and third-party) for FY 08 and projected for FY 09, including the status and performance of the Third Party Validators Pilot, and the Validation Security Assessment Tool?

ANSWER: C-TPAT will have 200 Supply Chain Security Specialists (SCSS) by the end of FY 2008 and does not anticipate hiring additional employees at this time. SCSS will conduct 3,200 validations in calendar 2008 and projects 3600-4000 validations will be required in 2009 in order to meet SAFE Port act requirements.

With respect to the third party validation pilot, C-TPAT identified 11 third party validators (companies) to conduct validations on behalf of C-TPAT in China. The 11 third party validators were not hired by CBP and therefore are not included or considered as a part of C-TPAT staff. These private companies were only approved for the purpose of gathering information under this pilot program. Of the 306 C-TPAT importer partners invited to participate in the pilot, only 30 volunteered to participate as of March 31, 2008 and C-TPAT is no longer accepting applications. This pilot will come to an end in June and CBP will report its findings to Congress as mandated by the SAFE Port Act.

The Validation Security Assessment Tool (VSAT) was specifically designed to ensure uniformity in the validation process. SCSS are required to use the VSAT during the foreign validation visit. The VSAT ensures that validations are uniform by using standard questions. C-TPAT is developing a second generation automated tool.

Question: What were the results of the Cost Benefit Survey conducted in 2007 of certified C-TPAT participants? How is it being used to assess C-TPAT effectiveness?

ANSWER: 1,756 C-TPAT member companies (with over half being importers) chose to participate in the survey which was conducted on CBP's behalf by the University of Virginia.

The study demonstrates that C-TPAT has moved thousands of companies to give closer scrutiny to the security of the goods they handle and ensure that their overseas suppliers have implemented sound security practices. The study indicated that more than half of the members believe the benefits equal or outweigh the costs associated from being in the program. Benefits identified included:

- Reduced inspections
- Greater ability to predict lead time
- Decrease in supply chain disruptions
- Reduction in wait times for carriers at the border
- Increase in number of customers, revenues and marketability
- Established supply chain security procedures where none existed previously
- More frequent review of service provider security standards
- Reduce cargo theft and pilferage
- Improved security for workforce
- Access to CBP Supply Chain Specialists

The vast majority of business (91.5 %) indicated that they had not considered leaving the program.

The survey has served as a valuable program management tool. C-TPAT has developed several program measures, one of which is to assess member satisfaction with the program. Several key metrics identified in the survey (e.g. members' perceptions regarding the number of exams incurred, wait times and interaction with Supply Chain Security Specialists) will be used to identify those areas where C-TPAT can improve its efforts.

As an example, C-TPAT organized a panel discussion during its 2008 trade conference for more than 800 members to discuss program benefits. The panel consisted of a C-TPAT manager, members and non-members and provided a forum to discuss the tangible and intangible benefits of being involved in the program. One outcome is that C-TPAT is developing a guide describing the various benefits associated with membership in the program.

C-TPAT intends to conduct similar surveys to gather information and evaluate the quality of interaction at the program level and with Supply Chain Security Specialists. C-TPAT is actively seeking member input regarding particular areas of interest and metrics for the next survey, tentatively scheduled for 2009.

National Targeting Center

Question: Please describe the current onboard and targeted staffing for the National Targeting enter (NTC), and how NTC will accommodate increased demand for real-time analysis and targeting services for an expanded CSI and SFI, including remote screening such as conducted at Port Qasim, Pakistan and Puerto Cortes, Honduras.

ANSWER: CBP's National Targeting Center, Cargo (NTCC), currently has 45 onboard permanent staff, and is supplemented by another 14 temporary staff. Recruitment efforts are underway which will allow CBP to meet its targeted staffing goal of 74 by the end of FY08.

Currently there are 20 full time NTCC analysts responsible for 100 percent remote screening of SFI Qasim, Pakistan and limited remote monitoring for SFI Puerto Cortes, Honduras. Additional screening by the NTCC may be required for the SFI port of Salalah, Oman once it becomes fully operational. These targeters also conduct 100 percent CSI remote targeting for Australia, New Zealand, and Israel in addition to augmenting the targeting for 6 additional ports of Hong Kong, Shanghai and Shenzhen, China, Busan, Korea, Singapore, and Bremerhaven.

As targeting responsibilities increase due to added SFI locations, additional permanent and/or temporary staff may be needed.

NEXUS/SENTRI/FAST

Question: Please provide funding and staffing details for NEXUS, SENTRI and FAST for fiscal years 2007-09.

ANSWER: Free and Secure Trade (FAST), NEXUS, and Secure Electronic Network for Traveler's Rapid Inspection (SENTRI) are funded as follows for the following years:

- FY 2007: $11.2 million
- FY 2008: $11.2 million
- FY 2009: $11.3 million

No funding for staffing is included in these amounts. Amounts include funding to maintain the Global Enrollment System (GES), which is a backbone system to FAST, NEXUS and SENTRI. These programs do not have any dedicated operational staff. Rather, CBP Officers perform duties as assigned and needed for these programs, including the enrollment of prospective members.

Question: Please provide updated statistics for participation in NEXUS, SENTRI, and FAST from FY 07 projected through FY 09, and a table showing numbers of vehicles and people that traversed those lanes in FY 2007 and are anticipated to do so in FYs 2008-09, compared with total traffic at those ports of entry.

ANSWER: Please see the following tables.

Participation in NEXUS, SENTRI, and FAST

Program Participation	FY07 (actual)	FY08 (half year actual)	FY08 (projected)	FY09 (projected)
NEXUS	141,366	183,150	224,934	318,507
SENTRI	143,060	162,546	182,032	257,757
FAST	88,593	93,077	97,561	105,000
CTTP total	**373,019**	**438,773**	**504,527**	**681,264**
Percent Increase From Previous Year	28.5%		35.3%	35.0%

Vehicle Crossings: Total and Dedicated Commuter Lanes *at DCL equipped ports of entry)*									
Vehicle Crossings	FY07 (actual)			FY08 (projected)			FY09 (projected)		
	Total Vehicle Traffic	DCL Traffic	DCL Percent of Traffic	Total Vehicle Traffic	DCL Traffic	DCL Percent of Traffic	Total Vehicle Traffic	DCL Traffic	DCL Percent of Traffic
NEXUS Ports	19,121,042	1,718,140	8.99%	17,302,556	1,751,340	10.12%	19,897,939	2,014,041	10.12%
SENTRI Ports	63,266,987	6,018,272	9.51%	60,935,746	7,123,940	11.69%	70,076,108	8,192,531	11.69%
FAST Ports	11,459,190	864,285	7.54%	10,997,886	1,157,112	10.52%	11,228,538	1,515,854	13.50%
Total	**93,847,219**	**8,600,697**	**9.16%**	**89,236,188**	**10,032,392**	**11.24%**	**101,202,585**	**11,722,426**	**11.58%**
Percent Increase From Previous Year		54.8%			16.6%			16.8%	

* FAST is now available in all commercial lanes in all land border ports
* Empty trucks using FAST dedicated lanes are categorized as "paper" releases as of July 2007. The FAST statistics reported here are for loads only. The total truck population includes both empties and loads.

In-Bond Containers

Question: Last year CBP, in answers for the record, said provided COTS technology is viable and capable of meeting CBP's security and operational requirements, CBP anticipated addressing the various inter-modal (e.g., sea containers, trailers) and conveyance configurations unique to in-transit shipments moving under CBP bond through the in-bond tracking initiative. Please describe the lab, field and, if relevant, operational testing conducted in 2007 of commercial off-the-shelf (COTS) technology being considered for use to monitor and track containers and trailers, and the status of the program in FY 2008 and planned for FY 2009, including funding for those fiscal years.

ANSWER: In September 2006, CBP conducted laboratory testing on a security seal product, which was undergoing testing by a foreign customs agency. The security system was found to be satisfactory and recommended for road testing.

In October 2006, CBP conducted a 1700+ mile road field test with two tracking systems (identified through lab testing conducted in FY 06) and the one security system identified in September 2006. These systems were mounted on a trailer that was driven on a route selected to simulate an in-bond trade-lane and included a portion of the Laredo-to-Detroit in-bond trade route. Tracking system and security system performance was monitored and assessed through out the five-day trip. None of the three systems fully satisfied the in-bond operational requirements.

After reviewing the results of the road field test, CBP decided, in January 2007, to pursue an integrated tracking and security capability for the next phase of the technology evaluation. Of the three vendors from the road field test, only one vendor announced immediate plans to pursue an integrated solution, by augmenting their original tracking systems with electronic seals. The other tracking system vendor only offered an existing interface to rudimentary security sensors. The security system vendor indicated the future possibility of other product lines with tracking and security capabilities. Market research identified a new vendor with another promising integrated solution. Both vendors required additional development time but planned to have equipment ready for testing by May 2007.

In May 2007, CBP received the integrated tracking and security systems from the two vendors for evaluation. CBP completed the laboratory evaluations of these systems with some degree of success and various problems noted. Subsequent to the evaluation, both vendors separately informed CBP of financial difficulties and suspense of operations. As a result, CBP has suspended all activities for the first vendor's systems. CBP maintains contact with the acquired second vendor, awaiting announcement of improved products.
During this same period, market research also uncovered an Optical Character Recognition (OCR) system to provide the capability to read container identification and automatically reconcile in-bond transactions between origination and destination points.

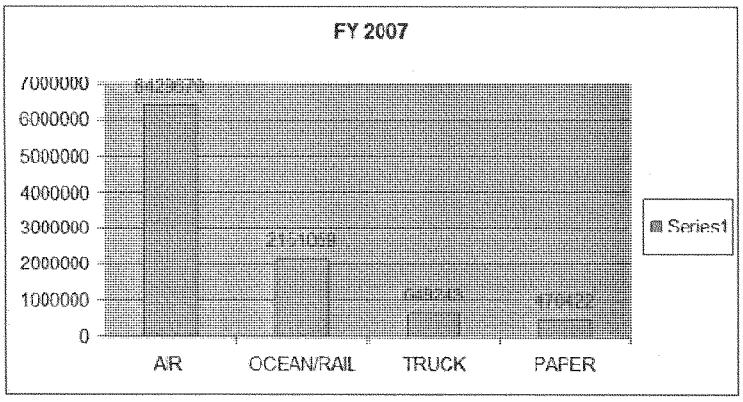
In June 2007, CBP received the OCR system and conducted an initial evaluation. The OCR system is based on license-plate-reader technology and significant improvement is still required to support reading container/trailer identification. Some success was achieved reading numbers and characters, but the system failed to consistently read the entire container identification. CBP shared the general findings with the vendor, who is working to improve their OCR system. CBP is monitoring vendor progress, and awaiting an improved product for testing.

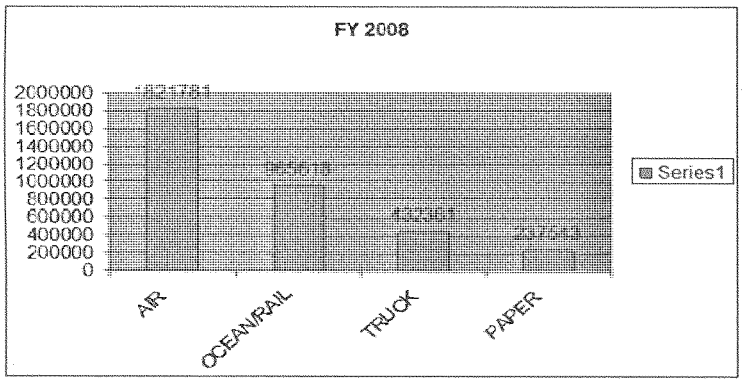
In September 2007, CBP decided to demonstrate the use of proven Radio Frequency (RF) transponder technology to reconcile in-bond transactions between origin and destination points. Issues related to reconciliation of in-bond transactions were cited in a Government Accountability Office (GAO) Report GAO-07-561 (dated April 2007) and similarly in GAO Report GAO-04-345, as follows: *"The major weakness is that CBP does not adequately monitor and track in-bond goods. In particular, it does not consistently reconcile in-bond documents issued at the arrival port with documents at the destination port to ensure that the cargo is either officially entered with appropriate duties or quotas applied, or is in fact exported."*

In January 2008, CBP conducted a pilot test using this Radio Frequency (RF) transponder technology. Results from this initial Phase 1 pilot tracked 68 of the 70 containers tagged within LA/Long Beach, California to Laredo, Texas. As a result of this successful pilot, CBP is currently planning Phase 2 which will track all containers from the Hanjin terminal at LA/Long Beach to Laredo, TX. Phase 2 is anticipated to start in the June 2008 timeframe.

Question: You track in-bond cargo by shipment, not by container. How many shipments were in-bond in fiscal year 2007 and to date? Of these, how many were sealed? Do you have data or an estimate for the number of containers accorded in-bond treatment?

ANSWER: The two charts on the following page show the total number of in-bond shipments by mode. The in-bonds listed under paper were input into the system by CBP based upon a paper application presented by the trade. However, the input function does not capture the mode (air, ocean/rail and truck).





CBP is unable to relate seals to in-bond shipments, as seal information is not part of the in-bond transaction set. Also, since in-bonds are tracked at the shipment level, we are unable to determine the number of containers.

Textile Transshipment Program

Question: What is the status of the textile transshipment enforcement effort? How many CBP positions – import specialists, CBP Officers, and international trade specialists – are on-board in the Textile Enforcement Division? Please indicate locations where they are assigned.

ANSWER: CBP continues to place a heavy focus on identifying illegal textile transshipment. CBP, along with Immigration and Customs Enforcement (ICE) conducted Textile Production Verification Team (TPVT) visits to 15 economies in 2007. A total of 671 factories were visited to address illegal textile transshipment from China

and, where applicable, compliance with Free Trade Agreements (FTAs) and other trade preference programs. This was an increase of 57% over FY 2006. Through the second quarter of FY 2008 seven economies accounting for 288 factories have been visited.

In FY 2007, CBP seized approximately $48.1 million in textile products found to be in violation of the U.S. – China Quota Agreement. These seizures represented items found to be mis-described as other items, smuggled goods and goods involved in illegal transshipment claiming an incorrect country of origin. The seizures in FY 2007 were approximately 50% lower than FY 2006. Seizures through the second quarter of FY 2008 are approximately $34.3 million. This is ahead of the FY 2007 pace.

CBP has also initiated 7 special operations in FY 2008 to address a number of different textile enforcement issues.

With the establishment of CBP's Office of International Trade in FY 2007, the Textile Enforcement and Operations Division (TEOD) was renamed the Textile and Apparel Policy and Programs (TAPP) Division. This Division is comprised of three branches – Textile Operations, Textile Policy and Quota – which continues to address policy and programmatic issues related to textile, apparel and quota rules and regulations. Staffing for TAPP is currently nine positions. Recruitment is underway for three additional positions. These positions are located in Washington, DC.

Question: Please chart the growth and projected growth of these positions per fiscal year for FY07 and projected through FY09.

ANSWER: With the establishment of CBP's Office of International Trade in FY 2007, the Textile Enforcement and Operations Division (TEOD) was renamed the Textile and Apparel Policy and Programs (TAPP) Division. This Division is comprised of three branches – Textile Operations, Textile Policy and Quota – which continues to address policy and programmatic issues related to textile, apparel and quota rules and regulations. Staffing for TEOD was 12 Full Time Equivalent Employees (FTE) in FY 2007. Staffing for TAPP is currently at nine FTE with three open vacancies. We are recruiting to fill these vacancies and will plan to maintain this staffing level in FY 2009. These positions are located in Washington, DC.

Question: Please list numbers and destinations of textile production verification team visits in FY 2007 and number of manufacturers and producers visited on these trips.

ANSWER: 15 economies and 671 factories were visited or attempted to be visited in FY 2007:

- Hong Kong (two visits) - 361 factories
- Macau – 27 factories
- Morocco – 15 factories
- Egypt – 17 factories
- Jordan – 32 factories
- Philippines – 44 factories
- Indonesia – 46 factories
- Thailand – 14 factories
- South Africa – 16 factories
- Botswana – 10 factories
- Madagascar – 13 factories
- Mauritius – 11 factories
- Nicaragua – 21 factories

- Guatemala – 26 factories
- El Salvador - 18 factories

Question: Please describe results of enforcement efforts in FY07, including value of seizures and any initiatives taken.

ANSWER: CBP along with Immigration and Customs Enforcement (ICE) conducted Textile Production Verification Team (TPVT) visits to 15 economies in 2007. A total of 671 factories were visited to address illegal textile transshipment from China and, where applicable, compliance with Free Trade Agreements (FTAs) and other trade preference programs.

CBP seized approximately $48.1 million in textile products found to be in violation of the U.S.–China Quota Agreement. These seizures represented items found to be mis-described as other items, smuggled goods and goods involved in illegal transshipment claiming an incorrect country of origin.

There were approximately 13,327 physical examinations performed on textile and wearing apparel shipments.

The Laboratory and Scientific Services performed fiber analysis on 1,527 shipments resulting in a change in classification for 700 samples tested.

The Office of Regulatory Audit conducted audits of 66 importers resulting in the recommended recovery of $5.61 million in revenue.

There were 68 commercial fraud penalties issued totaling $50.1 million.

Steel Tariff Enforcement

Question: Please describe the cooperative training program to cover specialized training for government and industry related to customs laws on steel tariff enforcement for fiscal year 2007 and planned for fiscal yeas 2008-09.

ANSWER: U. S. Customs and Border Protection (CBP) continues to work closely with the domestic steel industry to conduct steel training seminars. Although CBP provides logistical support and often provides a facility, the domestic steel industry funds and presents the training. These seminars aim to increase the steel import knowledge of both CBP and the Customs broker community. Principles of steelmaking and an introduction to the steel market and trade law are presented in these seminars, as well as information on classification, technical, legal and commercial issues dealing with carbon, alloy, and stainless steel mill products.

Four steel seminars were provided during FY 2007, in Savannah, GA; Philadelphia, PA; Detroit, MI; and Portland, OR. In FY 2008, 6 steel seminars will be held, in Los Angeles, CA; Chicago, IL; Tampa, FL; Baltimore, MD; Houston, TX; and Laredo, TX. Although the FY 2009 seminars are not yet planned, CBP will continue to provide support for the steel seminars and closely monitor the compliance of the steel importing community. The steel importing community remains highly compliant and in FY 2007, steel imports had a 96.4 percent compliance rate.

Advanced Spectroscopic Portal (ASP) Monitors

Question: First generation radiation portal monitors (PVTs) "alarm" frequently when they encounter naturally occurring radioactive material in cargo. Resolving these alarms using handheld devices is labor and time intensive. As a result, DHS began work on a second-generation portal monitor (ASP) to both detect radiation and rapidly identify the source, to distinguish harmless material and enable CBP to concentrate on real threats.

- In the independent review of the ASP program conducted by Homeland Security Institute, the final report notes that DNDO needs to devise a better process to test and evaluate how effective the ASP machines are. Are you doing this? Will this revised testing be part of the testing the ASPs go through in the spring and summer of 2008 before being certified for use in secondary screening? If not, what assurances can you provide that the ASPs actually have an improved ability to detect and identify actual threat objects that may be smuggled into the United States?

ANSWER: Yes, the Department has established a Memorandum of Understanding between DNDO, the DHS S&T Testing and Evaluation and Standards Division, and Customs and Border Protection to establish an independent Operational Testing and Evaluation (OT&E) team for the ASP program. The OT&E team will assist DNDO in completing developmental testing of the ASP systems and lead the Operational Testing.

DNDO, CBP, and the OT&E team are working to establish a more operationally relevant scoring scheme to be used on the Fiscal Year 2008 testing of the ASP systems. DNDO will include more challenging NORM sources identified by the Department of Energy Second Line of Defense (SLD) program.

The new construct with S&T oversight and an independent OT&E team will be involved in upcoming tests to be conducted in the spring and summer of 2008.

Question: In the same HSI review of the ASP program, the final report notes that "A generally accepted principle in government and industry is that the sponsoring or developing agency should not be the testing authority because they have an inherent conflict of interest...Both development and operational test plans and procedures should be assessed by an independent oversight activity to ensure that they complied with all Departmental policies and directives" However, in the case of ASPs, DNDO is both the sponsor and tester of this equipment. This appears to be a conflict of interest. Why didn't DNDO use an outside entity to test and evaluate ASPs?

ANSWER: DNDO has a formal end-to-end test planning process that follows accepted systems engineering methodologies, provides for safe and effective evaluations of detection systems, engages multiple governmental agencies to ensure good communication, standardizes test practices where possible and minimizes redundancy. The ASP test team involved subject-matter experts from several non-DNDO entities including the National Institute for Standards and Technology (NIST), DOE Second Line of Defense and DOD Defense Threat Reduction Agency. DNDO also uses several National Labs for ASP tests, as well as other testing activity: Lawrence Livermore National Lab (LLNL), Los Alamos National Lab (LANL), Sandia National Lab (SNL), and Pacific Northwest National Lab (PNNL). We also use the Remote Sensing Laboratory (RSL) personnel in Nevada who are National Security Technologies (NSTec) employees. These individuals are key players in developing test plans and assisting in analysis of results.

Nonetheless, in response to the IRT finding that DHS would greatly benefit from an independent operational test and evaluation process to ensure that testing measures the operational performance and reliability of new systems; the Department has established an independent OT&E team for ASP, under the oversight of the DHS Director of Test and Evaluation and Standards. This independent team will coordinate with CBP and DNDO on further Developmental testing and directly manage OT&E to determine ASP operational effectiveness and suitability findings.

In addition, the National Academy of Sciences is forming a committee of experts to perform tasks addressing Department of Homeland Security Secretarial requirements for certification of ASP systems for secondary screening and, to the extent possible, for primary screening. The committee will evaluate DNDO's ASP assessments, performance tests, and analyses. Specifically the committee will:

- Evaluate the adequacy of DNDO's past testing and analyses of the ASP systems;
- Evaluate the scientific rigor and robustness of DNDO's testing and analysis approach;
- Evaluate DNDO's cost benefit analysis of ASP technology.

Question: After repeated delays, Secretarial certification of ASPs effectiveness is now tentatively scheduled for late fiscal year 2008. If Secretarial certification does not occur, what portion of your $157.7 million system acquisition request for portal monitors is tied to this?

ANSWER: The systems acquisition budget is tied to the procurement, deployment, and maintenance of the Radiation Portal Monitoring Program (RPMP), which includes PVT systems as well as ASP systems. If ASP is certified, a large portion of these dollars will be allocated for acquisition of ASP systems. If ASP is not certified, these dollars will be used to deploy the existing PVT systems under the RPMP.

The table below addresses Fiscal Year 2009 budget request allocation plans, as well as numbers for PVT and ASP acquisition.

PVT Systems	**FY 2009 (Units)**	**FY 2009 (Dollars)**
Procurement	240	$24,000,000
Deployment to Seaports / Land Borders	50	$15,300,000
Deployment to Airports	32	$16,000,000
Subtotal		**$55,300,000**

ASP Systems	**FY 2009 (Units)**	**FY 2009 (Dollars)**
Procurement	125	$50,000,000
Deployment to Seaports / Land Borders	92	$34,500,000
Upgrade of LRIPS to 4.1		
Field Validation		
Production Execution		$12,900,000
Block Upgrade to 5.0		$5,000,000
Subtotal		**$102,400,000**

TOTAL		**$157,700,000**

Question: DNDO staff has told the Subcommittee that certification may be staggered; meaning the Secretary may certify one ASP vendor's system while the others are still undergoing testing and evaluation. Why would you do this? Doesn't it make sense to wait until all systems development and testing is complete and evaluate the results of all systems simultaneously?

ANSWER: The current ASP schedule indicates that testing and evaluation of the two Sodium Iodide (NaI) systems will be conducted at the same time, and results of this testing will be available to support the Secretarial

certification in late Fiscal Year 2008. Test and evaluation of the High Performance Germanium (HPGe) system will be conducted in Fiscal Year 2009.

The Test and Evaluation conducted prior to Certification is to demonstrate that the ASP provides "significant improvement in operational effectiveness" when compared to the currently-deployed technology. The results from any of the three systems will be sufficient for the Secretary to certify each system. DNDO believes that waiting to compare the results of all systems simultaneously would delay the deployment of technology that will protect the Nation against radiological and nuclear threats.

Question: In recent testimony before the House Homeland Security Committee and press remarks, DNDO indicated that it planned to spend $357 million for the ASP program, well below the original funding level of $1.2 billion. Why are you reducing the scope of the program? Please explain this figure.

ANSWER: DNDO is not reducing the scope of the ASP program. The $357 million figure reflects the current joint DNDO CBP deployment plan that calls for the acquisition of 716 ASP systems, but does not include deployment costs. Further, as we have previously explained, the $1.2 billion dollar number represents the total contractual ceiling for the ASP contract if all options for all variants with all vendors are exercised.

Question: At the $357 million level of funding, will you be locking in a concept of operations that doesn't offer any great improvement in detection capabilities or efficiencies over present configurations? At this level, will you still be relying on agents with hand held devices in a new tertiary step in significant numbers?

ANSWER: As previously stated, DNDO is not reducing the scope of the ASP program. The $357 million figure reflects the current joint DNDO CBP deployment plan that calls for the acquisition of 716 ASP systems. This figure only pertains to procurement of the systems and does not include deployment costs. Moreover, this funding level is unrelated to scanning CONOPS that are being employed.

The $357 million level of funding reflects the cost to acquire 716 ASP systems as part of a broader joint DNDO CBP deployment plan. The joint deployment plan combines current and next-generation technologies to balance our desire for coverage as well as improved capabilities. Therefore, CBP will continue to use handheld devices as one of many tools utilized to scan a container for radiological and nuclear threats.

At locations where ASP will not be deployed or will not be deployed in the near future, CBP Officers will continue to utilize handheld Radioactive Isotope Identification Devices (RIIDs) in the same manner in which they do now. The RIID will also continue to be utilized as a secondary tool by CBP Officers in venues where the current ASP system is not expected to be deployed (i.e. IGA, passenger screening, low volume POEs). Additionally, until the next generation handheld devices are identified, the RIID remains the only interrogation tool available. Moreover, until ASP system reliability is fully known, it is prudent to retain the RIID as part of a back up detection system.

Question: In your current concept of operations, is DNDO and CBP relying on vehicles passing through secondary at 2 mph or 5 mph? Based on recent visits this Subcommittee has made to various ports, it appears that in many cases, these speeds basically unachievable or, in the case of 5 mph, the exception rather than a uniformly enforceable speed. How do you plan on enforcing these speed limits so that you get a good reading the first time instead of having a truck go through scanning multiple times before a reading can occur?

ANSWER: The CBP Standard Operating Procedure (SOP) for secondary scanning calls for the vehicle to pass through the RPM at 2 mph. Traffic controls are part of the ancillary equipment installed at secondary scanning

locations. This equipment, along with the experience of the CBP Officers present, ensures that the vehicle passes through the RPM at the appropriate speed.

9/11 Act Mandate

Question: The 9/11 Act mandates that "a container that was loaded on a vessel on a foreign port shall not enter the United States (either directly or via a foreign port) unless the container was scanned by nonintrusive imaging equipment and radiation detection equipment at a foreign port before it was loaded on a vessel. This mandate is effective on July 2, 2012. While DNDO is responsible for developing systems that will better scan cargo for radiation when it enters the U.S., these same systems could be used overseas at foreign ports. What is DNDO's role in assisting the Department and the shipping community to meet the 9/11 Act overseas scanning mandate?

ANSWER: DNDO is a strong proponent of layered defense and is working with interagency partners to improve detection capabilities overseas. In late 2006, DHS, DOE, and the State Department announced the Secure Freight Initiative (SFI) —an effort to build upon existing port security measures by enhancing the Federal government's ability to scan containers for nuclear and radiological materials overseas and to better assess the risk of inbound containers. DNDO's efforts in support of SFI is the central way that we are working to meet the 9/11 Act overseas scanning mandate.

DNDO has been working with SFI representatives on methods for analyzing the combined data produced by SFI installations, namely the combination of (1) passive radiation detection scans from DOE-installed PVT portal monitors, (2) x-ray or gamma-ray images from non-intrusive inspection equipment, and (3) targeting information taken from manifests and other sources. In our joint work, initial interest has focused especially on x-ray or gamma-ray images. CBP Officers can benefit from decision aids that assist them in spotting anomalies on the images. DNDO has now provided image analysis tools that are being included in the viewers that CBP officers use for SFI data.

As SFI ramps up further, there will be increasingly large volumes of scanning, imaging and targeting data coming from overseas. CBP will need more efficient ways to analyze the data and spot anomalies that may require further investigation. To help accomplish this, DNDO plans to continue to support CBP by developing techniques for fusing the three kinds of data: radiation detection, imaging, and targeting-type information (e.g., manifests). The effectiveness and utility of these techniques will be examined using actual data from the three existing and operational SFI full-implementation pilot installations.

Finally, in conjunction with CBP, DNDO will ensure that other promising data analysis and detection concepts (such as those under development within our Product Acquisition and Deployment Directorate or our Transformational and Applied Research Directorate) are incorporated into the SFI pilots in a timely way.

Analysis of Shielding

Question: Has DNDO or any other U.S. agency done a statistical analysis of containers and cargo entering the U.S. to estimate how many containers could contain materials that could shield or otherwise inhibit the detection of radioactive or dangerous material? If so, please provide the findings; if not, is such a study planned?

ANSWER: DNDO has not performed a comprehensive study to develop statistics concerning the type and amount of cargo that would shield or mask radioactive materials. However, DNDO has done limited scope studies to characterize and understand the mechanisms involved of those commodities where trends and/or issues in resolving alarms have been encountered at US Borders and USG deployed detectors overseas. The DNDO Secondary Reachback Program working in conjunction with DOE National Laboratories and CBP has developed reports on such items as television sets, cat litter, food items that uptake radioactive materials, contaminated metals, ceramics, fertilizers, and industrial materials that have consistently caused alarms in Radiation Portal Monitors.

A comprehensive study has not been conducted nor is one currently planned. DNDO and CBP continue to monitor alarms at deployed detectors and analyze those cases where trends are seen and those that may indicate a potential vulnerability. Currently, DNDO is analyzing the data from several recent cases of neutron only alarms to determine what type of materials could be "hidden" in different loads that would result in such signatures and the protocols necessary to get adequate technical data to resolve these alarms.

Domestic Nuclear Detection Office

Management and Administration

Question: The 2009 budget requests $6,001,000 in adjustments to base within the Management and Administration account, yet there is little explanation as to how this figure is derived. Please detail for the Committee how much of this funding is for pay and non-pay inflation, for annualizations, for GSA rent, for Working Capital Fund, and any other activities.

ANSWER:

- $2,703,000 is for pay:
  - $2,157,000 is for annualizations
  - $546,000 is for 2009 pay increases
- $3,298,000 is for non-pay:
  - $108,000 is for GSA rent
  - $2,455,000 is for restoration of base for financial management and internal controls. The restoration includes funding for three Accountants ($455,000) and payment for the DNDO Financial Management System.
  - $738,000 is for Working Capital Fund increases
  - $258,000 is for Non-pay inflation (excluding GSA rent)
  - ($261,000) is for Management & Technology efficiency (decrease)

Question: At the end of fiscal year 2007, DNDO was 21 FTEs below its requested level. The Committee included report language urging DNDO to fill these positions expeditiously. To date, how many of these positions have been filled? What is the plan to fill the remaining positions?

ANSWER: Of the 21 positions vacant at the end of FY 2007, ten have been filled to date. However, since September 2007, an additional seven employees have resigned or rotated back to home organizations. Specifically, of these seven staff members, three were DNDO employees, one was a TSA detailee, two were DoD detailees, and one was a FBI detailee. In total, this has resulted in a net addition of three employees (for a total of 94 positions filled).

DNDO is working to fill the remaining 18 positions expeditiously. We are in daily contact with the Chief Human Capitol Office (CHCO) and have weekly meetings about recruitment actions. DNDO is also taking responsibility for loading pending actions into the newly implemented eRecruitment system instead of waiting for CHCO staff to upload the requests to USA Jobs and process them manually. There are Position Descriptions developed for every billet and an action in progress for every unfilled FY 2007 position and each new FY 2008 position.

DNDO posted eight vacancy announcements for a total of 12 positions in February and March (several vacancy announcements may be used to make multiple offers). This is the latest in multiple rounds of recruitment actions to fill these positions. Several advertisements were made with no selections. There were three instances where selections were made, but the individuals later declined the jobs. DNDO made a renewed effort towards the end of the last fiscal year to fill our vacancies and began submitting new recruitment packages to the Office of the Chief Human Capital Officer in October. These packages resulted in the February and March vacancy announcements. DNDO has another 14 recruitment actions presently in progress at the Office of the Chief Human Capital Officer. Finally, DNDO is working with our agency partners to have all of our detailee vacancies filled.

Question: DNDO plans to hire an additional 18 FTES in 2008. What changes have you made to your hiring process so that DNDO hires these FTEs more expeditiously than occurred in 2007? As part of this response, please clearly identify each position you are filling in 2008, including a brief description of their responsibilities and when during the fiscal year you anticipate this position will be filled.

ANSWER: DNDO has made several changes in our hiring process to fill positions expeditiously. We are in the process of developing a Human Capitol Plan that will help us better project future hiring needs. We are also attending several recruitment conferences so that we can expand the pool of potential applicants. DNDO is improving our relationship with the Chief Human Capitol Office and have weekly meetings with them about recruitment actions. DNDO is also taking responsibility for loading pending actions into the newly implemented eRecruitment system instead of waiting for CHCO staff to upload the requests to USA Jobs and process them manually.

For every known or anticipated vacant position, DNDO has a pending recruitment action in process at the Office of the Chief Human Capital Officer or, if a vacancy is a detailee position, DNDO is working with our agency partners to backfill the billet.

#	*FY 2008 Position*	*Responsibilities*
1	Red Teaming Deputy Manager, GS-301/1811-14 (FBI)	• Assist the Branch Chief for Red Teaming. Red Teaming assessments are performed from a postulated and validated adversary's perspective. These assessments include operational and analytical assessments of our Nation's defensive rad/nuc capabilities. • Provide necessary Federal law enforcement perspective in the planning and execution of red teaming assessments. • Oversee contractor field operations, interpreting and enforcing rules of engagement, and representing RTNA in Federal, State, county and municipal engagements for Red Teaming activities at those levels.
2	Systems Architect, GS-801/1301-14/15	• Lead projects and tasks in the architecture development program. • Conduct and direct technical studies and systems analyses to support the development of the global nuclear detection architecture. • Provide technical expertise in the design, implementation, and evaluation of global nuclear detection architectures, and assist other DNDO offices and staff on architecture design and implementation. • Work with Department, agency, field and contractor personnel to develop appropriate methodologies, including data collection tools and systems, databases and measures. • Develop performance measures for products and efforts in order to determine the effectiveness of radiological and nuclear detection systems and services. • Propose priorities for work objectives in order to allocate budget, staff, and resources to achieve priority objectives.
3	Systems Architect, GS-801/1301-14/15	• Same as position 2 above.
4	Information Systems Security Manager, GS-80-13/14	• Serve as responsible party for systems security support and oversight for DNDO. • Draft, coordinate, and implement all actions and security-related documents required for business systems networks through Approval to Operating cycles. • Manage security workflow on a multitude of critical security issues, including security correspondence, policy and documents (e.g., AIS, SSP, Privileged Use Guide, Security Test and Evaluation Plans, etc). • Manage systems security practices and procedures and establish, maintain, and manage all aspects of Communications Security (COMSEC) for DNDO.
5	Aviation Deputy Program Manager, GS-343-15	• Plan, organize, and carry out program management duties involving the planning, development, and implementation of a major agency program(s) of national scope and impact under the Aviation Mission

		Area. • Develop long- and short-range plans, resource projections, priorities, and justifications. • Develop, coordinate, and implement strategic plans to include mission, goals, objectives, and implementation strategies. • Coordinate requirements among organizational units in the formative stages of program initiation, project design, project implementation, and management of ongoing programs. • Translate management goals and objectives into effective operations and establishes control systems and progress reporting requirements that monitor production goals or program priorities in order to evaluate progress and results. • Serve as an expert consultant on the most challenging aviation program management issues. • Maintain close contact with Federal stakeholders, agencies, key State and local agency stakeholders, commercial industry representatives, and international partners.
6	Nuclear Assessment Specialist, GS-301-12/13	• Track, process, fuse, and analyze radiation detection data and all-source intelligence and provide assessments regarding the presence or perceived presence of a nuclear or radiological threat. • Manage the receipt and analysis of complex data sets that may contain indicators of potential nuclear terrorism. • Monitor and analyze nuclear detection and other information streams and threats or incidents from initial reports to archival, identifying information gaps and pursuing needed details.
7	Operations/Program Analyst (DoD)	• Provide 24/7 support to the Global Nuclear Detection Architecture, including facilitating rad/nuc detector alarm adjudication and resolution, providing technical support to operators, and fusing Law Enforcement and intelligence information with available technical information to assess potential radiation/nuclear threats. • Maintain expertise on detector performance, capabilities, and operational aspects, train other JAC personnel to increase JAC knowledge of deployed assets, and work with the USG interagency in coordinating and maintaining awareness of the deployment of Federal, State, and local detection assets. • Identify and assist with the resolution of policy issues that require clarification in order to ensure the most effective relationship between DHS and DoD regarding radiation detection, prevention, and emergency response.
8	Operations Analyst, GS-301/343-12/13 (DOE)	• Provide 24/7 support to the Global Nuclear Detection Architecture, including facilitating rad/nuc detector alarm adjudication and resolution, providing technical support to operators, and fusing Law Enforcement and intelligence information with available technical information to assess potential radiation/nuclear threats. • Maintain expertise on detector performance, capabilities, and operational aspects, train other JAC personnel to increase JAC knowledge of deployed assets, and work with the USG interagency in coordinating and maintaining awareness of the deployment of Federal, State, and local detection assets. • Identify and assist with the resolution of policy issues that require clarification in order to ensure the most effective relationship between DHS and DOE regarding radiation detection, prevention, and emergency response.
9	Chief of Engagements, GS-343-14/15	• Serves as a Subject Matter Expert in preventive radiation/nuclear detection practices. Manage preventive rad/nuc detection engagement programs, projects and support activities designed to enhance the capacity of the Nation to prevent an act of terrorism. • Assess program effectiveness or the improvement of complex program and management processes and systems encompassing difficult and diverse functions or issues that affect critical aspects of the major DHS programs.

		• Coordinate official engagement, outreach, and marketing and assist in the program development efforts underway in international, Federal, State, and local jurisdictions. • Direct the capture, reporting, and analysis of statistical data relating to the organizations' operations and direct or personally perform special studies or projects. • Serves as a consultant on radiological isotopes source security to the entire community. • Serves as an information conduit between DNDO and Fderal, Sate, and local government agencies. • Research, analyze, and provide expert technical advice and assistance on complex program issues which impact substantive mission-oriented programs.
10	Senior Product Engineer, GS-801-15	• Provide oversight, management, and coordination of all Product Engineering efforts to ensure an efficient and effective engineering process is implemented for the design, development, and deployment of all systems acquired to support the domestic radiation and nuclear detection architecture. • Coordinate with other DNDO components to understand end-user requirements and ensure that the approved DNDO systems engineering processes are documented and being implemented. • Apply approved DNDO engineering processes to verify design requirements can be achieved and validated within the approved budget. • Serve as the focal point for PADD for new projects or initiatives proposed for acquisition and ensure that any systems are achievable. Pilot programs, prototypes and the like may be required to determine the feasibility of any requested system.
11	Aviation Vector Program Manager, GS-801-15	• Provide management and coordination of all efforts for the design, development, and initial deployment of systems acquired to support various aviation venues. • Identify and verify that the all requirements are properly documented and can be achieved within approved budgets. • Monitor contract expenditures, technical efforts and schedule performance to ensure that all contractual milestones can be achieved within the approved budget.
12	Maritime Vector Program Manager, GS-801-15	• Provide management and coordination of all efforts for the design, development, and initial deployment of systems acquired to support various maritime venues. • Identify and verify that the all requirements are properly documented and can be achieved within approved budgets. • Monitor contract expenditures, technical efforts and schedule performance to ensure that all contractual milestones can be achieved within the approved budget.
13	Test Scientist, GS-14/15	• Manage programs, projects and activities in the area of nuclear and radiological detection systems engineering. • Generate requirements from supporting office inputs, create standards and performance specifications for technologies that will satisfy requirements, and support development of test plans that will verify performance against key parameters. • Work with and lead multiple customer groups to ensure that components and systems are appropriate, validated, and verified. • Plan, develop, and implement test plans and protocols to characterize and/or compare systems. • Determine data collection techniques, execute the data collection, ensure the quality of measured data, and analyze the results. • Work closely with the systems engineers developing performance requirements to ensure that requirements are testable. • Lead the development and implementation of Systems Engineering Master Plans, Integrated Master Schedules, requirements documentation, risk management processes, configuration control plans,

		and Earned Value Management processes.
14	Systems Engineer, GS-801-14/15	• Execute a disciplined systems engineering process rad/nuc detection programs. • Lead efforts to provide a basis for a structured, holistic standards development process throughout the entire lifecycle. • Develop, implement, monitor, and evaluate short-and long-range plans, projects and program activities for DNDO's systems engineering activities in support of multiple radiation detection systems. • Establish and develop systems performance requirements and system performance specifications. • Identify technology opportunities and execute programs designed to dramatically improve global nuclear detection systems and their functional performance. • Manage System Engineering Standards activities, contracts, and inter-agency agreements.
15	Pilots Deputy Assistant Director, GS-1301-14/15	• Lead and manage the Pilots Execution Division of the Systems Engineering and Evaluation Directorate in DNDO. Supervise a combined staff of Federal DHS employees and detailees from other agencies and provide oversight of work products from onsite contractor staff. • Lead the planning to establish a disciplined systems engineering process in order to provide a basis for a structured approach to evaluating rad/nuc detection technologies in Pilot Programs. • Lead the transfer of successful pilots to full implementation, including the transfer of ownership to organizational stakeholders and the development of strategies and methods to enhance long-term supportability of the technology, post-pilot.
16	Pilots Execution Program Manager, GS-1301-14/15	• Develop and manage rad/nuc detection Pilot Programs. • Manage limited deployments of new or emerging rad/nuc detection technologies. • Lead the evaluation of pilot technologies, following a concise and predetermined trial period. • Validate the ability of the equipment and/or system to support DNDO mission objectives and customer/stakeholder requirements. • Lead the transfer of successful pilots to full implementation, including the transfer of ownership to organizational stakeholders and the development of strategies and methods to enhance long-term supportability of the technology, post-pilot
17	Pilots Execution Program Manager, GS-1301-14/15	• Same as position 16 above.
18	Program Manager/ Scientist, GS-1301-14/15	• Manage programs to research and develop new technologies to detect shielded special nuclear material. • Deliver capability, technology, components, prototypes, and test beds as specified in the program plan. • Prepare and maintain relevant program documentation. • Coordinate with interagency Research and Development organizations on all advanced technology development concepts and programs. • Monitor the capability of existing, emerging and proposed technology solutions and systems to meet goals and objectives.

Question: With all the current vacancies and the planned hiring in 2008, why should the Committee approve your request to hire an additional 14 FTEs in 2009?

ANSWER: Current vacancies are intended to address pressing requirements to adequately support the appropriate management of ongoing programs, rather than any expansion in DNDO mission areas envisioned in future years. Additional positions requested in FY 2009 are principally associated mission areas that will be

significantly expanding in FY 2009, such as: general aviation, small maritime craft, land borders, etc. They also address a need for more rigorous program management oversight of DNDO's large scale development and acquisition programs.

As DNDO continues to mature research and development programs into acquisition programs, additional staff is required to ensure proper test and evaluation, program and contracts management, and deployment support. Additionally, as DNDO matures to meet its full mission requirement of supporting all domestic deployments of radiological and nuclear detection equipment, beyond current deployments to Ports of Entry, additional staff will be required to support the unique aspects of each of these deployment vectors,

The additional positions requested in FY 2009 are intended to provide a fully complimentary set of skills covering all DNDO functions as it expands into additional mission areas such as: general aviation, small maritime craft, land borders, etc. Of the 14 positions, one (1) will be dedicated to providing systems engineering support, three (3) to systems development and acquisition activities, five (5) to meet rapidly expanding testing and assessments requirements, one (1) for transformational research and development program management, and three (3) for administrative support across the organization. In addition, one (1) additional position is requested to support DNDO's maturing role in technical nuclear forensics.

Question: How many detailees are currently employed by DNDO? What is planned for 2009?

ANSWER: DNDO currently employs 25 detailees, and has 5 vacant detailee billets. Of these vacancies, we are working with CBP (1 vacancy), DoD (1 vacancy), DOE (1 vacancy), and the FBI (2 vacancies) to fill these positions.

DNDO plans to employ two additional detailees in FY 2009 due to the conversion of two DOE detailee positions presently filled by DOE contractors to DOE federal employees.

Question: Why is DNDO so dependent on detailees? Wouldn't it be more advantageous to hire full-time employees for this work and keep the expertise in house?

ANSWER: NSPD-43/HSPD-14 establishing DNDO states that "DNDO shall include personnel from the departments of Homeland Security (DHS), Defense (DOD), Energy (DOE), State (DOS), Justice (DOJ), and other federal departments and agencies as appropriate". The authorizing language for DNDO, in the SAFE Port Act also states that "the Secretary may request that the Secretary of Defense, the Secretary of Energy, the Secretary of State, the Attorney General, the Nuclear Regulatory Commission, and the directors of other Federal agencies, including elements of the Intelligence Community, provide for the reimbursable detail of personnel with relevant expertise to the Office".

These two documents appropriately emphasize the interagency cooperation that was envisioned in the formation of DNDO. Detailees play a critical role in helping DNDO interface with its implementing partners across the global nuclear detection architecture. Frequent dialogue facilitated by DNDO detailees with their home organizations results in a thorough understanding of implementing agency operations, technological requirements, and reporting and information analysis needs – all of which drive DNDO operations.

Detailees fill a critical role in ensuring a permanent interface between DNDO and its implementing partners. This interface and regular conduit of information flow is especially valuable given DNDO's reliance on other organizations to implement aspects of the Global Nuclear Detection Architecture. This unique and important resource would be lost if detailees were replaced with full-time employees.

With that said, when DNDO was first established, a subset of detailees were requested to quickly provide DNDO with specific skill sets and specialized knowledge of existing programs across the U.S. Government (i.e., acquisition expertise from DoD and nuclear physics expertise from DOE). As DNDO has matured and increased its ability to recruit and hire individuals with specialized skill sets, some positions have been converted into permanent employee positions. However, it is intended that DNDO retain a percentage of detailee employees because detailees help foster open communication between DNDO and their home organizations.

The U.S. strategy to combat nuclear terrorism consists of expanded intelligence efforts to determine terrorist capabilities and intensions; focused interdiction to deny terrorist access to weapons-making materials, and the expertise they seek; focused activities to prevent import and use of nuclear weapons against the homeland; and strengthened forensics to support attribution and deterrence. Therefore, the detailees assigned to DNDO allow for a concentrated effort for detection, identification and interdiction of possible nuclear and radiological threats both internationally and domestically while also addressing forensics and attribution activities in an integrated way across the government.

Question: For the record, please detail for the Committee how many positions have been filled noncompetitively or by transfer? Please answer by fiscal year (since DNDO became a separate off) and explain why.

ANSWER: In FY 2006, two positions at DNDO were filled noncompetitively. Two Program Analysts, one from the DHS Office of Legislative Affairs and one from DHS Grants and Training were transferred noncompetitively to DNDO due to the knowledge and skills experience they gained during their assignments on DNDO projects. All other positions have been filled via the merit systems (competitive) process.

Question: Did DNDO receive a revised Working Capital Fund (WCF) estimate in January 2008? If so, please provide a table for the Committee showing your original WCF projection and the revision by activity. If the estimate increased, please explain how you will pay for the additional costs.

ANSWER: Yes, the revised FY 2009 Working Capital Fund (WCF) estimate increased by $52,315.00 to $12,275,669.00. Please see following table.

DESCRIPTION	FY09 DNDO Submission	DHS Revised FY09 Est.
Fee for Service Activity	$11,977,272	$12,029,588
Government-wide Mandated Service Activity	51,405	51,405
DHS Crosscutting Activity	165,662	165,662
WCF Management Activity	29,015	29,015
FY WCF Grand Total	$12,223,354	$12,275,669

Funding to support the WCF increase will come from an offset from equipment funding.

Question: Please detail how DNDO plans to utilize its reception and representation expenses in 2009? To date, how much has been spent in 2008 and what is the plan for the remainder of the fiscal year?

ANSWER: DNDO plans to use its reception and representation funds at official functions for domestic and/or foreign officials at which the programs of DHS/DNDO will be explained or interpreted. Our FY 2009 request is consistent with previous years. FY 2007 and FY 2008 reception and representation expenses have indicated costs of approximately $3,000 each year.

To date, DNDO has used none of its $3,000 in reception and representation funds for 2008. However, $1,200 of reception and representations funds will be used to support the International Model Guidelines Meeting (March 31 and April 1), which will offer DNDO the opportunity to explain the current Global Nuclear Detection Architecture to an audience of foreign and domestic officials while gaining information. In addition, these interactions will assist foreign partners as they develop plans for their own detection architectures.

Question: Please provide for the record a list of sole source contracts executed by DNDO in 2007. Organize by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and reason for sole-source.

ANSWER: The only sole source contract executed by DNDO is FY 2007 was awarded to the National Council on Radiation Protection and Measurements, Inc. This award was in support of the CAARS program Health Physics Study. Total dollar award and full performance value was $315,042. The contract start and end dates were February 20, 2007 and February 19, 2008, respectively. The sole source justification was based on the unique nature of the source.

Question: Please provide for the record a list of all contracts over $1 million in total value executed by DNDO in 2007. Organize by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and contract type (e.g., firmed fixed price, etc.).

Answer: Please see the following table for a list of all contracts over $1 million in total value executed by DNDO in 2007.

VENDOR	PURPOSE	NET FY-2007 OBLIGATION	TOTAL CONTRACT VALUE	START DATE	END DATE	AWARD TYPE
SCIENCE APPLICATIONS INTERNATIONAL CORPORATION	GR-135 (handhelds)	$1,404,837.00	$1,404,837.00			Delivery / Task Order
GOVERNMENT SCIENTIFIC SOURCE, INC.	Identifinder-U (for USCG)	$5,005,139.04	$5,005,139.04			Delivery / Task Order
BOOZ ALLEN HAMILTON	PRND Handbook	$1,204,416.24	$21,856,991.82	09/17/2007	09/16/2012	Delivery / Task Order
SCIENCE APPLICATIONS INTERNATIONAL CORPORATION	CVI and Interior Layer	$2,059,193.00	$2,059,193.00	05/17/2007	05/16/2008	Delivery / Task Order
SAINT-GOBAIN CERAMICS & PLASTICS INC	SIMP	$19,830,800.00	$19,830,800.00	11/01/2006	10/31/2011	Fixed-price
MISSION RESEARCH CORPORATION	Exploratory Research	$1,195,379.00	$3,652,411.00	03/15/2007	11/15/2009	Cost-plus-fixed-fee
CANBERRA INDUSTRIES, INC.	Exploratory Research	$389,597.00	$1,562,046.00	03/16/2007	07/31/2009	Cost-plus-fixed-fee
E I C LABORATORIES, INC	Exploratory Research	$925,556.00	$1,850,597.00	03/15/2007	03/15/2009	Cost-plus-fixed-fee
GENERAL ELECTRIC COMPANY	Exploratory Research	$1,019,861.00	$3,646,157.00	03/15/2007	03/15/2010	Cost-plus-fixed-fee
GENERAL ELECTRIC COMPANY	Exploratory Research	$1,445,439.00	$4,009,724.00	03/15/2007	07/15/2009	Cost-plus-fixed-fee
RAPISCAN SYSTEMS NEUTRONICS AND ADVANCED TECHNOLOGIES CORP	Exploratory Research	$795,685.00	$2,075,607.00	03/15/2007	09/15/2009	Cost-plus-fixed-fee
RADIATION MONITORING DEVICES, INC.	Exploratory Research	$743,268.00	$2,229,787.00	03/15/2007	03/15/2010	Cost-plus-fixed-fee
SCIENCE APPLICATIONS INTERNATIONAL CORPORATION	Exploratory Research	$860,958.00	$5,905,343.00	03/15/2007	05/15/2010	Cost-plus-fixed-fee
WESTINGHOUSE ELECTRIC COMPANY LLC	Exploratory Research	$935,980.00	$3,704,069.00	03/16/2007	03/15/2010	Cost-plus-fixed-fee
PASSPORT SYSTEMS, INC	Exploratory Research	$2,586,567.00	$2,686,373.00	09/25/2007	05/25/2008	Cost-plus-fixed-fee
GENERAL ELECTRIC COMPANY	Stand-Off Radiation Detection System	$2,981,556.03	$2,981,556.03	10/01/2007	09/30/2009	Cost-plus-fixed-fee
SCIENCE APPLICATIONS INTERNATIONAL CORPORATION	Stand-Off Radiation Detection System	$2,056,626.58	$7,156,302.63	10/01/2007	08/31/2009	Cost-plus-incentive-fee
SCIENCE APPLICATIONS INTERNATIONAL CORPORATION	HPRDS	$2,705,668.00	$7,906,715.00	10/25/2006	10/25/2011	Delivery / Task Order

ADVANCED MEASUREMENT TECHNOLOGY, INC	HPRDS	$2,379,801.00	$7,027,185.00	10/24/2006	10/24/2011	Delivery / Task Order
SCI TECHNOLOGY, INC.	HPRDS	$5,023,868.00	$7,191,798.00	10/24/2006	10/24/2011	Delivery / Task Order
SMITHS DETECTION INC.	HPRDS	$2,699,955.00	$7,373,620.00	10/25/2006	10/25/2007	Delivery / Task Order
TARGET INSTRUMENTS, INC	HPRDS	$1,287,796.00	$5,841,796.00	10/24/2006	10/24/2011	Delivery / Task Order
TOTAL FY 2007 CONTRACTS AND ORDERS FOR DNDO GREATER THAN $1M		$59,537,945.89	$126,958,047.52			

Note: Total obligation includes all modifications to awards made in FY 2007. Net FY 207 obligation means all funding processed in FY 2007. Total contract value (funded or note funded) spans across all periods of performance.

Question: Please provide for the record a list of all DNDO contracts, grants and other transactions where work is performed outside of the United States. Organize by contractor, purpose, dollar award, full performance value, contract start date, and contract end date.

ANSWER: DNDO does not have contracts where work is performed outside of the United States.

Question: How much funding was awarded by using the GSA schedule in 2007? What do you anticipate in 2008?

ANSWER: Funding awarded by using the GSA schedule totaled $15,214,136.21 in FY 2007. DNDO estimates that the total value of GSA contracts to be awarded in 2008 will be $8,050,000.00.

DNDO estimates that the total value of GSA contracts to be awarded in 2008 will be $8,050,000.00.

Question: Please list for the record all political positions at DNDO that received a bonus in 2007. Include the position, the office, and the amount of the bonus.

ANSWER: No political positions at DNDO received bonuses in 2007.

Question: Please list for the record all career positions at DNDO that received a bonus or quality step increase in 2007. Include the position, the office, and the amount of the bonus/step increase.

ANSWER: The following table provides the requested information:

Position	Office	Bonus Amount
Program Analyst	Office of Director	$1,428
Program Analyst	Office of Director	$2,228
Program Analyst	Office of Director	$3,176
Program Analyst	Office of Director	$4,856
Program Analyst	Office of Director	$1,000

Program Analyst	Office of Director	Quality Step Increase
Program Analyst	Office of Director	$3,753
Chief of Staff	Chief of Staff	$7,037
Program Analyst	Chief of Staff	$1,800
Financial Program Manager	Chief of Staff	$5,000
Budget Analyst	Chief of Staff	$2,800
Information Technology Specialist	Chief of Staff	Quality Step Increase
Budget Analyst	Chief of Staff	$4,000
Administrative Officer	Chief of Staff	$5,000
Supervisory Program Specialist	Chief of Staff	$5,000
Management and Program Analyst	Chief of Staff	$2,500
Budget Analyst	Chief of Staff	$3,500
Program Specialist	Chief of Staff	$5,000
Security Officer	Chief of Staff	$5,000
Program Analyst	National Technical Nuclear Forensics Center	$3,280 + 40 hrs Time Off Award
Assistant Director	National Technical Nuclear Forensics Center	$8,801
Physical Scientist	Assessments	$4,128
Physical Scientist	Assessments	40 Hrs Time Off Award
Physical Scientist	Assessments	Quality Step Increase
General Engineer	Assessments	$3,000
Information Technology Specialist	Assessments	$5,000
Physical Scientist	Assessments	$1,000
CBP Officer (Detailee)	Assessments	$2,500
Supervisory Physical Scientist	Assessments	$5,000
FBI Special Agent (Detailee)	Assessments	$4,000
Program Analyst	Operations Support	$3,421
FBI Special Agent (Detailee)	Operations Support	$2,814
Program Analyst	Operations Support	$1,000
Nuclear Detection Program Director	Operations Support	$3,642
Senior Nuclear Detection Specialist	Operations Support	$1,000 + 32 hrs Time Off Award
Senior Nuclear Assessment Specialist	Operations Support	$4,003
Program Analyst	Operations Support	$1,641
General Engineer	Systems Development and Acquisition	$4,800
General Engineer	Systems Development and Acquisition	$5,000
General Engineer	Systems Development and Acquisition	$4,400
General Engineer	Systems Development and Acquisition	Quality Step Increase
General Engineer	Systems Development and Acquisition	$4,800
General Engineer	Systems Development and Acquisition	$5,000
General Engineer	Systems Development and Acquisition	Quality Step Increase
General Engineer	Systems Development and Acquisition	$5,000
DoD General Engineer (Detailee)	Systems Engineering and Architecture	3,000
Physical Scientist	Systems Engineering and Architecture	$5,000
DoD General Engineer (Detailee)	Systems Engineering and Architecture	$5,000
General Engineer	Systems Engineering and Architecture	$5,000
Assistant Director	Transformational Research and Development	$11,130
Physical Scientist	Transformational Research and Development	$2,000 + 40 hrs Time Off Award
Physical Scientist	Transformational Research and Development	$5,000
Physical Scientist	Transformational Research and Development	$5,000
Assistant Director	Assessments	$12,731

Question: Please provide a table showing how much is requested in the 2009 budget for bonuses for DNDO political employees, DNDO SES employees, and DNDO non-SES employees.

ANSWER: The total budget for FY2009 employee bonuses is $533,000. Political employees are not eligible for bonuses. DNDO does not separate funds for SES and non-SES employees.

Question: Please provide for the record a table that shows all funds expended by DNDO political employees for travel in 2007. Include name of individual traveling, purpose of travel, location(s) visited, and total cost.

ANSWER:

Traveler: Ryan Eddy		**Period: 10/01/2006 - 9/30/2007**
Destination	**Expenses**	**Purpose of Trip**
Paphos, Cyprus	$3,111.80	Spoke on behalf of DNDO at a Defense Threat Reduction Agency sponsored WMD Executive Seminar on international counter-proliferation activities.
Newark, NJ	70.75	Site Visit to New York Container Terminal to view ASP testing as well as visiting with NYPD to discuss Securing the Cities.
Balitmore MD	100.41	Speak on a panel for the 2nd annual US Naval Institute conference on port security.
Los Angeles, CA	713.90	Gave a presentation on DNDO to the Homeland Security Advisory Council and received briefings from local law enforcement.
Los Angeles-CA	676.43	Assist with a Secretarial event at the Port of LA/LB to view portal testing.
Shepherdstown, VA	95.64	Attend DNDO Fall Offsite
Seattle, WA	510.12	Assist the Director with the announcement of the Rail Test Center at the Port of Tacoma.
Subtotal Travel:	5,279.05	
Subtotal Airfare:	3,145.53	
Total:	**$8,424.58**	

Traveler: Vayl Oxford		Period: 10/01/2006 - 9/30/2007
Destination	**Expenses**	**Purpose of Trip**
Las Vegas, NV	$1,140.29	DHS Detection Test Site visit for ASP TRO.
Manhattan, NY	803.26	Attending a series of meetings with Secretary and NYPD.
Richland, WA	454.34	Site visit to observe testing demo and receive a briefing from PNNL.
Newark, NJ	247.40	Hosting Congressional group of staffers for tour of NYCT and conducting a test readiness review of ASP for NY.
Andover-MA	284.04	Traveling with member of Congress to view a technical demo at Raytheon's ASP facility.
Manhattan, NY	89.26	Attend series of meetings with House Congressional staff and NYPD.
Las Vegas-NV	882.10	Attending/speaking at DNDO OPS training sessions and visiting the
Miami, FL	564.04	Speaking at a joint FBI/State Dept event on the Global Initiative.
Manhattan, NY	433.26	Meeting with Commissioner and Deputy Police Commissioner of NYPD, and with Congressional Delegation.
Brooklyn, NY	396.88	Series of meetings with Congressional staff and NYPD.
Brooklyn, NY	333.25	Attending series of meetings with Commissioner and Deputy Police Commissioner of NYPD on STC.
Newport, RI	329.07	Traveling with member of Congress to view a technical demo on
Seattle-WA	447.18	Travel with USCG Commandant and CBP Commissioner to jointly announce a major rail port test bed.
Seattle-WA/Los Angeles, CA	1,346.92	Attend State and Local Stakeholders Conference and hosting DHS Secretary for a portal press event.
Seattle, WA	638.54	Traveling with USCG to jointly announce a major test pilot project for small maritime craft.
Shepherdstown, VA	95.64	DNDO Fall Off-Site
Subtotal Travel:	8,485.47	
Subtotal Airfare/Amtrak:	7,783.30	
Total:	**$16,268.77**	

Question: Please provide unobligated balances within DNDO, by appropriation account, and when you anticipate that they will be expended.

ANSWER:

Program / Activity	Unobligated Balance (As of 20 March 2008)	Obligation Plan
RD&O		
FY 2007 RD&O Appropriation		
Aviation	$16,467,990	The vast majority of FY 2007 Supplemental fund balances in Rail and Aviation will be fully obligated within FY 2008. However, there are some small balances that will carry into FY 2009 and our plan is to have those funds obligated in early FY 2009 and expended shortly thereafter.
Rail	$3,059,000	
Total	*$19,526,990*	
Acquisition		
FY 2007 Systems Acquisition Appropriation	$35,044,376	Funds will fully obligated in FY 2008 to meet the goal of equipping the Northern Border and in equipping seaports. Funds will be fully expended in FY 2009.
FY 2007 Supplemental Systems Acquisition Appropriation	$100,000,000	$20M is presently obligated to equipping the Northern Border with $80M to be fully obligated in FY 2008 to meet the goal of equipping the Northern Border and in equipping seaports. All funds will be fully expended in FY 2009.
Total	*$135,044,376*	

Research, Development and Operations

Question: For research, development, and operations, please provide a table showing how much funding you are spending on systems engineering and architecture in fiscal year 2008 and requested in fiscal year 2009 for cross-cutting issues, on the domestic interior, on the border payer, and internationally. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008	FY 2009
International	$2,400,000	$3,125,000
Border-Layer	$1,700,000	$1,625,000
Domestic Interior	$1,600,000	$1,500,000
Cross-Cutting	$5,550,000	$6,250,000
TOTAL	**$11,250,000**	**$12,500,000**

In FY 2008, DNDO will be conducting a variety of activities that support the overall development of the Global Nuclear Detection Architecture (GNDA) and address issues related to the domestic interior, border, and international arenas.

Cross-cutting efforts in FY 2008 include: updating the annual GNDA program and budget crosscut, preparing the first Joint Annual Review of the Global Nuclear Detection Architecture, as required by Sec. 1103 of the "Implementing Recommendations of the 9/11 Commission Act of 2007," and providing radiological and

nuclear risk assessment inputs to the Integrated All-CBRN risk assessment mandated by HSPD-18, "Medical Countermeasures against Weapons of Mass Destruction."

Efforts related to the domestic interior include: providing architectural program assistance to implement radiological and nuclear detection for commercial vehicle inspection (CVI) in additional states, facilitating the implementation of source security recommendations for hardening blood and research irradiators containing Cs-137 sources, and completing the development of the interagency action plan for "Public Education" on radiological dispersal devices, as called for by the Radiation Source Protection and Security Task Force established by the Energy Policy Act of 2005.

In support of improved border security, DNDO will continue field evaluations of radiological and nuclear detection technologies and concepts of operation to support the Border Patrol. We will also formulate recommendations on acquisition and deployment plans for the Border Patrol. In addition, we will be completing the maritime module for the Preventive Radiological and Nuclear Detection (PRND) Program Management Handbook.

DNDO will also continue to engage in the international arena. We will provide technical support on information analysis and data fusion components of the Secure Freight Initiative (SFI) and 100% overseas scanning requirements. We are also developing an initial draft of the global nuclear detection guidelines document in support of the Global Initiative to Combat Nuclear Terrorism. Finally, we will be analyzing regional nuclear detection strategies in South Asia.

In FY 2009, DNDO will continue systems architecture studies and analyses to enhance both the domestic and international components of the GNDA to counter the smuggling of illicit radiological and nuclear materials or weapons via air, maritime, and land pathways.

Cross-cutting efforts in FY 2009 include updating the annual GNDA program and budget crosscut as well as updating the Joint Annual Review of the Global Nuclear Detection Architecture. Based on initial reviews of the HSPD-18 risk assessment, DNDO will begin preparing a second edition incorporating refinements to the methodology and data sources.

Efforts related to the domestic interior include: facilitating source security technical assistance in additional cities, building on lessons learned; providing architectural assistance to implement CVI, maritime and other PRND Program Management Handbook modules in additional state; executing DNDO's part of the multi-agency RDD Public Education program under the Radiation Source Protection and Security Task Force; and continuing support for the Radioactive Source Protection and Security Task Force and its Implementation Plan.

In support of improved border security, we will be developing long-term architecture options for radiation detection at land borders between POEs. We will also complete an initial North America Maritime Detection Architecture in partnership with Canada and Mexico (part of DNDO support to the Security and Prosperity Partnership of North America).

In the international arena, DNDO will complete and publish GNDA model guidelines in support of the Global Initiative. We will also continue our engagement with foreign partners (e.g., European, Central and South Asian, North Pacific Rim and Southeast Asian) on establishing regional radiological and nuclear detection architectures.

Question: For research, development, and operations, please provide a table showing how much funding you are spending on systems engineering and architecture in fiscal year 2008 and requested in fiscal year 2009 for core systems engineering activities and documentation; systems engineering support to independent test and

planning and analysis; and standards. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008	FY 2009
Core Systems Engineering and Documentation	$6,433,577	$8,000,000
Systems Engineering Support to Independent Test and Analysis	$2,726,505	$3,400,000
Standards	$1,015,065	$1,200,000
TOTAL	**$10,175,147**	**$12,600,000**

In FY 2008, key activities of the core systems engineering activities and documentation effort include supporting the DNDO mission areas of Ports of Entry, Interior, Maritime, and Aviation by producing Initial Capability Documents (ICD) stating basic mission needs, documenting proposed concepts of operation (CONOPS) for radiation detection programs, and determining required performance metrics for applicable radiation detection systems. Support to independent test planning and analysis effort includes providing test plans and analysis reports for 10 separate test and evaluation campaigns, including test programs for Human Portable Radiation Detection Systems (HPRDS), International General Aviation radiation detection systems, the Advanced Spectroscopic Portal System cargo (ASP-C) radiation detection system, and the maritime radiation detection systems (Crawdad). Support to standards programs will include forming an interagency working group to develop government unique Technical Capability Standards that will specify required detection capabilities for non-intrusive imaging radiation detection equipment. Standards efforts will also review the existing American National Standards Institute (ANSI) consensus standards for radiation detection equipment and identify standards that will undergo revision.

In FY 2009, the core systems engineering activities and documentation effort will focus on developing performance specifications for radiation detections systems for specific mission areas based on the required capabilities identified in FY 2008, as well as produce ICDs, CONOPS and performance metrics for any additional mission areas as they are identified. Support to independent test planning and analysis effort will continue, providing test plans and analysis reports to support at least 11 test campaigns, including support to the Cargo Advanced Automated Radiography System test program, HPRDS, ASP-C, aviation, and maritime programs. In support of standards development, DNDO will publish the first Technical Capability Standard for radiation detection equipment and, and will work with the consensus standards community to complete the revision of the first ANSI standard for radiation detection equipment.

Question: For research, development, and operations, please provide a similar table showing how much funding you are spending on systems development in fiscal year 2008 and requested in fiscal year 2009 to develop small craft/maritime radiation detection systems, to develop aviation radiation detection systems, to develop international rail radiation detection systems, and to develop on-dock rail radiation detection systems. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER: Please see following table.

	FY 2008*	FY 2009
Develop small craft/maritime radiation detection system	---	$20,000,000
Develop aviation radiation detection system	---	$10,000,000
Develop international rail radiation detection system	---	$6,000,000
Develop on-dock rail radiation detection system	---	$15,000,000
TOTAL		**$51,000,000**

Note: During FY 2008, DNDO, in cooperation with end-users such as CBP and Coast Guard, has been actively pursuing the definition of requirements for various aspects of Aviation, Maritime, International Rail, and On-dock Rail solutions. Pilots, test campaigns, and modeling and systems studies are underway to inform the development of operationally-tenable solutions that will address the radiological and nuclear threat. These activities are considered pre-Systems Development efforts, and so funding profiles for these are not shown in the chart above. As the requirements mature, the various projects will transition into the Systems Development phase.

The following maritime efforts feed the definition of requirements for developing new technologies to screen vessels without boarding/inspecting (boat or aviation mounted detectors) in 2008. In April 2008, DNDO will complete the Small Maritime Craft Modeling Study that focuses on the radiation detection of threat sources located in small maritime craft. We will also initiate a small maritime craft operations research model study in June 2008 to determine the effectiveness of various law enforcement patrol strategies. In July 2008, we will complete our feasibility study for using aerial and fixed detectors in the West Coast Pilot Project. The following month, we will complete the Maritime Radiation Background Study, which will measure normal radiation background on a wide variety of small maritime crafts as well as in a few select marinas. Finally, in September 2008 we will completion the DNDO Maritime Test Campaign (Crawdad), which baselines performance characteristics of existing radiation detectors that could be mounted or placed on a small patrol vessel.

These efforts will inform the following anticipated maritime milestones in 2009. DNDO will develop requirements and initiate an Advanced Technical Design for a ground-based, fixed sensor (e.g. marina entrance, pier, bridge, etc.) to scan small maritime craft for the West Coast Pilot Project, if feasibility study indicates it will be effective (February 2009). We will complete the small maritime craft operations research model study (May 2009). Finally, we will be conducting field tests and evaluations on boat-mounted detectors for the West Coast Pilot Project (September 2009). The focus of 2009 engineering development work in the maritime arena includes: aerial platforms, boat-mounted sensors, and customizing existing detectors for harsh maritime environment.

To develop solutions for radiation scanning within the aviation mission space, DNDO is working closely with U.S. Customs and Border Protection (CBP) and commercial aviation authorities to develop operational requirements and concepts of operations to scan international commercial passengers and baggage for illicit radiological and nuclear materials. Assessments of COTS equipment for passenger and baggage radiological and nuclear screening are being conducted, including equipment deployed at international airports in Europe and the Former Soviet Union.

A series of test events are underway at Andrews Air Force Base (AAFB) to obtain an accurate baseline assessment of the GR135 plus (RIID) device being used by CBP to scan international general aviation (IGA) aircraft. CBP Officers will participate in these tests and operate the current handheld radiological and nuclear scanning equipment as they would in the field. Additionally, other handheld COTS equipment and variations to

the current CONOPS will be evaluated during this campaign. We will also evaluate the concepts of operations, infrastructure requirements, and response protocols as part of this test campaign. The AAFB Test Campaign will occur from March through June 2008. The final test report will be completed in August, and after a joint CBP-DNDO assessment, recommendations for a path forward will be provided.

The DNDO and CBP have completed an initial pre-pilot survey of Charlotte-Douglass International Airport, North Carolina. This was successful initial engagement between DHS and the local Stakeholders (e.g., airport authority, airlines and TSA) to explore the requirements for radiological and nuclear scanning of international passengers and baggage within the airport environment. A requirements document will be generated in Quarter 4 of FY 2008. In FY 2009, engineering development work in the aviation arena includes: developing systems to screen passengers, baggage, and cargo at its last point of departure and Ports of Entry.

To develop scanning solutions for use at our international rail border crossings, DNDO reviewed existing system studies, and began active collaboration with CBP and the rail industry to understand the technical and operational challenges of screening trains for detection of illicit radiological and nuclear materials. Preliminary modeling studies indicate that passive detection systems will likely lack the sensitivity and necessary discriminatory capability to meet detection nuisance/false alarm rate requirements. DNDO continues to work with CBP and the rail industry to codify operational requirements and conceptual system solutions. A requirements document will be generated in Quarter 4 of FY 2008. In FY 2009, engineering development work in the international rail arena will focus on designing and building a test bed to evaluate concepts and prototypes.

To support the development of on-rock rail solutions, DHS has established a Rail Test Center (RTC) at the Port of Tacoma. In FY 2008, we will be conducting a test of the COTS crane-mounted (spreader bar) approach at the RTC in cooperation with CBP. Depending on the results of performance tests conducted at the Nevada Test Site earlier in the year, we will also assess the operational suitability of the ASP Variant L (mobile) system to support on-dock rail applications. Additionally, the requirements for a Straddle Carrier Portal will be documented by the end of Quarter 4 of FY 2008. In FY 2009, engineering development work related to on-dock rail will focus on evaluating and developing prototypes for straddle carrier portals, straddle carrier-mounted, and crane-mounted sensors, as feasible.

Question: For the record, please provide more details on the two small maritime craft projects—Puget Sound and San Diego—including why these sites were chosen, what you hope to accomplish, and if results from these pilots will be applicable to other maritime communities.

ANSWER: Puget Sound and San Diego were chosen for strategic, economic and infrastructure support reasons.

From a strategic standpoint, Puget Sound is the highest traffic region in the Nation for pleasure craft & non-commercial vessels entering US waters from Canada & overseas. CBP's Seattle field office recorded an average of 21,584 international pleasure craft arrivals per year in 2004-2006 (ranking it #1 for that period). The area is also involved in security preparations for Winter Olympics in Vancouver in 2010. It has a military and economically significant port, including the 3rd largest Navy Strategic Port in the Nation. Puget Sound also has 125 nautical miles of international borders. From an economic standpoint, the population in Seattle-Taeoma-Belleview metropolitan area is greater than 760,000 with large commercial fishing and recreational fleets (269,310 registered vessels). The area sees approximately 2.5 million containers and 5,000 deep draft vessels per year. Also 200 cruise ships arrive annually, carrying approximately 750,000 passengers. Puget Sound also has the largest ferry transportation system in United States with 26 million passengers per year. The area is also home to the AK oil pipeline terminus where over 12 billion gallons of oil is moved. Finally, Puget Sound has an existing Joint Harbor Operations Center (JHOC) with USN, USCG, CBP, WA State Patrol & other law enforcement. This provides the existing basis for information exchange and a common operating picture.

San Diego was chosen for similar reasons. Its location offers natural choke points, providing opportunities for judicious deployment of detection systems. It has a close proximity to the Mexican border and a large pleasure craft fleet (more than 20,000 registered); CBP's San Diego field office recorded an average of 1,963 international pleasure craft arrivals per year in 2004-2006, ranking it #6 in the Nation for that period. It is home to a militarily significant port - Naval Base San Diego is largest base on West Coast and Homeport to 37 Navy ships, numerous other vessels and facilities. From an economic standpoint, San Diego has a high population density (more than 1,257,000 people in San Diego metropolitan area) easily approachable by small vessels. Similar to Puget Sound, it has an existing Joint Harbor Operations Center.

The Maritime project is intended to design, field and evaluate a radiation detection architecture (specific to each selected region) that reduces the risk of radiological and nuclear threats that could be illicitly transported on recreational craft or small commercial vessels. The project aims to develop radiological and nuclear detection capabilities for public safety forces for use during routine public safety and enforcement operations.

The project will provide maritime stakeholders guidance on operational protocols, training, equipment and exercises that support small vessel radiation detection capabilities; and provide lessons learned for other ports implementing a preventive radiological and nuclear detection program to address the small vessel threat. DNDO specifically aims to accomplish the following with this program: identify gaps in the maritime architecture, and provide user requirements for future CONOPS and system development efforts; deploy and evaluate a limited radiological and nuclear detection and reporting capabilities for maritime applications; implement and evaluate a regional maritime CONOPS, including detection, alarm resolution, and reporting, and Maritime Operational Threat Response protocols; develop, provide, and evaluate maritime-specific radiological and nuclear detection training.

In FY 2009, our goal is to complete the initial design and deployment of detection systems to the State and local maritime environment. We will evaluate and provide end user feedback on HPRDS engineering development models. We will also deploy and conduct field evaluation of boat-mounted radiological and nuclear detector (tested in FY 2008 in a controlled setting). DNDO will be validating the effectiveness and usability of the Small Maritime Craft module for the Preventive Radiological and Nuclear Detection Program Management Handbook. We will conduct exercises with human portable equipment and develop requirements for maritime-specific training. Finally, DNDO will conduct a feasibility study and develop requirements for fixed sensors to scan for radiological and nuclear threats in the maritime environment.

One of the prime objectives of this project is to gather lessons learned and improve the effectiveness of a future wider deployment of maritime capabilities to other priority U.S. ports. Some of the anticipated lessons learned that will be applicable to other maritime communities are:

- A demonstrated radiological and nuclear detection and reporting capability (technologies, training, and CONOPS) for future, larger-scaled deployments.
- Tactics, techniques and procedures for Federal, State and local operational agencies necessary to operate radiological and nuclear detection systems in a maritime environment.
- An effective technical reachback and information sharing process for a maritime environment.
- Validation of the effectiveness and usability of the DNDO Maritime Module for the program management handbook.
- Requirements for maritime-specific training.

Question: How much, if anything, is DNDO requesting in 2009 for crane mounted radiation detection systems? If nothing, please explain why.

ANSWER: DNDO has not specifically requested funding in 2009 for crane mounted systems. DNDO is working with CBP and the Port of Tacoma to test the crane-mounted detection technology in FY 2008, per direction provided in the FY 2008 Omnibus Appropriations Bill, which included $2,000,000 for CBP to test competitively the crane spreader mounted radiation/nuclear detection technology in an operational seaport environment. CBP, in coordination with DNDO and DOE, has developed a phased approach for evaluating this technology.

- Phase 1 - Review of Vendor Submittal: CBP, in coordination with DNDO and DOE, will assess whether the proposed technology satisfies the basic functional requirements and is, at a minimum, at a field deployable prototype stage. The information provided by vendors will also be used to further define the tests and conditions for Phases 2 and 3. Phase 1 is scheduled for the spring of 2008.

- Phase 2 – Joint Testing in the Seaport Environment: CBP, jointly with DNDO and DOE, will conduct a test at the DNDO's Rail Test Center (RTC) located at the Port of Tacoma (POT). The evaluation will assess the detection capability of the system using surrogate threat radiation sources in an operational seaport environment. Phase 2 is currently scheduled for late spring/early summer 2008.

- Phase 3 - Follow-on testing at a National Laboratory: Upon completion of Phase 2 and evaluation of the test data, those technologies, if any, demonstrating the potential to meet or exceed CBP's criteria for radiation detection equipment will be further evaluated in Phase 3 testing. Phase 3 of the evaluation would be conducted by CBP, in coordination with DNDO and DOE, at a National Laboratory using actual special nuclear materials.

Follow-on activities related to that technology are dependent upon the test results and an assessment of the technology's value as an efficient and real-time complement to radiation portal monitors.

In FY 2009 DNDO is allocating $15,000,000 to begin the development of on-dock rail solutions. The planned tests of COTS crane-mounted (spreader bar) sensors at the RTC will help determine how much of these dollars will be allocated to crane-mount solutions.

Question: For systems development, please identify how much funding you are spending on human portable radiation detection systems in fiscal year 2008 and requested in fiscal year 2009 for development, operational suitability modeling, data collection and algorithm improvements, and performance testing. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008	FY 2009
Develop HPRDS	$16,800,000	$16,000,000
Operational suitability modeling	$600,000	$1,000,000
Data collection and algorithm improvements	$1,500,000	$3,000,000
Performance testing	$2,000,000	$1,000,000
TOTAL	**$20,900,000**	**$21,000,000**

In FY 2008, DNDO plans to accomplish the following with its HPRDS development program. We will conduct operational suitability modeling, supporting the West Coast Maritime Pilot with HPRDS devices. We will continue to improve HPRDS algorithm performance using diverse set of nuclear data and establish government capability to independently perform software quality assurance assessments as part of data collection and algorithm improvement efforts. DNDO will also be conducting a system requirements review for improved HPRDS devices that is non-POE focused.

In FY 2009, DNDO will develop designs for improved HPRDS based on FY 2008 evaluations. We will continue to support pilot efforts in emerging mission areas.

DNDO will also conduct data collection campaigns to support additional HPRDS hardware and software improvements. Finally, performance testing will also occur, where tests will be conducted to support low-rate initial production decision for first-generation HPRDS devices.

Question: For systems development, please provide a table showing how much funding you are spending on the CAARS program in fiscal year 2008 and requested in fiscal year 2009 for development and testing. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008	FY 2009
Development	$22,900,000	$15,567,000
Testing	$8,900,000	$10,533,000
TOTAL	**$31,800,000**	**$26,100,000**

The CAARS program has been renamed the Joint Integrated Non Intrusive Inspection (JINII) program. Through the JINII program, DNDO and CBP will coordinate efforts to develop and acquire Non-Intrusive Inspection (NII) systems that perform the traditional contraband mission (i.e., drugs, explosives, money, etc.) as well or better than current systems and perform the shielded nuclear material mission with little or no impact on CBP operations. The JINII program has two main components. First, a test and evaluation campaign will be performed with currently deployed or soon to be deployed in FY 2008 NII systems to fully characterize their ability to manually detect shielded nuclear material. Simultaneously, a rapid research campaign will be performed to determine if simple methods are available to upgrade the currently deployed and soon to be deployed NII systems to incrementally improve shielded nuclear material detection performance. If methods are found, these methods will be fully developed and tested by DNDO.

Second, the JINII program will continue its development of the systems specifically designed to automatically detect shielded nuclear material at a high throughput rate. These systems, named Cargo Advanced Automated Radiography Systems (CAARS), will scan cargo containers or other conveyances of interest and provide an automated alert based upon the threat. The implemented technology will distinguish between low density non-threat materials such as aluminum and steel, and higher density materials such as lead, uranium, or plutonium. CAARS units will also be capable of the detection of traditional contraband such as high explosives and drugs, but may not do so with the same level of automation. Searches for traditional contraband will continue to require operator image analysis.

FY 2008 planned accomplishments include:

- Initiate test campaign to fully characterize the ability of existing NII systems to manually detect shielded nuclear material.
- Perform study to determine if methods are available to upgrade existing NII systems to incrementally improve shielded nuclear material detection performance.

- Continue development of three prototype CAARS systems that are specially designed to automatically detect shielded nuclear material at high throughput rates.
- Complete Critical Design Reviews (CDRs) for each of the three CAARS vendors.
- Begin planning functions in preparation for an FY 2009 CAARS developmental test and evaluation campaign.
- Validation of NII test objects.
- Update the JINII health physics impact study.

The JINII program R&D phase will deliver three CAARS prototype systems in FY 2009. FY 2009 activities will focus on subjecting systems to an extensive test and evaluation program necessary to evaluate the technology. Prior to conducting the formal test, each of the three CAARS vendors will conduct a rigorous readiness test at their facility. The purpose of the readiness test is to verify that each of the prototype systems is functioning properly and will support the formal prototype test.

CAARS developmental test and evaluation (DT&E) will require a combination of conformity assessments to evaluate whether the systems meet the performance specification, as well as characterization of ultimate detection capability. The same methods used to characterize exiting NII systems in FY 2008 will be used to characterize the CAARS prototypes. The JINII program will also initiate a developmental campaign to upgrade existing NII systems in FY 2009, if warranted by the results of the FY 2008 research study.

The results of the CAARS DT&E will be compared to the results of the existing NII system T&E with and without incremental upgrades. The result of this study will be a cost benefit analysis (CBA) that will recommend one of the following based on the objectives of the JINII program:

- Further acquisition of specific existing NII systems;
- Acquisition of existing NII systems once upgrades are fully implemented;
- Further development of the CAARS prototypes leading to acquisition and deployment; or
- A time sequence combination of the above.

In FY 2009, DNDO will begin implementation of its recommendations, as applicable.

Question: Please provide more details on the $2,000,000 being requested for fellowships. How many, if any, fellowships have you awarded in 2008? How many do you plan on awarding in 2009?

ANSWER: DNDO has not awarded any fellowships in 2008. In FY 2007 and 2008 we studied the shortfalls in the nuclear forensics expertise pipeline and identified solutions through meetings with the independent nuclear forensics review committee (the joint American Physical Society / American Association for the Advancement of Science report released last month), the National Academy of Sciences, University faculty members, department and Congressional staff members, and national laboratory experts. All expressed a sense of urgency which NTNFC plans to address vigorously and is requesting funding support.

While FY 2009 will be our first opportunity to begin to more aggressively address the problem, in FY 2008 we are responding to the studies' results with an initial investment of $150,000 for Lawrence Livermore's Seaborg Institute Nuclear Sciences Summer Internships and $200,000 to evaluate options and begin planting the seeds for additional summer internships at other forensics labs in 2008 as well as the first few fellowships starting with the fall semester in 2008. Also, DNDO will evaluate the benefits of coupling "service payback" commitments to any fellowship, to ensure the graduates are funneled directly into the nuclear forensics laboratories and agencies.

The total NTNFC funding request of $17.9M includes a $1.1M increase to begin addressing the input to the expertise pipeline (through academia). The pipeline-related focus areas include fellowships (totaling $300,000) to the first group of Nuclear Forensics Graduate Student Research Fellows. NTNFC is seeking to sponsor at

least five graduate student fellows the first year (at a cost of $60,000 or less per student), partnering each student with a nuclear forensics lab, sustained over multiple years to assure successful completion. To administer the fellowships, we plan to use up to two ideal existing vehicles, the Glenn T. Seaborg Institute for Nuclear Sciences Education, in place at two National labs, Lawrence Livermore and Los Alamos, and the Radiochemistry Education Awards Program. We also intend to evaluate the benefits of a "service payback" served at a nuclear forensics lab, upon graduation. To ensnre an enduring national capability, we plan to start with a minimum of five fellows per year and mature to 10-15 per year.

While the fellowships target specific top talent students, DNDO is also planning $800,000 (of the $1.1M) to begin resurrecting Universities' nuclear forensics-related research programs and faculty, with a focus on the "almost extinct" nuclear and radiochemistry specialties (as stated in February by world-renowned nuclear chemist Dr, Darleane Hoffman on her first visit to DNDO). This University research initiative will be completely focused on the nuclear forensics pipeline gap and will complement DNDO's broader Academic Research Initiative (which has been expanded to include forensics research). This new focus on University forensics research programs, faculty, and students will be a strong first step in addressing the extreme shortfalls in the expertise pipeline, which is described in the February 2008 report of the American Physical Society / American Association for the Advancement of Sciences, "Nuclear Forensics Role, State of the Art, Program Needs" stating:

> "The trained specialists needed are too few and would be overcommitted; a high proportion of them are close to retirement age and the ability to replace them and augment their number is inadequate and underfunded.... The potential for nuclear forensics to play a crucial role in the analysis of both pre- and post-detonation materials is enormous. The problems of a declining pool of technically competent scientists, the need for new technology, and the utility of international cooperation, all point to the need for a set of new initiatives in order to maximize the potential impact of nuclear forensics.... The training of appropriate personnel should be accelerated. A program to do this would involve funding research at universities in cooperation with the relevant laboratories; funding graduate scholarships and fellowships; and funding internships at the laboratories. The program should be sized to produce at least 3 -4 new Ph.D.s per year in the relevant disciplines for the first ten years, and to maintain skilled personnel level thereafter."

Please note that the National Academy of Sciences recently also launched a review on "Sustaining and Improving the Nation's Nuclear Forensics Capabilities," including the expertise pipeline issue, and the committee members from both reviews may be available to provide additional insights to the Committee staff on the urgency of the problem.

Question: Why is the fellowship funding being requested by DNDO instead of by S&T?

ANSWER: The DHS S&T "Scholarship and Fellowship Program" is focused on broad homeland security science and engineering areas. The program's 16 research areas range from "Social, Behavioral and Economic Sciences" to "Chemical and Biological Threats & Countermeasures" to "Infrastructure Protection." The Program made 13 graduate fellow awards in 2007 among the 16 research areas. However, in line with the mission of S&T, the 16 research areas do not include radiological and nuclear topics. Because of the unique focus required to address the nuclear threat, DNDO was established to provide that singular thrust, without dilution or competition with other homeland security priorities that S&T and the other components address. DNDO will ensure the necessary focus, funding, prioritization, lab partnering, and expert oversight dedicated to the specific nuclear forensics research area. This is the primary difference between the S&T Fellows Program and DNDO's initiatives. DNDO will coordinate with S&T to learn their best praetices and leverage their experience, while implementing the fellowship portion of our pipeline initiative through the Seaborg Institute for Nuclear Sciences Education at the two primary nuclear forensics laboratories, Los Alamos and Lawrence Livermore.

Question: For transformation research and development, please provide a table showing how much funding you are spending in fiscal year 2008 and requested in fiscal year 2009 for detection materials, passive detection, active detection, systems integration, new starts, and continuation of projects. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008	FY 2009
Detection Materials	$11,170,779	$7,568,000
Passive Detection	$15,201,285	$14,069,000
Active Detection	$9,894,078	$8,230,000
Systems Integration	$6,847,858	$2,725,000
FY 2008 New Starts	$6,486,000	$10,564,000
FY 2009 New Starts	---	$16,544,000
TOTAL	**$49,600,000**	**$59,700,000**

In FY 2008, DNDO will be continuing to focus on developing new detection materials with better energy resolution, lower costs, and easy manufacturing. There are currently nine material exploratory research projects that will be in the critical design review phase. These materials will be characterized and publicized by the end of FY 2008. In FY 2009, detection materials research will exploit knowledge gained thus far to create competitive ceramic scintillators based on cubic and possibly non-cubic structures. We will also focus efforts on advancing at least one of the recently identified promising new semiconductors and demonstrating a level of performance beyond CZT as prelude to a potential Advanced Technology Demonstration (ATD) in 2010 that would demonstrate complete detectors based on new materials. Similiarly, our plan is to advance at least one of the recently identified promising new scintillators and demonstrating a level of performance beyond LaBr3 as prelude to a potential ATD in 2010 that would demonstrate complete detectors based on new materials.

In the area of passive detection, we will be further characterizing the capability in FY 2008 to passively detect shielded special nuclear materials, based on earlier demonstrated capability. Our passive detection efforts will result in evaluations of performance in FY 2009 on one or more of the new types or categories of semiconductors and scintillators, which are just now being discovered. Systems integration efforts will result in the transition of applicable technologies of the present (FY 2008) projects for remote emplaced sensor ATDs.

In the area of active detection, there are currently eight ongoing exploratory projects for FY 2008. Projects exist on new interrogation sources: monochromatic gamma (low dose), mobile neutron sources (portable) and more efficient accelerator designs. Other projects are seeking to demonstrate the proof of concept for new, unique, signatures that would unambiguously identify the presence of SNM. In FY 2009, DNDO will be continuing to investigate new monochromatic gamma and muon sources for Active Interrogation with aim for isotopic analysis. We will also explore next level of exotic technologies for, among other applications, low dose Active Interrogation.

There are currently three long-dwell exploratory projects. These projects are working in concert to experimentally measure the cargo container radiation environment and use this data to provide high fidelity modeling to provide insight to the feasibility of instrumenting containers with a low false alarm rate. All are in the critical design review phase. Systems integration efforts will result in finalizing our long dwell detection study and report findings in June 2008.

There are currently five algorithm exploratory projects. Three are improvements to the Monte Carlo transport codes which are used to model the radiation fields that a detection system might encounter. These seek to improve the speed and "user-friendliness" of current codes – such as automatically including background and

decay chains that would have to be input separately, as well as enhancements to underlying physics models. Other efforts are specifically looking at the benefits of combining or "fusing" different systems or information to learn the overall effect on the probability of detection as well as more efficiently dealing with false alarms.

There are currently 14 exploratory projects related to new detectors. These cover a broad range of areas: gamma, neutron and muon detection. Ten are new techniques for improving gamma detection: advanced imaging, using material responses for improved gamma detection, automatically linking video with gamma detection, PMT replacement, and new configurations for semiconductor materials. In FY 2008, we will further develop a proof of concept system for fusing video images with directional radiation detection. FY 2009 will also result in several new projects in similar research areas with the National Labs, industry and academia.

Question: For transformation research and development, please provide a table showing how much funding you are spending on academic research initiatives in fiscal year 2008 and requested in fiscal year 2009 for materials, detectors, forensics, systems integration, policy studies, new starts, and continuation of projects. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008	FY 2009
Materials	$996,000	$996,000
Detectors	$1,347,000	$1,347,000
Forensics	$99,000	$99,000
Systems integration	$3,197,000	$3,197,000
Policy studies	$3,096,000	$3,096,000
FY 2008 New Starts	$3,650,000	$3,650,000
FY 2009 New Starts	---	$4,115,000
TOTAL	**$13,400,000**	**$16,500,000**

In FY 2008, DNDO initiated the Academic Research Initiative and awarded 22 grants. These grants supported over 70 graduate students in nuclear and radiological research areas. DNDO will be conducting the annual academic grantees conference (April 21 and 22, 2008) on nuclear and radiological detection sciences to share ideas and promote collaboration across the community. The next round of ARI proposals are due on April 11 to the National Science Foundation with awards occurring later this summer.

In FY 2009, DNDO will be preparing the releasing the next round of ARI solicitations. We will also be hosting our annual academic grantees conference. Since ARI will enter into a steady state effort, we will also proceed to award follow-on grants for previous ARI projects as well as award the third round of ARI grants.

Question: For transformation research and development, please provide a table showing how much funding you are spending on intelligent personal radiation locator ATDs in fiscal year 2008 and requested in fiscal year 2009 for development and testing. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008	FY 2009
Development	$8,300,000	$1,750,000
Testing	$1,400,000	$2,250,000
TOTAL	**$9,700,000**	**$4,000,000**

In FY 2008 the IPRL program will complete vendor data collection efforts at SRNL for algorithm development and optimization and demonstrate desired IPRL functionality using bench-top prototypes (localization, directionality, and isotope ID).

FY 2009 Projected Milestones and Deliverables include:

- Execute Government testing and analysis phase (October 2008 – April 2009)
- Perform detailed analysis of collected data to support: (January 2009 – April 2009)
    - Development of detailed technology characterization assessment
    - Assessment of technology potential to support follow on development activities
    - Development of an Acquisition Readiness Assessment
- Perform cost benefit analysis and transition to HPRDS (as appropriate) in FY 2010 (April 2009 – June 2009)

Question: For transformation research and development, please provide a table showing how much funding you are spending on stand-off detection ATDs in fiscal year 2008 and requested in fiscal year 2009 for development and testing. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008	FY 2009
Development	$17,900,000	$8,300,000
Testing	---	$2,000,000
TOTAL	**$17,900,000**	**$10,300,000**

In FY 2008, planned accomplishments for the stand-off detection ATD include: completing trade studies and design feasibility assessments (preliminary design review) as well as developing limited-capability bench-top systems for software optimization.
Preliminary Design reviews will occur in: March 2008, April 2008, May 2008, and June 2008.

In FY 2009, DNDO will complete critical design review and place orders of long-lead standoff detection systems. We will also conduct laboratory test and characterization of stand-off detection performance and finalize the ATD test plan for execution in FY 2010.

Critical Design reviews will occur in: December 2008.

Question: For test and evaluation infrastructure, please provide a table showing how much funding you are spending in fiscal year 2008 and requested in fiscal year 2009 for assessments to include operations, infrastructure, data management, and testing to support components, State, and local partners. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008	FY 2009
Operations	$6,357,348	$7,900,000
Infrastructure	$4,418,477	$3,000,000
Data Management	$2,324,175	$2,000,000
Rail Test Center	$5,500,000	- *
Directed Testing Components, state and Local partners	$4,000,000	$4,000,000

TOTAL	**$22,600,000**	**$16,900,000**
Testing to Support DNDO Programs (allocated from DNDO program dollars)	$19,548,800	$29,200,000

Note: Any residual infrastructure maintenance cost associated with the Rail Test Center in FY 2009 will be funded from existing RTC funds. Funding to execute tests at the RTC will come from DNDO programs that utilize the facility.

In FY 2008, DNDO is funding operations, infrastructure, and support components for assessments including an expansion of testing venues beyond Nevada Test Site. The Crawdad test supporting the Maritime Pilot will be testing radiation detectors at the L-Lake at the DOE Savannah River Site. DNDO bas invested in the testing infrastructure to support this test such as mobile trailers to contain the test data systems and wireless data networks.

DNDO has established a Rail Test Center (RTC) in the Port of Tacoma, WA. Testing of multiple types of mobile and fixed radiation detection systems are planned for FY 2008. DNDO is also collaborating with CBP and DOE to test Crane Mounted radiation detection systems.

Construction of the Radiological/Nuclear Countermeasures Test and Evaluation Center (RNCTEC) will be completed in late summer. This facility will enhance the testing capabilities at the Nevada Test Site.

In FY 2008, DNDO is developing a Data Collectiou System (DCS), which is a solution for collection and management of DNDO test campaign data. The system will allow test data to be available for analysis and later retrieval. The $2 million allocated for this effort is funding the start of the systems development. Annual funding will be required to upgrade and maintain the system to support any upcoming test and operations requirements.

In FY 2009, DNDO plans to start up the RNCTEC to a less than Hazard Category III nuclear facility allowing radiological and some SNM sources to be stored at the facility. Since this test facility will be operating in FY 2009, operational and management costs will be required.

Testing support in FY 2009 to DNDO and State and local partners includes two ASP Variant C performance tests, one ASP Variant L characterization test, one performance test for Human Portable Detection Systems, two International General Aviation tests, and a Technology Demonstration and Characterization test (i.e. prototype testing for the Transformational Research and Development Directorate) for all three current CAARS systems, which will be held at vendor sites.

Question: For red teaming and assessments, please provide a table showing how much funding you are spendiug in fiscal year 2008 and requested in fiscal year 2009 for covert projects, modeling project, and overt projects. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008	FY 2009
Covert projects	$5,365,167	$5,100,000
Modeling projects	$2,037,570	$1,200,000
Overt projects	$2,397,263	$3,600,000
TOTAL	**$9,800,000**	**$9,900,000**

Each of the projects described below are part of an integrated red teaming and net assessments program. Some efforts may have both covert and overt components, but for simplicity were placed in only the category representing the majority of the effort.

FY 2008 Planned Accomplishments:

- Covert Projects
  - Conduct joint covert testing and red teaming assessments of sea and land border POEs and maritime pathways
  - Conduct no-notice assessments measuring effectiveness of reachback and technical assistance programs
  - Continue developing a comprehensive planning, coordination, execntion, and review process for joint, multi-layer preventive radiological and nuclear detection assessment operations

- Overt Projects
  - Conduct effectiveness assessments of preventive radiological and nnclear training programs

- Modeling Projects
  - Develop models to estimate the effect that implemented radiological and nuclear detection capabilities have ou an adversary's decision making
  - Provide threat evaluation input for the integrated CBRN risk assessment in response to HSPD-18

FY 2009 Projected Milestoues and Deliverables:

- Covert Projects
  - Conduct joint covert testing and red teaming assessments with mission partners to assess effectiveness and performance of rad/nuc detection capabilities across multiple layers of the detection architecture

- Overt Projects
  - Conduct operational effectiveness and performance assessments of implemented reachback and training capabilities and processes
  - Conduct operational effectiveness and performance assessments of the Securing the Cities initiative
  - Develop a scalable database of domestic capabilities, including State, county and municipal protocols, concepts of operation, training, equipment, and requirements

- Modeling Projects
  - Develop and demonstrate an initial probabilistic model for evaluating the effect of perceived defensive capabilities on adversary decision making

Question: Are you requesting any funding for the intermodal test center in Washington in fiscal year 2009? If so, how much and for what activities? If not, please explain why.

ANSWER: No, DNDO is not requesting additional funding for the intermodal test center in FY 2009. No separate funding was requested in FY 2009 because the test center infrastructure has already been established and testing activities have commenced. Congress first directed DHS to establish an Intermodal Rail Radiation Test Center in the Safe Port Act 2006. Funding was appropriated in the War Supplemental Bill (2007) and in the FY2008 DHS appropriations. Subsequently, the Port of Tacoma in Washington was selected as the site to establish this test center. Funding from FY 2007 and FY 2008 will be utilized to establish the testing infrastructure and capabilities at the Port of Tacoma. This funding will also support development and testing of solutions to the on-dock rail radiation screening problem. Any additional future testing activities in FY 2009

required at the Port of Tacoma will be funded by the programs requesting the testing. Any residual infrastructure maintenance cost associated with the facility will be funded from existing Rail Test Center funds.

Last fall, DNDO informed the Subcommittee staff that the contractor for the Radiological and Nuclear Countermeasures Test Center project (at the Nevada test site) had notified DHS of significant cost overruns and that DNDO had problems with the proposed path forward. The Army Corps of Engineers was putting together an estimate for completion of the construction and DNDO would receive a fixed price estimate to complete. Please update the Committee on the status of this project.

Question: When will the new facility be completed?

ANSWER: The U.S. Army Corps of Engineers (USACE) has completed the government cost estimate and is in the process of negotiating an Interagency Agreement with NNSA. Funds are currently in place to support the government cost estimate and we are expecting USACE to release a request for proposal (RFP) in April or May of 2008.

$33M was originally appropriated over 3 years for RNCTEC construction. DNDO expects to complete the facility using the Army Corps of Engineers for the original amount of appropriated funds. Therefore, DNDO is avoiding a $4M or greater cost overrun originally projected by NSTEC to complete construction. Construction is expected to be completed late FY 2008 or early FY 2009.

Question: How much funding is in the 2009 budget request for this activity?

ANSWER: All funds for completion of construction and startup for the RNCTEC come from prior year funding. The only associated funding projected for FY 2009 is the expected O&M charges of $3,000,000.

Question: Have delays affected testing at the facility? What testing do you plan on conducting at NTS in 2008 and 2009?

ANSWER: RNCTEC construction delays did not impact DNDO testing of radiological and nuclear detection equipment. Testing in FY 2008 was accomplished at other facilities such as the ASP (Advanced Spectroscopic Portal) Test Track and inside the Device Assembly Facility (DAF) at the NTS. In addition, DNDO is planning tests at alternate sites such as Andrews Air Force Base for the International General Aviation Pilot tests, Savannah River National Lab for the Maritime Pilot tests, and the RTC in Tacoma for cargo scanning tests.

While these other test sites expand and improve DNDO's ability to conduct more tests sooner, RNCTEC is still a vital part of DNDO's test infrastructure and provides several benefits. Testing inside the RNCTEC facility avoids all the additional security costs required for testing outside on the temporary track which adds several hundred thousand dollars to the cost of the test. Additionally, the RNCTEC will allow DNDO to set their own schedule without coordinating schedules with the DOE DAF schedule. Finally, all tests will be conducted at one location with permanent data and control systems, avoiding use of multiple temporary testing locations at NTS.

In FY 2008 the following tests will be executed at NTS:

- ASP-C Data Collection (March – April 2008)
- ASP-C Performance Test (June – July 2008)
- ASP-L (ASP in SUV) (May 2008)
- Human Portable Radiation Detection Systems (HPRDS) Characterization Test (January 2009)

- International General Aviation: one phase at Nevada Test Site, one phase at Andrews AFB (March – June 2008)

In FY 2009 the following tests are planned for execution at NTS:
- ASP-C Performance Tests (1st or 2nd quarter depending on vendor readiness)
- HPRDS Performance Test (1st quarter)

Question: For the joint analysis center, please provide a table and narrative detailing how much funding is being spent in 2008 and requested in 2009 for collaborative information systems and operations.

ANSWER:

	FY 2008	FY 2009
Collaborative Information System	$2,100,000	$4,600,000
Operations	$4,100,000	$4,500,000
TOTAL	**$6,200,000**	**$9,100,000**

In FY 2008, DNDO will deploy and beta-test an initial operational automated system (the Joint Analysis Center Collaborative Information System – JACCIS) which will include:

- A comprehensive accessible database on all deployed global nuclear detection architecture systems.
- Real-time data links to several existing Federal networked detection systems, including PRIDE, CBP-LSS and the NRC Source Tracking Database.
- Communications and situational awareness links to federal operations and intelligence centers (a total of 48 data systems and 15 communications links).
- Rapid and interactive links to technical reachback via an automated communication and data sharing system, linking emergency responders to regional and national-level technical experts.
- Real-time automated radiation source license data verification and source tracking information, to include automating and networking four Agreement States' license information under a pilot program with the NRC and the Organization of Agreement States.

Additionally, in FY 2008 the Joint Analysis Center (JAC) Operations will maintain a 24/7 capability for coordination of information and technical support to the global nuclear detection architecture, while coordinating with State and local agencies, as they increase their radiological and nuclear detection capabilities, on specific protocols and standard operating procedures for alarm adjudication/resolution, in concert with complementary Federal procedures.

In FY 2009, the DNDO plans to have the JACCIS reach its initial operating capability which will allow the effective sharing and use of radiological and nuclear detection information and intelligence to provide Federal, State and local partners greater situational awareness of the radiological and nuclear threat. JACCIS functionality will include: radiation events management component, nuclear material licensing portal, global incident portal, trend analysis tools, data mining tools, and data storage medium.

Additionally, the JACCIS will employ a customer service approach to JACCIS design and implement a framework that can serve a broad user community and complete the database of radiation material licenses by the remaining 36 Agreement States, based on the success of the FY2008 pilot program with the four initial Agreement States.

JAC Operations will expand its human component to meet the increased demands of interior-layer deployed radiological and nuclear detection equipment and continue assisting Federal, State and local partners in their

radiological and nuclear detection programs and efforts. Additionally, JAC leadership will be preparing for a FY 2010 acquisition for JACCIS for a state-of-the-art system upgrade.

Question: For training and exercises, please provide a table and narrative detailing how much funding is being spent in 2008 and request in 2009 for training development and exercises.

ANSWER:

	FY 2008	FY 2009
Training Development	$4,200,000	$4,200,000
Exercises	$1,300,000	$1,400,000
TOTAL	**$5,500,000**	**$5,600,000**

In FY 2008, DNDO will update its Preventive Radiological and Nuclear Detection (PRND) Strategic Training Plan which will identify and forecast user requirements and components of a comprehensive training program for the Nation. Additionally, in partnership with FEMA's National Preparedness Directorate (NPD), Training and Exercises will train 2,400 Federal, State and local participants in preventive radiological and nuclear detection, including basic principles and operations, law enforcement and public safety-centered nuclear detection, regional spectroscopy, and preventive radiation detection "Train-the-trainer" requirements. Furthermore, Training and Exercises program will conduct the final piloting-phase courses of the Advanced Radiation Detection (ARD) curriculum, evaluate and modify the course, as required, for utilization in the FEMA/NPD course catalog.

In FY 2008, DNDO will conduct alarm adjudication table-top exercises to validate and test the protocols, as per stakeholder requirements. Also, exercises will facilitate the development of the interagency *National Preventive Radiological and Nuclear Detection Plan*, in response to issues identified during the national TOPOFF-4 Exercise. Furthermore, several national-level exercises for the DNDO pilot program will be executed.

In FY 2009, DNDO, again in partnership with FEMA/NPD, plans to implement the PRND Strategic Plan to train 3,600 Federal, State and local participants. Additionally, through the "Train-the-trainer" courses, approximately 7,500 additional State and local participants will be trained.

DNDO will develop and lead several regional, State and local tabletop exercises and operational drills, and will participate in workshops, table-top exercises, drills and full scale exercises to support DNDO projects and programs across multiple domains (Aviation, Maritime, Interior, Ports of Entry and the Securing the Cities Initiative). Additionally, DNDO will continue to support National Special Security Events (NSSEs), DHS Special Events and elevated threat conditions.

Systems Acquisition

Question: In order to achieve Secretarial certification of the advanced spectroscopic portals (ASPs), what milestones must be achieved in fiscal year 2008? Please answer by vendor (both sodium iodide and high-purity germanium).

ANSWER: To achieve secretarial certification all vendors (sodium iodide and high-purity germanium) must pass government testing requirements.

To enter the test cycle each vendor must present evidence of systems stability and completion of all ASP requirements documented in Specification 4.1. The test cycle will include the following test activities:

- Regression test of Detection/ID Algorithms against data collected in 2007 to verify that algorithms are stable.
- Data Collection at NTS to support injection studies
- System Qualification Testing at the vendor's facility to validate system functionality
- Integration testing (PNNL) to validate interoperability with CBP peripherals and CONOPS
- Performance Testing at NTS to demonstrate detection and identification capability.
- Field Validation testing at CBP sites to demonstrate operational readiness

It should be noted that based on progress made thus far by the vendor, DNDO does not anticipate that the high-purity germanium system will be able to meet the timeline for testing in FY 2008.

For systems acquisition funding, please provide a table and narrative showing how you are allocating the fiscal year 2008 appropriation and how you plan to allocate the fiscal year 2009 budget request. Please include specific figures on how many PVTs and ASPs you plan to acquire, the cost to deploy each type of radiation portal monitors, how much you will be spending on functionality improvements, how much you will spend to retrofit the original ASPs procured, how much you plan to spend to update the ASPs from version 4.1 to 5.0, any funding for crystal procurements, and other projects.

ANSWER: The following tables address FY 2008 allocations, FY 2009 budget request allocation plans, and numbers for PVT and ASP acquisition.

PVT Systems	FY 2008 (Units)	FY 2008 (Dollars)	FY 2009 (Units)	FY 2009 (Dollars)
Procurement			240	$24,000,000
Deployment to Seaports / Land Borders	105	$47,000,000	50	$15,300,000
Deployment to Airports	8	$4,100,000	32	$16,000,000
Subtotal		**$51,100,000**		**$55,300,000**

ASP Systems	FY 2008 (Units)	FY 2008 (Dollars)	FY 2009 (Units)	FY 2009 (Dollars)
Procurement	32*	$12,700,000	125	$50,000,000
Deployment to Seaports / Land Borders	45	$16,100,000	92	$34,500,000
Upgrade of LRIPS to 4.1		$900,000		
Field Validation		$9,200,000		
Production Execution				$12,900,000
Block Upgrade to 5.0				$5,000,000
Subtotal		**$38,900,000**		**$102,400,000**

TOTAL		**$90,000,000**		**$157,700,000**

Note: The 32 ASP systems procured in FY 2008 are the required minimum buy under existing ASP contracts.

Question: If Secretarial certification does not occur in 2008, please identify what portion of your system acquisition budget request is tied to this certification.

ANSWER: The systems acquisition budget is tied to the procurement, deployment, and maintenance of RPM systems. If ASP is certified, a large portion of these dollars will be allocated for acquisition of ASP systems. If ASP is not certified, these dollars will be used to deploy the existing PVT systems.

Question: A recent AP article noted that DNDO plans to spend about $350 million to develop and deploy next-generation radiation monitors. This figure is substantially less than what had been reported by DNDO earlier, which was up to $1.2 billion. Has DNDO decreased the number of ASPs it plans to procure? If not, how is this new figure derived?

ANSWER: DNDO does not plan to decrease the number of ASP units it plans to procure and deploy. The $350 million number reflects the current joint DNDO CBP deployment plan that calls for the acquisition of 716 ASP systems. The $350 million only pertains to procurement of the systems and does not include deployment costs. The $1.2 billion dollar number is a ceiling for all ASP contracts which allows for multiple vendors.

Question: What is the status of the National Academy of Science report on the advanced spectroscopic portal monitor program? Has work begun? How long do you estimate the study will take?

ANSWER: The Solicitation has been issued to the National Academy of Science (March 26, 2008). The National Academy of Science has until April 10 to respond with a proposal.

In accordance with the terms of the Statement of Work, the National Academy of Science will form a committee of experts to perform tasks addressing Department of Homeland Security Secretarial requirements for certification of advanced spectroscopic portal (ASP) monitors for secondary screening and, to the extent possible, for primary screening. The committee will evaluate DNDO's ASP assessments, performance tests, and analyses. Specifically the committee will:

- Evaluate the adequacy of DNDO's past testing and analyses of the ASP systems;
- Evaluate the scientific rigor and robustness of DNDO's testing and analysis approach;
- Evaluate DNDO's cost benefit analysis of ASP technology.

The estimated duration for the study is five months from award of contract to the National Academy of Science.

In the independent review of the ASP program, the final report notes that "Unfortunately, the limitations imposed by DNDO's test approach, analysis methods, and scoring schemes make it almost impossible for us to evaluate the performance of ASP…we cannot determine minimum detectable amounts of threat material that could be detected reliably in the presence of realistic background noise, masking, or shielding. In short, we simply do not know how an ASP deployment in the primary screening role would impact the probability of nuclear/radiological threats entering the United States." The report notes that injection testing is needed for quantitative results on this issue. What is DNDO's plan to conduct injection studies? As part of this answer, please include the proposed timetable for this work and whether this must be completed before ASPs can be considered as a primary screening tool.

ANSWER: DNDO has coordinated a multi-agency team to conduct the threat injection studies for ASP. This team includes subject matter experts from several DOE National labs (PNNL, SNL, LANL, ORNL), DOE Second Line of Defense (SLD) program, Johns Hopkins University Applied Physics Lab, CBP, and DNDO.

This multi-agency team has conducted a data collection campaign at Los Alamos National Laboratory to collect spectra from bare special nuclear material (SNM) threat sources for use in the collection studies. This effort was led by the DOE-SLD program with support from DNDO.

DNDO conducted a data collection campaign at NTS at the end of March 2008 to collect spectra using more challenging NORM sources identified by the DOE-SLD program. DNDO is the lead for this effort with support from DOE-SLD and CBP. The results from the injection studies are anticipated as one of the inputs to the Secretary's certification decision for the ASP systems (planned for August 2008).

Question: The same independent review notes that DNDO needs to devise a better process to test and evaluate how effective the ASP machines are. Are you doing this? Will this revised testing be part of the testing the ASPs go through in the spring and summer of 2008 before being certified for use in secondary screening?

ANSWER: Yes, the Department has established a Memorandum of Agreement between DNDO, the DHS S&T Testing and Evaluation and Standards Division, and Customs and Border Protection to establish an independent Operational Testing and Evaluation (OT&E) team for the ASP program. The OT&E team will assist DNDO in completing developmental testing of the ASP systems and lead the Operational Testing.

DNDO, CBP, and the OT&E team are working to establish a more operationally relevant scoring scheme to be used on the FY 2008 testing of the ASP systems. DNDO will include more challenging NORM sources identified by the DOE-SLD program.

The new construct with S&T oversight and an independent OT&E team will be involved in upcoming tests to be conducted in the spring and summer of 2008.

Question: Please identify for the Committee how you plan to allocate the $13,000,000 requested for human portable radiation detection systems in 2009? How much will be for systems that CBP and the Coast Guard use, for what type of systems, and is any of this funding being used to procure systems for other DHS agencies? Please answer by systems type as well as by user.

ANSWER:

Operational User	System Type	Description	Units Acquired*	Total Funding
Coast Guard	RADPACK Recapitalization	Backpack	33	$990,000
	IDF-U Recapitalization	Sodium Iodide-Based Detectors	116	$2,668,000
Customs and Border Protection	HPRDS Backpack RIID (Scintillator) for Customs Recapitalization	Backpack	20	$460,000
	COTS PRD-ID for BP Pilot	Commercial off the shelf PRD-ID	100	$1,100,000
	Handheld RIID (HPGe) for LSS Recapitalization	HPGe Detectors	12	$1,080,000
	HPRDS Handheld RIID (Scintillator) for Customs Recapitalization	Sodium Iodide-Based Detectors	199	$3,383,000
	Lanthanum Bromide Handheld (Test Units)	Lanthanum Bromide-Based Handheld	8	$240,000
Pilots - San Diego and Puget Sound	HPRDS Backpacks	Backpack	54	$1,242,000
	Lanthanum Bromide Handheld (Test Units)	Lanthanum Bromide-Based Handheld	8	$240,000
	COTS PRD-ID	Commercial off the shelf PRD-ID	50	$550,000
	Handheld HPGe	HPGe Detectors	2	$180,000

Units acquired are based on currently available estimates.

Question: What requirements did either the 9/11 Act or SAFE Ports Act place on DNDO? How does your 2009 budget request address these requirements? Please include funding as part of this response.

ANSWER: The 9/11 Act requires that the Secretary of Homeland Security, the Attorney General, the Secretary of State, the Secretary of Defense, the Secretary of Energy, and the Director of National Intelligence submit an interagency report on the development and implementation of the global nuclear detection architecture.

The 9/11 Act also requires that the DHS Secretary develop a system to detect both undeclared passengers and contraband, with a primary focus on the detection of nuclear and radiological materials entering the United States by railroad and submit a report by September 30, 2008 detailing progress.

The SAFE Port Act required that all containers entering U.S. high-volume ports by vessel be scanned for radiation. DNDO was also required to submit to Congress the required strategy for the deployment of radiation detection capabilities.

In total, the SAFE Port Act outlined five reporting requirements for DNDO. The RPM deployment strategy was submitted first to Congress in March 2007 and included information on a risk-based prioritization of ports, a proposed timeline for deployment, the types of equipment that we are proposing for each port, documentation of standard operating procedures for examining containers, operator training plans, and the Department's policy of using non-intrusive imaging equipment. The report also included a classified annex that details plans for covert testing of the top 22 seaports, as required by Section 121 of the Safe Port Act.

In April 2007, we submitted a joint report with the Science and Technology Directorate, CBP, and DHS Office of Policy Development that outlined the feasibility of and strategy for development of chemical, biological, radiological and nuclear (CBRN) detection equipment. DNDO submitted content that clearly documented both near- and long-term research and development efforts that will provide improved nuclear detection capabilities.

The third report required that DNDO, along with CBP, complete an evaluation of health and safety issues related to the use of non-intrusive imaging (NII) technology to scan containers. DHS fully understands the environmental health and safety impacts of NII technology. DHS has a comprehensive radiation risk reduction plan, and will continue to work closely with the Nuclear Regulatory Commission, Occupational Safety and Health Administration, and the National Institute for Occupational Safety and Health to minimize radiation exposure of workers and the public to levels as low as reasonably achievable. Additionally, DHS will continue to monitor environmental health and safety impacts associated with NII technology by constantly addressing tbese impacts with systems currently deployed and systems under development. This report was submitted in July 2007 and received no comments from Congress except for a request to make our findings open for distribution to the private sector. DNDO complied with this request and modified the document so that it was no longer For Official Use Only (FOUO).

A report on how DNDO authorization language impacted the Homeland Security Act of 2002 and DHS research and development efforts to detect, prevent, protect, and respond to chemical, biological, radiological, and nuclear terrorist attacks, was delivered in October 2007 and an overall investment strategy for radiological and nuclear detection across the USG was submitted in November 2007.

The SAFE Port Act also required DNDO to establish an Intermodal Rail Radiation Detection Test Center. The test center was announced in May 2007 and was awarded to the Port of Tacoma, Washington. The Port of Tacoma was chosen as the location of the Rail Test Center because more than 70 percent of its total import cargo volume is handled by rail at its multiple intermodal rail terminals. We are working diligently with the Port of Tacoma and CBP to begin testing the operational needs associated with intermodal rail, as well as evaluating innovative technical solutions to fit the unique radiological and nuclear detection requirements of intermodal terminals.

In FY 2009, DNDO will continue to fund analysis in support of the GNDA, addressing the requirement in the 9/11 Act. DNDO will also work to develop solutions for radiological and nuclear detection for rail and has budgeted $6 million for international rail systems development. The reporting requirements from the SAFE Port Act and the establishment of the Intermodal Rail Radiation Detection Test Center were funded and addressed in previous years.

Securing the Cities

Question: Please provide the Committee with a status report on Securing the Cities initiative. What has been done to date? What have testing and drills found? Why is an additional $30,000,000 requested in 2009?

ANSWER: A Memorandum of Understanding (MOU) between the Department of Homeland Security (DHS) and New York City (NYC) was signed on May 5, 2007. It outlines roles and responsibilities between DNDO and the New York City Police Department (NYPD) for the research, development, and initial deployment of prototype technologies. This MOU is currently being updated. NYPD has signed separate MOUs with jurisdictions that are participating in the initiative.

NYPD used pre-existing grant funding to purchase equipment sets for regional partners. A set included personal radiation detectors, survey meters and various probes, a Radioactive Isotope Identification Device, and a mobile detection system. Training has been, and is continuing to be, provided through Counter Terrorism Operations Support (CTOS) courses funded through the National Preparedness Directorate and supplemented with vendor training.

A cooperative agreement of $3.25M was awarded to develop capabilities for automated, wireless reporting of system information and situational awareness capabilities.

A series of drills and demonstrations termed Operation City Lights were executed regionally to help familiarize users with the capabilities and limitations of PRND equipment. The list of those demonstrations is below:

- April 25, 2007 – Suffolk and Nassau County
- May 2, 2007 – Port Authority of NY & NJ, State of New Jersey with County and Local PD support
- June 13, 2007 – Rockland and Orange Counties, NY State Police
- September 18, 2007 – Westchester County, NY and State of Connecticut, NY State Park Police

DNDO led and funded a collaborative effort with DOE to provide radiation/nuclear detection Subject Matter Expert (SME) assistance to STC state and local agencies in an operational environment. SME personnel work with STC partner agencies in the field to assist in development of procedures for detection, interdiction, and reachback operations. This is a widely popular concept with the State and local partners and seen as cost effective way to improve their proficiency and effectiveness in this mission area. This has also provided a vehicle for informally assessing training and equipment gaps and requirements for the region. The first workshops have been executed, and included:

- November 14 – 15, 2007 – State of NJ
- November 28 – 29, 2007 – Port Authority of New York & New Jersey
- January 15 – 16, 2008 – New Jersey Transit Police
- January 23 – 24, 2008 – New Jersey State Police, Transportation Division
- February 28 – 29, 2008 – Military Ocean Terminal, Bayonne, New Jersey
- March 11, 2008 – NY State Department of Health
- March 12, 2008 – 2nd Weapons of Mass Destruction Civil Support Team, Scotia, NY

Surveys of workshop effectiveness are being gathered by RTNA.

In addition, maritime drills have been conducted at maritime chokepoints along the Hudson River, New York Harbor, and New Jersey approaches to New York City:

- August 25, 2007 – Blue Zone Surge – Hudson River
- November 9, 2007 - White Zone Surge – Raritan Bay area
- January 13, 2008 – 3 Queens Operation, New York Harbor

In coordination with NRC, DOE, and Agreement State regulatory agencies, STC is in processing of visiting the 30 highest risk radioactive material licensee holders in the region to assist them in improving source security.

Regional source transportation notification protocols are being clarified and regionally distributed. Source security best practices are being captured for use in the next STC implementation or for use nationwide.

As indicative of STC's success, State and local jurisdictions regionally coordinated and executed substantive preventive radiological and nuclear detection screening operations for an August 2007 threat message and for New Years Eve.

The following items are included under the $30 million in requested funding:

- Further expansion of State and local operational preventive radiological and nuclear detection capabilities.
- Provision of a regional logistics, maintenance, and calibration capability for all equipment purchased under the STC initiative.
- Completion of regional information sharing capabilities and protocols to enable all STC stakeholders to effectively execute region-wide CONOPs.
- Execution of one or more large-scale Federal, State, and local exercises to assess and improve developed capabilities.

Question: For research, development, and operations, please provide a table showing how much funding you are spending on Securing the Cities in fiscal year 2008 and requested in fiscal year 2009 for architecture analysis, exercises, independent assessments, mobile systems, drills, and fixed systems. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER:

	FY 2008*	FY 2009
Architecture Analysis	$600,000	$600,000
Exercises	$500,000	$1,500,000
Assessments	---	$600,000
Mobile Systems	$1,600,000	$500,000
Drills	$1,300,000	$800,000
Fixed Systems	$6,000,000	$6,000,000
TOTAL	**$10,000,000**	**$10,000,000**

Note: Initial work on 2008 STC assessments is budgeted by Red Teaming and Net Assessments.

STC contributes to the ASP-L research and development program. ASP-L will be characterized at NTS in Q3FY08 by SEED, and delivered to NYPD to begin field evaluation and data collection in the same quarter. Pending the outcome of the SEED characterization event, STC may fund a geospatial information system upgrade to ASP-L to facilitate background mapping and hotspot tracking.

DNDO is currently completing a concept refinement analysis for a fixed site detection system that will:

- Detect and categorize radioactive emissions from vehicles on highways.
- Identify the vehicle suspected of carrying the materials detected
- Acquire information (that will support interdiction) about the suspect vehicle
- Generate and send a message containing information on the radioactive emissions and suspect vehicle to an appropriate law enforcement (operations) center
- Have a low false alarm rate to support continuous 24/365 operation in a multi-lane highway environment.

Below are the key milestones anticipated for the fixed site detection system:

- Concept Decision for the Fixed Site Project (April 2008)
- Initial Operating Capability for Fixed Site Project (July 2009)
- Full Transfer to End User for Fixed Site (December 2009)

These milestones are currently under review for feasibility given other pressing priorities in DNDO. This portion of the STC initiative may need to be extracted and placed in a separate program with timelines not linked to the STC initiative.

Question: For systems acquisition, please provide a table showing how much funding you are spending on Securing the Cities in fiscal year 2008 and requested in fiscal year 2009 for cross-cutting issues, on exercises, equipment, procurement, and deployment. As part of this response, provide a brief description of the development efforts and key milestones anticipated in 2008 and 2009.

ANSWER: Acquisition funding for STC is distributed through a cooperative agreement, solicited through a Funding Opportunity Announcement. The mix of equipment, training, exercises, and other areas is a part of the requested application package. DNDO has received the regional 2008 application and is it is currently under review. Upon a favorable review, DNDO will negotiate the award. DNDO estimates a May 2008 award. At that time, DNDO will be able to clarify the 2008 division between exercises, equipment, and training.

As part of the Funding Opportunity Announcement, the applicant may request a mixture of direct financial assistance and non-monetary assistance for equipment. If direct financial assistance is requested, the applicant will negotiate and award contracts with vendors with funding provided by DNDO. If non-monetary assistance is requested, DNDO will procure systems from Government contracts and provide them to the applicant.

In 2009, STC estimates the following funding breakdown:

	FY 2008	FY 2009
Equipment		$11,400,000
Training		$5,600,000
Exercises		$3,000,000
TOTAL	**$30,000,000**	**$20,000,000**

Below are the key milestones anticipated for systems acquisition for 2008 and 2009:

- Release of 2008 Funding Opportunity Announcement (January 2008)
- Award of 2008 Cooperative Agreement (May 2008)
- Training and equipment delivery (September 2008)

- Release of 2009 Funding Opportunity Announcement (January 2009)
- Award of 2009 Cooperative Agreement (May 2009)
- Regional Full-Scale Exercise (September 2009)
- Assessment completion (December 2009)

Questions Submitted to Christopher Koch, President and CEO of the World Shipping Council

Cost Sharing And Burden Sharing

Question: Please provide your views of the appropriate form of cost- and burden-sharing that could or should be borne by the private sector – among shippers, carriers, port operators and consumers – to establish the kind of security system required to protect our supply chain.

- What kinds of processes and adaptations are going to be required on the part of the private sector?
- What kind of role should the private sector take in designing and implementing security?
- What are the prospects for achieving a system where the cost of screening is either shared by the private sector, or fully privatized?

ANSWER: Uuder the various regulatory regimes that the government has established and applied to the private sector to enhance supply chain security, there are a variety of costs and burdens that the private sector bears. For example, ship and port facility operators have incurred billions of dollars of costs to comply with the ISPS Code and the Coast Guard's maritime security requirements. Ocean carriers and NVOCCs incur costs in providing Customs and Border Protection (CBP) with advance mauifest data. Importers and ocean carriers will incur additional costs in complying with CBP's "10 plus 2" regulations when they become final.

By and large, the resultant cost and burden sharing are derived from the classic government regulation model – the government incurs some costs for implementing its portion of the obligations, and the private sector incurs some costs for its implementation and compliance with the various regulatory obligations. So long as the regulations developed are well reasoned, lead to meaningful and tangible enhancement of security, and are developed with care with respect to the costs and obligations that would result, this model generally works satisfactorily.

Voluntary programs to improve supply chain security, such as Customs' Trade Partnership Against Terrorism (C-TPAT) operate in a similar manner. In this case, CBP establishes particular objectives and works with the private sector to develop program elements that are to be implemented in order to participate in the program. Unlike regulations, a private sector participant can withdraw from a voluntary program at any time that the costs become unreasonable. To date, that has not occurred, even though the costs can be significant to establish, implement, monitor and validate participation in such a program.

In the end, every new program or regulatory initiative will result in costs for the private sector and costs for the government. The existing allocation of costs would appear to be a reasonable and fair allocation. The key is to ensure that the programs in fact have significant value in enhancing supply chain security. It is also essential that the private sector not be tasked with law enforcement functions, which must remain a governmental function.

Another factor affecting U.S. international supply chain security initiatives is that they can and do impose costs on foreign governments. Many governments have worked cooperatively with the U.S. Coast Guard and CBP and expended their own resources in such efforts. However, not all foreign governments see the issues and the priorities the same way as the U.S. government may see them. There

are times, particularly when the U.S. government establishes a policy affecting a foreign government without adequate consultation, that such governments may question their value.

The final part of the question presented above relates to container "screening". In order to be clear, a distinction should be maintained between container "screening" and "scanning".

"Screening" is the process used by CBP to review advance information about a containerized cargo import shipment and perform risk assessment, before it is loaded on a vessel in a foreign port. The private sector incurs certain costs both in complying with the regulations mandating advance information filing with CBP, and the delays that may result from CBP's decisions to stop and/or inspect a container. CBP incurs costs in running the National Targeting Center that receives and analyzes the data required from the private sector and other sources of data, including classified intelligence information, that are used in targeting. Cargo "screening" is a function that is clearly a sovereign function of the government. It does not appear reasonable to believe that such a function could be privatized.

Container "scanning" is the process of obtaining data about containerized cargo shipments from radiation scanning and non-intrusive inspection (NII) scanning technology. This has been and continues to be a sovereign function of the government.

If the Congress and the Administration wished to consider "privatization" of this function, a serious and careful analysis of a number of significant issues would be required. It is difficult to see how this scanning function could be fully privatized. For example, resolution of radiation alarms would appear to require sovereign authorities. For example, analysis and action based on review of NII imaging would appear to require sovereign authorities.

Some have raised the possibility of what might be called a "partial" privatization of the container scanning function. This is generally understood to envision overseas marine terminal operators' purchasing, installing and operating radiation and NII container scanning equipment, charging each container a fee for "scanning" them, and providing the resultant data and images to government authorities. As the Council has noted on several previous occasions, such a concept would require Congress and the Administration to address a number of significant issues that current law and policy do not address, including the following:

1. Such an initiative would require the consent of the foreign host government, and compliance with any conditions that the foreign government were to impose on such operations. For example, would the government in Hong Kong agree that such an enterprise should be established at its port facilities?

2. The Congress and the Administration would need to consider and decide what criteria a foreign company would need to satisfy in order to be trusted to perform this function. The development of this criteria would need to be both careful and transparent given the sensitivity and implications involved in the U.S. government approving one foreign terminal operator and not another. For example, would the Congress find Dubai Ports World and Hutchison Whampoa, two of the largest terminal operating companies in the world, acceptable to perform these security functions?

3. The government would need to be clear about the technical standards the scanning technology would need to meet (e.g., reliability of detection, false alarm rate, functionality, etc), as well as equipment operating and maintenance requirements. Further, would these standards be adopted as international or U.S. standards? If U.S. standards were required, how would such standards be imposed?

4. To privatize this function, marine terminal operators would probably need the government to require this scanning service to be performed. Without a requirement that the foreign marine terminal operator perform this action, it would likely not be able to impose this service on containerized cargo and make a

financial profit on the enterprise, because there is no market demand for the service to justify the investment in such equipment. The government would thus have to create the market demand via a mandate that this function be performed.

This, however, raises a question that so troubles the present statutory provisions of the "9/11 Commission Recommendations Act" regarding 100% container scanning, namely how as a practical matter can the U.S. government require such activity by foreign enterprises? The jurisdiction to impose such requirements on foreign terminal operators lies within the sovereignty of the various foreign nations, which have very different views on this issue.

For example, the European Commission earlier this month provided formal comments to Customs and Border Protection on the 100% container scanning concept, stating: "we fundamentally disagree with the 100% scanning approach and we do not contemplate 100% scanning in Europe." A copy of the European Commission's comments on this subject is attached as an Annex to these responses to the Committee's questions.

5. The government would need to recognize that, while some terminal operators might derive a financial profit from running containers through such scanning equipment if cargo were required to be scanned, other terminal operators may be forced to absorb all or a portion of the related scanning costs based on the competitive marketplace in that geography, and be unwilling to take on this function. In both cases, the functions the terminal operator would perform need to be clearly defined and agreed, but they would also be limited. They certainly would not constitute a full privatization of the functions or the costs of such a mandate. For example:

a. Such operators are not candidates for performing the security analysis or security resolution that such technology requires. They also would be unlikely to assume this role or this liability. The functions of information security analysis and response protocols would require the participation and resources of foreign governments and CBP.

b. The government would need to have a clear strategy for what it would do with the data and the images that foreign terminal operators would send it for millions of containers a year. While the concept of such a "partial privatization" might be financially profitable for some terminal operators under certain circumstances, and could relieve the government of the costs of the purchase and operation of the scanning equipment, it would still impose substantial costs on the U.S. government and on the trade community. Those costs would include data transmission costs, CBP personnel to analyze the data and NII images generated, the resulting charges to American import cargo, and the delays that the technology will routinely cause to certain types of cargo. Further, such a system would impose similar, substantial costs on the host governments that would need to be understood and agreed.

6. If the Congress and Administration were to decide that not every import containerized cargo shipment needed to be run through NII scanning technology before vessel loading, but only those that CBP's targeting system determined justified such inspection, then the financial returns to the terminal operator would change, as it would not derive revenue from every container it handles but only those that are considered to present some kind of risk. How that would affect the possibility of "partial privatization" would require further consideration. We would note, however, that the trade community would likely have legitimate concerns about resolving this question by requiring every container to be subjected to a charge for NII scanning even if the government did not in fact analyze the resulting data.

7. The issue of "partially privatizing" container scanning would, like the statutory provisions of the "911 Recommendations Act" on 100% container scanning, require an assessment of how such a mandate could be reasonably applied to transshipped cargo. One cannot fairly compare operations in Hong Kong, where containers generally arrive through a terminal gate and can be scanned there, with port operations

in Singapore, where most containers do not arrive through a gate and where container scanning would be much more complicated.

8. The issue of how a 100% container scanning mandate could be implemented, even through a partial privatization, in small and poorer ports, such as in the Caribbean, remains an unaddressed and unresolved issue.

9. The issue of how a 100% container scanning mandate would be implemented, even through a partial privatization, at U.S. port facilities on outbound U.S. export cargo (i.e. the expected and predictable demands that foreign governments would likely make for reciprocal action by the U.S.) remains an unaddressed and unresolved issue, and is further complicated by questions about whether American labor would be willing to drive through the NII container inspection equipment.

10. We note that some terminal operators in some ports, which handle light cargo that does not contain natural radiation and which is more easily subjected to NII scanning analysis (like Hong Kong), may be more interested in participating in such a concept than terminal operators in ports that handle dense cargoes of earth products that emit natural radiation (like the Mediterranean).

In summary, there is no way to assess the prospects for even a "partial privatization" of this container scanning function unless the Congress and the Administration have a public dialogue and provide much greater clarity on such important strategy questions.

International Standards

Question: What is your assessment of efforts to internationalize CBP container security programs through multilateral agreements, standards and the like?

- What recommendations would you make for DHS or the U.S. government to help work towards an effective international norm for dealing with supply chain security?

ANSWER: CBP faces a difficult challenge in its efforts "to internationalize container security programs through multilateral agreements". The U.S. Coast Guard can work through the International Maritime Organization (IMO) to internationalize ship and port security via mandatorily applicable rules and standards that are binding on IMO member states. In addressing cargo security at the international level, CBP works through the World Customs Organization (WCO), which unlike the IMO, cannot make decisions that bind member states.

This is not intended in any way to denigrate the WCO or its efforts to address supply chain security. Nor is it intended to reflect a lack of importance regarding CBP's efforts at the WCO to develop a voluntary international supply chain security framework. It is simply to point out that the WCO, even if agrees with CBP, cannot impose a result on member states, even when there is agreement within the WCO.

Not all customs administrations around the world view supply chain security with the same perspective as the United States government. Some governments do not perceive the same threat to cargo security. Some governments do not have the resourees or capabilities that CBP has to address the threat. Expecting international agreement or mandatory uniformity regarding supply chain standards that would meet the requirements of CBP and the Congress is optimistic at best.

It seems reasonable and prudent for CBP to pursue international agreement and consensus wherever possible, whether that is through multilateral or bilateral agreements, but to have realistic expectations.

As to the development of standards, the International Standardization Organization (ISO) can play a useful, supportive role for some of CBP's container security programs. For example, the ISO is finalizing its mechanical seal standard that is referenced in CBP's C-TPAT program and in statute. For example, the ISO has recently published amendments to its standards for the construction and testing of maritime containers to address vulnerabilities, identified by CBP, regarding the traditional door handle seal location.

The ISO, as a private organization, however, can not be given supply chain security responsibilities that rightfully belong to governments. The identification and definition of objectives, needs and requirements for supply chain security are government functions that – as is typically the case regarding CBP's programs – are exercised upon consultations with the business community. However, once such objectives, needs and requirements have been identified by governments, the ISO may assist in providing guidance in the development and implementation of technologies and processes. International standards developed through the ISO may help ensure interoperability and compatibility of technologies regarding e.g. frequencies, reader infrastructure and communication protocols (issues that would also be relevant for the viability of any future decisions regarding more prevalent use of CSDs as discussed below in response to the question regarding CSDs by Congressman Rogers). Also, devices built according to international standards would not need to be certified and approved by each government -- something that obviously is very important for containerized shipments that are being transported internationally.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSWOMAN LUCILLE ROYBAL-ALLARD

U.S. Customs and Border Protection and Domestic Nuclear Detection Office
Supply Chain Security

Procurement of ASPs

Question: In 2006, the GAO found that DNDO exaggerated the effectiveness of next-generation radiation detection machines, known as ASP's. Furthermore, in 2007, an independent evaluation of the effectiveness of these machines was inconclusive. What portion of the $157 million in the President's Budget Request for radiation and nuclear detection equipment is to be used to purchase these questionable, next-generation ASP's?

ANSWER: DNDO disagrees with the statement that ASP systems are "questionable." Preliminary test results of ASP are promising and clearly show that the systems have improved capabilities over current generation PVT systems. Moreover, the ASP Independent Review Team (IRT) did not find any indication that the test procedures used by DNDO resulted in manipulation or biasing of the test results, therefore contradicting GAO statements that DNDO exaggerated the effectiveness of next-generation systems.

The systems acquisition budget is tied to the procurement, deployment, and maintenance of the Radiation Portal Monitoring Program (RPMP), which includes PVT systems as well as ASP systems. If ASP is certified, a large portion of these dollars will be allocated for acquisition of ASP systems. If ASP is not certified, these dollars will be used to deploy the existing PVT systems under the RPMP.

The table below addresses Fiscal Year 2009 budget request allocation plans, as well as numbers for PVT and ASP acquisition.

PVT Systems	**FY 2009 (Units)**	**FY 2009 (Dollars)**
Procurement	240	$24,000,000
Deployment to Seaports / Land Borders	50	$15,300,000
Deployment to Airports	32	$16,000,000
Subtotal		**$55,300,000**

ASP Systems	**FY 2009 (Units)**	**FY 2009 (Dollars)**
Procurement	125	$50,000,000
Deployment to Seaports / Land Borders	92	$34,500,000
Upgrade of LRIPS to 4.1		
Field Validation		
Production Execution		$12,900,000
Block Upgrade to 5.0		$5,000,000
Subtotal		**$102,400,000**

DNDO Testing Objectivity

Question: Given GAO's criticisms about DNDO testing of ASP's in 2006 and of testing of these machines in 2007 by the Homeland Security Institute, what steps has DNDO taken to ensure the objectivity of future tests conducted by DNDO and its contractors on technology DHS is considering procuring?

ANSWER: It is important to note that the ASP Independent Review Team (IRT) stated that they did not find any indication that the test procedures used by DNDO resulted in manipulation or biasing of the test results.

The ASP IRT also found that the ASP testing done last year (through October 2007) wonld be more properly categorized as Developmental Test and Evaluation (DT&E), rather than by Operational Test and Evaluation (OT&E). OT&E determines how well a system can perform its required tasks when used by typical field personnel under operational conditions. The IRT also identified that DHS would greatly benefit from an independent operational test and evaluation process and program to ensure that testing measures the operational performance and reliability of new systems. In response to this finding, the Department has established an independent OT&E team for ASP, under the oversight of the DHS S&T Director of Test and Evaluation and Standards. This independent team will coordinate with CBP and DNDO on further Developmental testing and directly manage the OT&E to determine ASP operational effectiveness and suitability findings.

Question: Has DNDO considered suspending its in-house testing until that objectivity is established?

ANSWER: Providing sound test and evaluation of a variety of detection systems (not just ASP systems) is one of the founding principles of DNDO. DNDO has formal end-to-end test planning processes that follow accepted systems engineering methodologies, provide for safe and effective evaluations of detection systems, engage multiple governmental agencies to ensure good communication, standardize test practices where possible, and minimize redundancy. As a specific example, the ASP test team involved subject-matter experts from several non-DNDO entities including the National Institute for Standards and Technology (NIST), DOE Second Line of Defense and DOD Defense Threat Reduction Agency. DNDO also uses several National Labs for ASP tests, as well as other testing activity: Lawrence Livermore National Lab (LLNL), Los Alamos National Lab (LANL), Sandia National Lab (SNL), and Pacific Northwest National Lab (PNNL). We also use the Remote Sensing Laboratory (RSL) personnel in Nevada who are National Security Technologies (NSTec) employees. These individuals are key players in developing test plans and assisting in analysis of results.

Nonetheless, in response to the IRT's finding, the Department has established an independent OT&E team for ASP, under the oversight of the DHS Director of Test and Evaluation and Standards. This independent team will coordinate with CBP and DNDO on further Developmental testing and directly manage OT&E to determine ASP operational effectiveness and suitability findings.

Accelerating the Development of ASP technology

Question: According to the recently released 2007 test results of the next-generation ASPs, it is unclear whether the machines could actually perform well enough to be used effectively at onr nation's ports. However, effective machines are needed as soon as possible. At the Ports of Los Angeles and Long Beach, for example, there are 400 to 500 nuclear alarms a day, which consume the energies of roughly 200 customs officers who are assigned to deal with the alarms. How can DNDO and this Committee further accelerate the development of effective radiation detection technology?

ANSWER: DNDO appreciates the support of this Committee as we continue to make investments in next-generation technologies to improve detection capabilities to protect the Nation. Our Fiscal Year 2009 request reflects our commitment to completing instrumentation of our land and sea ports of entry, while also developing

alternatives to address critical vulnerabilities in the existing architecture (particularly relating to other threat vectors – aviation, small maritime craft, and the domestic interior).
We fully expect to meet our deadline for Secretarial Certification of ASP systems this fall. However, we have identified alternative investment priorities if ASP is not certified, thereby ensuring that we continue along the path of improving both coverage and capabilities across the detection architecture. These alternative investment priorities will result in the accelerated deployment of current generation systems to all remaining Northern Border sites within two years, deployment of RPMs to lower-volume seaports, and the expanded use of truck-mounted RPMs.

Question: Last October, DNDO awarded $33 million in awards for Stand-Off Radiation Detection System technology demonstration projects. When will the Committee learn whether those projects have yielded improved radiation detection technology?

ANSWER: Of the $33 million total for the four vendors, only $12.4 million has been awarded to date. The two and a half year development program for Stand-Off Radiation Detection System (SORDS) will use phases to manage risk and quickly develop these technologies. Each vendor is demonstrating improvement through modeling and experimental measurements using sub-scale devices along the way. The initial phase will conclude with a Preliminary Design Review (PDR) that will occur at different times for each of the four vendors, but all PDR's will be complete by June 30, 2008.

The purpose of the PDR is to review the results of all significant trade studies of SORDS-related technologies. Analyses of alternatives and recommended courses of action are also shared (ex. configuration options, component information). The modeling presented thus far to DNDO shows that the proposed devices are promising and able to detect threats at certain times and distances. While this is preliminary information, it suggests that the devices are likely to work as intended.

The final phase, government characterization tests, will finish in mid-Fiscal Year 2010 and be followed by a preliminary Cost Benefit Analysis to assess the overall value of the technology.

Container Security Initiative Operations Abroad

Question: In a January 2008 report entitled "Supply Chain Security," the GAO found that CBP had not set minimum technical criteria for equipment used to screen containers in foreign ports. Furthermore, the GAO found that CBP does not systematically collect information on the processes, people and equipment employed at foreign ports for screening high-risk, U.S.-bound cargo containers that may contain a weapon of mass destruction. What has CBP done to set minimum technical criteria for screening equipment in foreign ports, and what guidelines has CBP developed to determine whether containers at foreign ports are being screened using adequate processes and competent personnel?

ANSWER: CBP has set technical standards for NII equipment that is used to screen sea-cargo containers in foreign seaports. These technical standards will be included in CBP's report to U.S. Congress due in April 2008.

To ensure CBP Officers in foreign ports are capable of inspecting high risk containers, the Officers (targeters) complete extensive training prior to deployment including Sea Cargo Targeting Training, CSI Orientation, WMD Controlled Commodity Identification Training, large-scale non-intrusive inspection (NII) equipment training, Radiation Academy (RADACAD) Training. To complete inspection of high risk containers, CBP's arrangement with host nations includes CSI targeters witnessing the inspection or examination and the foreign Customs counterparts providing non-intrusive inspection equipment images and Radiation Isotope Identification

Device (RIID) readouts to the CSI targeters. CBP conducts yearly evaluations of CSI ports. The evaluation process looks at the following Core areas:

- Administrative Functions – Training, database proficiency (Automated Targeting System (ATS), Automated Manifest System (AMS), etc.) hours of operation, and office security where CSI has access control in order to secure CSI equipment, records, etc.
- Targeting – Automated Targeting System (ATS) functions, review of Bill of Lading, host government information and tracking logs.
- Examinations – Referrals/coordination with host government, shipments already laden on vessel, Do Not Load Messages, witnessing of inspections and bolts and seals.

The evaluation process also looks into the CSI team's interaction with their host government counterparts and how that relationship is working. Since this is a partnership between the United States and the host government, communication between the two is very important to the success of the CSI program. For those CSI ports that were provided with loaned NII equipment, CBP receives daily reports on the usage and downtime of the NII equipment.

CBP also continues to strengthen its evaluation process. CBP has established an evaluation tool, the "Container Security Initiative Team Evaluation (CSITE)" that will capture all relevant evaluation information (e.g., targeter training/competency with ATS, if Continuity of Operations Plan is current, if targeters are witnessing container inspections, etc.) and retain other relevant data (e.g., samples of targeter ATS proficiency, examples of ship sailing schedules provided by host nation, etc.) in order to establish a proper audit trail. CBP will also ensure that evaluation teams follow established guidelines by making all fields mandatory. CBP is in the process of establishing a data base with all recommendations and Action Plans as a result of a CSI port evaluation. This data base will have due dates on the recommendation and annotate the action taken and the results. This data base will be linked to CSITE in order for the evaluator to have a record of previous recommendations and action taken for reference when conducting any additional evaluation or follow-up.

West Coast Maritime Radiation Detection Project

Question: The West Coast Maritime pilot program is underway in Washington state and San Diego and is designed to enable port operators to detect radiological and nuclear threats being transported on small vessels. This pilot program will require the development of response protocols for the local port police agencies to follow should they detect a possible radiological or nuclear threat on a small vessel moving into the port. When will response protocols be finalized so that port police know what to do when they have to respond to a possible nuclear or radiological substance?

ANSWER: Baseline protocols are currently being developed through an Area Maritime Security Committee (AMSC) subcommittee made up of stakeholders from the Puget Sound Maritime Preventive Radiological and Nuclear Detection (PRND) pilot, with support from DNDO. These protocols will be implemented in the fall of 2008 when initial fielding of PRND detectors (with training) occurs. As part of the Puget Sound Maritime PRND Pilot Project, refinements will be made to these protocols to finalize and standardize across the multiple jurisdictions.

QUESTIONS FOR THE RECORD SUBMITTED BY

RANKING MEMBER HAROLD ROGERS

U.S. Customs and Border Protection and Domestic Nuclear Detection Office
Supply Chain Security

Container / Conveyance Security Device (CSD) – to CBP

Question: Please provide a detailed explanation and status report of CBP's efforts regarding the testing and potential deployment of a CSD for both land and maritime cargo containers.

ANSWER: On December 12, 2007, U.S. Customs and Border Protection (CBP) published "A Request for Information" (RFI) regarding Conveyance Security Devices (CSD) on the FedBizOpps website, http://www.fedbizopps.gov. The announcement was open for a period of sixty days and closed February 9, 2008. The goal of the RFI was to identify currently available commercial off of the shelf (COTS) Systems.

CBP's evaluation process will consist of a phased approach. In order to qualify for testing in subsequent phases, an offer must successfully complete all testing in the preceding phase. Test phases include:

- Phase 1 – Technical Review of Vendor Submittal (paper review)
- Phase 2A – Initial Technical Evaluation (cursory lab testing)
- Phase 2B – Laboratory Testing (intensive lab testing)
- Phase 3 – Limited Operational Testing
- Phase 4 – Large-scale Operational Field Testing

Ten vendors responded to the RFI and the first phase of the testing phase has concluded. A technical review of each submission was conducted by John's Hopkins University and the Department of Homeland Security, Science and Technology Directorate. Of the ten (10) vendors, three (3) were identified as having the potential to progress to the next phase of the testing. The next phase (Phase 2A) of the process is an initial assessment of design and construction, basic functional capabilities, an initial security evaluation and an identification of deficiencies. These tests will be performed in a controlled laboratory environment and under simulated operational conditions. It is anticipated that this process will take approximately four (4) months to complete and if a device successfully completes the laboratory testing, the device will then be evaluated in a limited operational field test. This limited operational test may encompass four (4) operational scenarios.

- A supply chain scenario from a C-TPAT company in Mexico to a POE along the southern border.
- An in-transit scenario involving high risk commodities in ISO maritime containers from a west coast seaport to a land border POE along the southern border.
- An in-transit scenario involving high risk agriculture products in-bond via a Transportation and Exportation (T&E) Entry.
- A maritime scenario iuvolving containers that are scanned overseas at a Secure Freight Initiative port and laden aboard a vessel bound for the United States.

CBP is also piloting the use of CSD's on maritime containers processed through the SFI systems in Qasim, Pakistan. Many of the containers that are laden in Qasim transship through other ports before arriving in the United States. By placing a CSD on these containers, CBP will be able to evaluate their performance in a maritime environment and determine their usefulness in the SFI program.

Question: Please provide a detailed explanation and status report of research regarding the Advanced Container / Conveyance Security Device (ACSD).

ANSWER: The Advanced Container Security Device (ACSD) is one component of the Cargo Security Program. This work began with the issuance of an ACSD Broad Agency Announcement (BAA04-06) in May 2004 for the development, field-testing, and transition to commercialization, of the next-generation of maritime container security devices. The device requirements were to:

- sense the opening, closing, or removal of both container doors,
- sense intrusions on any of the six sides,
- sense the presence of human occupants,
- monitor container environmental conditions, and
- forward security reports to a communications system.

The BAA stated that initial contract awards would comprise a base period for a Phase I system design effort and an optional period for prototype development in Phase II, with Phase III trade lane testing to follow via separate contract awards.

A total of 30 responses were received for BAA 04-06. Six different technical approaches emerged in the snbmitted proposals. The Government review team, comprised of subject matter experts from the DHS Science and Technology Directorate (S&T), DHS Customs and Border Protection (CBP), DHS Office of Grants & Training, Department of Defense (DoD) Laboratories and DHS-affiliated University Laboratories, selected the best-in-class for each approach to reduce risk and improve the chances of success. Six contractors were awarded contracts with a base period for Phase I and an option period for Phase II. The Phase I awardees were BV Solutions Group (BVSG), General Electric, Global Research Center (GE), Georgia Tech Applied Research Corporation (GTARC), L-3 Communications, Maine Secure Composites (MSC), and Science Applications International Corporation (SAIC).

Based upon the Phase I Preliminary Design Reviews of those six contractors (Feb 2005 – Sep 2005), the Government made the Phase II (Feb 2006 – Apr 2008) award decisions mentioned below. The BAA rules allowed the Government to fund all or part of an industry proposal. The most promising technical efforts were selected as follows:

- Full ACSD Development: L-3 Communications and SAIC
- Partial ACSD Development for door monitoring: GTARC and SAIC
  - Door monitoring devices, which are a subset of the ACSD effort, were identified as Container Security Devices (CSDs). The goal of this project was to identify, bench test, and then field-test COTS devices that assured the physical door security of shipping containers. These devices would:
    - sense the opening, closing, or removal of the container doors, and
    - forward security reports to a communications system.
- Partial ACSD Development for intrusion monitoring: MSC
  - The Hybrid Composite Container is a subset of the ACSD effort as it focuses specifically on container intrusion. The goal was to develop the next generation of maritime shipping containers constructed of composite material with embedded sensors that would:
    - sense intrusions on any of all six sides,
    - forward any security reports to a communications system,
    - at a minimum, match the mechanical properties of a steel container, and
    - be cost competitive with a steel container.
  - A door sensor solution and a communications device could then be integrated with this prototype composite container during a subsequent project phase. This approach has great potential since embedding the intrusion sensors within the container walls may greatly simplify the problem of

six-sided intrusion detection. The composite container also provides industry a lighter weight (i.e., 15-20 percent) and more durable container over existing steel containers.

SAIC and L-3 Communications were individually contracted to develop ACSDs that monitor all six sides of the container and also detect human presence inside the container. SAIC and L-3 each delivered 20 ACSD devices to the Government test facility in April 2008. Formal Government testing of the ACSD Phase II devices is underway. The preliminary test results are anticipated in the first quarter of FY 2009.

MSC was contracted to develop a Hybrid Composite Container with embedded intrusion security sensors incorporated into each of the containers six sides. In Phase II, MSC built a 20-foot, full-scale Hybrid Composite container which successfully passed all ISO certification tests. Phase III of the Hybrid Composite Container program, scheduled to begin in the third quarter of FY 2008, will evaluate commercial viability, sensor performance and panel optimization.

GTARC and SAIC were individually contracted to develop Container Security Devices (CSDs) that monitor the rear doors of the container for an intrusion into the cargo space. A GTRI Phase III follow-on contract is being negotiated to fund incorporation of system improvements based on successful testing conducted on a first article system by a Government test facility in September 2007. Phase III GTARC CSD pre-production units will be available for field testing in December 2008. SAIC CSD devices were delivered to the Government test facility in April 2008. Formal Government testing of the SAIC CSD Phase II devices has commenced. The preliminary test results are anticipated in the first quarter of FY 2009.

International Cooperation – to CBP

Question: Please provide a detailed summary of the feedback received from international organizations, such as the World Customs Organization, and from foreign trading partners on SFI pilot programs, CSI expansion, and the cargo screening requirements contained in Title VII of P.L. 110-53 (the 9/11 Act).

ANSWER: CSI provides a significant measure of security for participating foreign countries as well as the United States. As of April 2008, CSI ports processed approximately 86 percent of all maritime containerized cargo imported into the United States and CBP continues to screen 100 percent of cargo manifests and related information. The World Customs Organization (WCO), the European Union (EU), and the Group of Eight (G8) have each passed measures in support of CSI including:

- WCO's "Resolution on Security and Facilitation of the International Trade Supply Chain" (28 June 2002) and "Framework of Standards to Secure and Facilitate Global Trade" (June 2005) which establishes standards that provide supply chain security and facilitation at a global level that mirror CSI operating principles;

- The EU's Agreement between the European Community and the United States of America on intensifying and broadening the Agreement on Customs Cooperation and Mutual Assistance in customs matters to include cooperation on container security and related matters (April 22, 2004);

- G8's "Cooperative G8 Action on Transport Security" (June 2002) and "Enhance Transport Security and Control of Man-Portable Air Defence Systems (MANPADS): A G8 Action Plan" (June 2003).

Since 2004, the Container Security and Inspection Division (CSID) has held an annual three-day conference, which addresses current topics of interest regarding global targeting and international maritime supply chain security. Attendees include appropriate U.S. government officials and foreign counterparts. The conferences allow for open discussions on lessons learned at CSI ports around the world and the sharing of anticipated changes in policy and technologies. Included are speakers from within CSID, CBP, DHS and other Federal

agencies as well as CSI host government officials. During the conference, smaller groups are convened to discuss mutual concerns regarding maritime security.

Topics presented and discussed in past conferences included, in part, the benefits of automated risk-based targeting, performance measurements, strategic controlled commodity identification related to weapons of mass destruction, advanced technologies to detect concealment, the Department of Energy's (DOE's) Megaports Initiative, and United States Coast Guard's (USCG's) International Port Security (IPS) Program. The conferences provide a source of policy and technical information that the host country participant as well as the CSI managers can take back to their countries and designated CSI ports. These conferences offer an opportunity for the CBP Commissioner and/or Deputy Commissioner to host senior foreign representative discussion groups to address issues of mutual concern.

Since the passage of the 9/11 Act, many of the United States' major trading partners, as well as the World Customs Organization, have voiced opposition to the 100 percent scanning requirement. Whether by formal letter or through embassy notification, many nations have indicated that they believe the 100 percent scanning will have a detrimental effect on their commerce with little return as to security. Furthermore, many foreign governments (European Union, Japan, Singapore) feel that the 100 percent mandate is an unfair infringement on national sovereignty that forces foreign customs regimes to act on behalf of the United States. Finally, the WCO has noted that 100 percent scanning violates the WCO SAFE Framework of Standards adherence to a risked-based approach to maritime security. CBP has included comments and correspondences from the WCO, Foreign Governments, Terminal Operators, and the Trade Community regarding SFI pilot programs and the 100 percent scanning requirement.

Questions Submitted to Christopher Koch, President and CEO of the World Shipping Council

Question: Please provide the WSC's views on the usage of a container / conveyance security device (CSD) on shipping containers.

ANSWER: CBP has announced that it plans to conduct various pilots that will test "conveyance security devices" in a number of different settings where they may provide useful information. The Council supports the agency's efforts in this regard, because these kinds of devices are not "miracle cures" and their limitations as well as their potential benefits need to be carefully considered and tested.

Some of the questions include the technical requirements for such devices. CBP has issued specifications for RFID technology devices for their initial pilots. These and future specifications must address issues such as: what specifically the device would be required to do and its security value. Thus, for example, the device specifications for the CSDs being piloted only require that the device report on whether the right side conveyance door has been opened; they definitely do not detect what the contents of a container are, or whether there has been a breach of the container through the top, bottom or sides of the conveyance.

Other questions that will need to be addressed include: what acceptable false positive and false negative reading rates would be[1], what radio frequency would be used, the requirements for the installation and operation of the necessary device reader infrastructure, the requirements applicable to the necessary communications interface and protocols with CBP, the security vulnerabilities of such devices,[2] the necessity of interoperability of various vendors' devices and systems, the data to be captured and transmitted by the device, identification of who will have access to the data in the device, survivability and vuluerability of the device, power or battery life requirements, the probability that the device can be detected or removed without detection, required data messaging formats, event logs, and data encryption.

These questions are even more complicated in the environment of international maritime commerce than they would be in a more controlled environment of U.S. border stations where CSD reading infrastructure and response protocols would be under the sole control of CBP.

Finally, the operational protocols that would be needed for effective use of such devices need to be analyzed and considered. Every time a container door is opened, a CSD will alarm; however, many container door openings do not create security risks. There are legitimate operational reasons that justify opening the doors. For example, in some trade lanes, foreign Customs authorities will open the doors of most containers before they leave the country, meaning that virtually all containers from such locations would alarm if equipped with CSDs. What operating protocol would be applied in such situations?

In short, the CBP pilot programs will begin to shed some useful light and analysis on a wide array of questions that would have to be addressed in considering the application of such technology.

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[1] The 4% error rate permitted under the CSD specifications for the CBP pilots would be totally unacceptable for wide-spread commercial application.

[2] For example, the World Shipping Council in its work on developing an international standard for electronic seals noted the security vulnerability that can be created when such devices have a "read/write" capability that allows data in the devices to be written and amended. The equipment that allows one to write and amend data in a CSD (generally a hand held device) thus can become a potential security vulnerability.

It is also worth noting that, as of October 2008, every U.S. import containerized cargo shipment will need to have an ISO standard security seal affixed to it, addressing some of the concerns that a CSD seeks to address.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSMAN ROBERT ADERHOLT

U.S. Customs and Border Protection and Domestic Nuclear Detection Office
Supply Chain Security

Question: Mr. Ahern, I appreciate having the chance to meet with you not long ago about textile transshipment. As you know, that is a major issue for the sock industry in my district. I have heard that Customs is not doing transshipment special operations, also called "Jump Teams" much anymore. Those special operations have been vital to capturing illegal textile shipments. Can you please give me an overview of your recent special operations accomplishments, and future plans?

ANSWER: In November 2007 CBP initiated a sock operation to validate the origin claims of socks imported from high risk countries. A second piece of this operation was to examine socks that were of China origin and classified in an HTS number that was not subject to quota to verify whether it was described and classified correctly.

The overall discrepancy rate found during the operation was 43%. There were four seizures with a domestic value of $963,443 when CBP confirmed that the origin of the goods were not as claimed. There were also 14 exclusions because the importer could not validate the origin claimed. A total of 53 shipments were reviewed. This was a highly targeted operation and the high discrepancy rate was because of the success in selecting the targets. There were also four instances where the socks were not classified correctly that did not have an admissibility impact and a shipment that was not legally marked.

CBP continues to have internal controls in place for those manufacturer/importer combinations that were found to be in violation to have any future shipments scrutinized more closely prior to release.

In FY 2007, CBP acted on a tip that sock shipments from a particular manufacturer in Africa were actually produced in China. CBP worked with the African country, confirmed that the manufacturer was commingling socks produced in China with shipments of yarn and closed down the factory. CBP seized $1.2 in domestic value from the importer that used this manufacturer for the production of socks.

Other operations CBP has put in place were FTA reviews from Guatemala, Nicaragua and Bahrain; country of origin verifications from Syria and Uzbekistan; and verifying the classification for goods from China that were classified in an HTS number that was not subject to quota. We are also looking at fiber mesh fabric and verifying its origin based on a request from a domestic concern.

CBP continues to visit those countries that have been determined to be high risk. To date for FY 2008 we have visited 7 countries and 288 factories. We anticipate visiting 10 more countries before the end of FY 2008, an increase over last year.

Future plans will be dictated by trends or allegations that identify a particular transaction as high risk.

Question: Mr. Ahern: How is the progress going with textile seizures, and how do seizures during the last 12 months compare with previous years?

ANSWER:

- 2004 – textile seizures amounted to $73,553,710. This was the last year of quotas for WTO countries and there were more countries subject to quota, so the opportunities for transshipment covered a greater area. You could identify misdescription or transshipment from over 40 different countries that had some sort of restraint placed on their textile exports.

- 2005 – Textile seizures amounted to $17,668, 348. Quotas were eliminated and it was only about mid-year 2005 that quotas were re-established against China. Since quotas did not exist for much of 2005 for China and other WTO countries did not have quotas there were few admissibility issues to justify seizures. The only major non-WTO country that had quotas was Vietnam. The opportunities for transshipment covered a smaller array of countries.

- 2006 – Textile seizures amounted to $103,720,706. In the summer of 2006 ICE completed a major investigation that uncovered a criminal enterprise that was describing apparel as furniture to avoid quota restraints. $48 million of the $104 million are seizures that were the result of this ICE investigation. CBP seized goods that were in the warehouses of the criminal enterprises and stopped a number of vessels from diverting cargo that was on the water en route to the U.S.

- 2007 – Textile seizures amounted to $48,107,226. 2004 and 2007 are the only real normal years that can be compared and 2004 was the last year of quota for WTO countries. In addition, 2004 had quota restraints from over 40 countries while 2007 had quotas only from China (Vietnam had joined the WTO and their quotas were removed).

- 2008 – To date textiles seizures are at $34.1 million, which is ahead of last year's pace.

Questions Submitted to Christopher Koch, President and CEO of the World Shipping Council

Question: Mr. Koch: Textile transshipment is a major issue for my constituents, many of whom manufacture socks. I have heard that transshippers use various means to conceal their cargo, including using false bills of lading, not affixing country of origin labels, and using third-country transit routes. What has private industry done to try to prevent this practice? What do you think can be done in the future?

ANSWER: CBP has designated imports of textile and apparel products as a "Priority Trade Issue" for 2008. CBP has noted the following information:

Different schemes are used to evade duties or quotas on imports of such goods. Some importers engage in improper transshipment, while others use false documents or labels or provide incorrect descriptions of the merchandise. In recent textile enforcement operations over $12 million in misdescribed goods have been seized. CBP has also identified significant intellectual property rights violations involving textile products and seized approximately $27 million in infringing goods in 2007.

CBP uses a multifaceted approach consisting of trade pattern analysis, on-site verification, review of production records, audits and laboratory analysis to enforce U.S. trade laws and ensure that the appropriate revenue is collected. To conduct on-site verifications, CBP's Textile Production Verification Teams travel to foreign factories to review and verify that wearing apparel that is shipped to the U.S. is produced at those facilities. These teams visited 15 countries and approximately 671 factories in FY 2007, a 57 percent increase over the previous year.

Import specialists with specialized commodity knowledge analyze and review textile imports for possible violations. CBP has seized more than $100 million in goods since the beginning of 2006 and close to $50 million in 2007 for violations of the China quota agreement. In addition, CBP issued 68 penalty actions valued at $50.1 million. More than 13,000 physical examinations were performed, 1,527 fiber samples were analyzed by CBP labs and 66 audits were conducted.

The Committee may wish to obtain further information from CBP on these efforts.

In order to bolster CBP's efforts to track transshipped cargo, ocean carriers have agreed as part of the C-TPAT program: "Bill of lading information filed with CBP should show the first foreign port (place) where the sea carrier takes possession of the cargo destined for the United States." Thus, an ocean carrier will not knowingly participate in an improper transshipment that tries to disguise the origin of the cargo shipment. What an ocean carrier cannot detect, however, is a situation where a shipper has a container transported, for example from China to Singapore, and then rebooks the cargo to the U.S. in a new container with a different carrier.

Ocean carriers will cooperate with CBP in its law enforcement efforts whenever they are requested to do so by the agency.

In addition, we would note that the pending "10 plus 2" rulemaking by CBP would give the agency important additional targeting data and tools earlier in the transportation process, which could enhance the agency's ability to detect illegal cargo movements and improper transshipments. That rulemaking has not been finalized, but the World Shipping Council supports it.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSMAN JOHN CULBERSON

U.S. Customs and Border Protection and Domestic Nuclear Detection Office
Supply Chain Security

Global Trade Exchange

Question: Last year, Congress appropriated $13 million to support the creation of the Global Trade Exchange (GTX) by CBP. What does CBP intend to do to fulfill congressional intent in regard to GTX and the funds provided last year to implement it?

ANSWER: Appropriations language (P.L. 110 -161) stated that the $13 million shall be used to procure commercially available technology in order to expand and improve the risk-based approach of the Department of Homeland Security to target and inspect cargo containers under the Secure Freight Initiative and the Global Trade Exchange. Of the $13 million appropriated, CBP has expended less than $3 million on computer programming and data extraction activities related to the GTX concept and the 10+2 Security Filing initiative. CBP will use the remaining $10 million to identify and acquire technology enhancements in direct support of the Secure Freight Initiative and its component programs, to include the Advanced Security Filing.

Question: GTX is designed as a voluntary system in which firms provide commercial trade data in exchange for incentives in the trade process. The program does not mandate participation by members of the trade community. Testimony provided by Deputy Commissioner Ahern states that moving forward with GTX "may not be a prudent use of limited resources." With the resources provided by Congress mentioned above, could CBP move ahead now with a voluntary GTX pilot program to test the viability of this aspect of CBP's layered security strategy?

ANSWER: CBP efforts to implement ongoing full-scale initiatives, to include the Secure Freight Initiative, the Advanced Security Filing, and Conveyance Security Devices, are resource intensive in terms of both funding and personnel. Implementation of even a small-scale GTX pilot program would require a resource commitment that would unfairly detract from these important programs.

Even more significant in CBP's decision to not pursue a GTX pilot was the trade community's concerns that the GTX concept, even if advanced as a small-scale, voluntary pilot program, had not been fully developed as a concept and comes at a time when the trade community is actively engaged and working closely with DHS-CBP towards the full-scale implementation of the Security Filing (10+2) initiative and other trade-related programs. It would not be prudent to move forward, at this time, with a GTX pilot program without the full support and assistance of the trade community.

Question: What are the issues that led to the CBP decision to stop or delay the GTX initiative at this time and what is the plan and timeframe for addressing these issues and reinstating the GTX initiative?

ANSWER: The CBP decision to delay advancement of the GTX concept was based on the confluence of a number of issues/concerns:

- Concerns that the GTX concept has not been fully developed; especially with regards to measurable benefit to the trade,

- Consistent requests from the trade for greater, pre-implementation input, and
- Cost (to both CBP and the trade) versus short/long-term benefits.

There is no specific timeframe for "reinstating the GTX initiative." Should DHS-CBP decide to actively pursue a GTX solution at some later time, we will engage and work closely with the trade community and our foreign government partners towards the advancement of a GTX or GTX-like initiative.

WEDNESDAY, MARCH 5, 2008.

COAST GUARD 2009 BUDGET IMPACT ON MARITIME SAFETY, SECURITY, AND ENVIRONMENTAL PROTECTION

WITNESSES

ADMIRAL THAD W. ALLEN, COMMANDANT, DEPARTMENT OF HOMELAND SECURITY, U.S. COAST GUARD

JOHN P. HUTTON, DIRECTOR, ACQUISITION AND SOURCING MANAGEMENT, GOVERNMENT ACCOUNTABILITY OFFICE

STEPHEN L. CALDWELL, DIRECTOR, HOMELAND SECURITY AND JUSTICE, GOVERNMENT ACCOUNTABILITY OFFICE

Mr. PRICE. The subcommittee will come to order. Good morning, everyone. We are happy this morning to welcome the Commandant of the Coast Guard, Admiral Thad Allen, to testify on the Coast Guard's 2009 budget request and its impact on the Coast Guard's maritime, safety, security, and environmental protection missions. We are also happy to have John Hutton, the Director of Acquisition and Sourcing Management of the Government Accountability Office, and with him Stephen Caldwell, the Director of Homeland Security and Justice Issues at GAO. We welcome all of you and we appreciate your willingness to testify and help us as we look toward putting together our fiscal year 2009 bill.

Admiral, I want to start out by thanking you for your service to this country and the efforts you make everyday to support the men and women in the Coast Guard. Your leadership has made great positive difference to this organization. I think this subcommittee is well aware of that. We are also aware, as you are, of the main challenges the Coast Guard continues to face. We want to explore today your game plan for taking on those challenges.

CHAIRMAN PRICE OPENING STATEMENT

In the 2008 Appropriations Act, this committee was able to increase funding for the Coast Guard by 65 million dollars above the President's request, mainly for critical port security, environmental protection, and maritime safety activities. I am pleased to see that the 2009 budget request before us would continue to fund those critical activities. But lack of funding has not been the main problem facing the Coast Guard and more funding alone will not necessarily lead to good outcomes.

The true and critical challenges confronting the Coast Guard are deeper and harder to fix and I should add that many of them are not unique to the Coast Guard. They include financial management inertia, contract management challenges, the overall age and disrepair of the Coast Guard fleet of cutters, a shortage in Coast Guard pilots, and the culture of the Coast Guard Academy that has

placed a stigma on reporting sexual harassment. Your efforts at reorganization have been aimed at many of these challenges. It is also necessary beyond reorganization to find, place, and support good managers in key leadership positions and to hold them accountable for achieving specific goals within specific time frames.

This subcommittee sees the repercussions for many of these problems in budget requests that grow beyond original projections and delays sometimes in producing required documents and plans. For example, the 2008 appropriations law required the Coast Guard to submit with the 2009 budget a Deepwater expenditure and implementation plan that includes a status report on the cost and performance of legacy assets. We did not receive either of these plans with the budget on February 2nd and then I am told will not receive them until the middle of this month. Reports like these should be part of the Coast Guard's standard operating procedures. They should be management tools, not just something that needs to be created for the appropriations committee. And as my colleague Mr. Roger said last year, the subcommittee will hold the Coast Guard accountable for planning its work and working its plan. That continues to capture in a nutshell what this subcommittee requires from the Coast Guard.

We, also, continue to worry, as I am sure you do, about the experience level of Coast Guard staff. I know your own report on the oil spill in San Francisco concluded that more experienced Coast Guard pollution investigators were not reachable and that this resulted in "questionable decisions." I know that your reorganization of the acquisition director last year was designed to bring more acquisition experience to bear on the problems faced in the Deepwater procurement. I, also, know that you have talked about the need for a larger Coast Guard, although your 2009 budget does not apparently call for that. I want to probe this morning about why it does not and about what this subcommittee should be doing to assess that need.

I want to give full credit, Admiral, for the fine work that you and the Coast Guard have done in all of your locations throughout our country. Last year, we met with Coast Guard cutter personnel and learned of the work they performed to patch up cutters and make them operable. We met with the Coast Guard Maritime, Safety, and Security team and heard about their training. And I saw the good work that is going on in the rescue swimmer training facility in northeastern North Carolina under difficult conditions, work that will be significantly easier when a new training facility is completed. I know your budget anticipates getting that facility refurbished to where it needs to be.

But the Coast Guard men and women, who work so hard for our country everyday, need to know that there is a way forward that will be successful. They need to know that those of us in positions to change things are doing all we can to ensure they are trained properly. They need to know that new equipment that works will be delivered to them when they need it. And they need to know that good managers and good employees can succeed. I know that is your goal. It is our goal, too.

I hope that we will have time to get in to most, if not all, of these topics at this hearing today. Other questions, of course, will be sub-

mitted to the record. All of these matters deserve our time and attention. Before I ask you to be our lead witness, Admiral, followed by Mr. Hutton, I would like to ask Mr. Rogers for any statement he cares to make.

RANKING MEMBER ROGERS OPENING STATEMENT

Mr. ROGERS. Thank you, Mr. Chairman, and welcome to Admiral Allen and other guests. Admiral, in your appearance before this subcommittee a little over a year ago, I pointed out the widely held view that you are among America's best leaders. I still believe that today.

The challenges surrounding acquisition management continue to this day and I know you are not only diligently working on fixing the problems at hand, but also leading the way forward so that Deepwater is back on track and stays there. Ultimately, however, your leadership will be judged not so much by us, but the cadets and recruits, who are depending on you for a modern, well-equipped Coast Guard. So when I heard you say in a recent speech that the service is at an "inflection point," in its history, I could not have agreed more. What we need to know today is how your overhauled acquisition process will result in equipment working as advertised.

Fortunately, with the new acquisition organization you have established, the questions are now more to the point. How is the Coast Guard applying the 2008 appropriations and oversight requirements and how does the 2009 budget request move the Coast Guard forward past what you call that "inflection point" and on a sustained path of continued measurable progress? These are two essential questions.

The Coast Guard is the premier response agency in our government and an unquestionably vital contributor to our national security. From the Persian Gulf, to the Bearing Strait, to the Gulf of Mexico, and the Caribbean, the Coast Guard continues to take on all threats and all hazards. In fact, in 2007, the Coast Guard delivered unprecedented service to the American public. A couple of facts: you responded to over 27,000 search and rescue cases, saved over 5,000 lives, and in so doing surpassed the one million lives saved since the service's inception in 1790. You have seized more than 367,000 pounds of illegal drugs, including a 33,000 pound cocaine seizure from a Panamanian vessel, the largest cocaine seizure in the Coast Guard's history. You have supported the global war on terror through operation in Iraqi Freedom, an operation enduring freedom with over 800 active and reserve personnel deployed around the world. And you have interdicted over 6,000 migrants attempting to gain illegal entry into the U.S.

These statistics, while impressive, highlight something we have known for years. The Coast Guard is a proud agency. It lives up to its motto of being always ready. But with the combination of a rapidly aging fleet and a dynamic set of mission requirements, the clock is ticking in the Coast Guard's ability to deliver these kinds of results in the future.

The Coast Guard faces two challenges. First, the total size of the Coast Guard's workforce has changed little in the last 50 years and, second, the Coast Guard must modernize its internal budget

processes, as it strives to tie funding to results or dollars meet your goals. On the acquisitions front, billions of dollars on the line and as we all learned last year, you did not have your house in order last year. So, on top of the problems and delays of Deepwater, there is an overstretched workforce. This is a workforce addressing environmental issues, navigation, homeland security, immigration, and drug interdiction, missions where having the right equipment are absolutely essential.

You know the stakes. You know our expectations. As you reach the midpoint of your tour, Commandant, we would like to hear your thoughts on how the Coast Guard will go beyond that inflection point you spoke of and meet our nation's homeland security and other needs now and in the years ahead.

Thank you, Mr. Chairman.

Mr. PRICE. Thank you, very much. Admiral, please proceed. We would appreciate your giving us a five- or six-minute summary of your statement and we will gladly submit the balance for the record. That way, we will have maximum time for our exchanges with the committee members.

ADMIRAL ALLEN OPENING STATEMENT

Admiral ALLEN. Thank you, Mr. Chairman, I will do just that. First of all, let me thank you and Mr. Rogers for your opening statements and let me tell you both, first of all, I accept your thanks on behalf of the men and women of the Coast Guard that do a great job everyday out there. But, I, also, will tell you that I agree with your challenges. I think we are in alignment on the challenges that confront the Coast Guard these days and I look forward to the conversation today. I think it is the next step around an inflection point. I would be glad to talk about that, sir.

One year ago, I sat here and opened with a brief on the direction I wanted to take the Coast Guard. You articulated that yourself, sir. I followed the more detailed description of the Deepwater program. And despite the challenges that Deepwater has and will have in the future, I am proud to say that we have taken action to get the program back on track. We are moving ahead smartly. I gave a speech the other day, I said that we are not out of the woods, but we are certainly chopping down trees. And I am pleased with where we are at today.

PERFORMANCE OF DEEPWATER ASSETS

Deepwater assets are taken to the sea and the sky for development and evaluation and they are performing admirably at every turn. The flagship national security cutter Bertolf began sea trials in December and is on track for summer delivery. Just two weeks ago, one of our new HC144AOC aircraft diverted from training unexpectedly to complete the aircraft's first search and rescue case. Its on scene capabilities exceeded expectations, particularly with command and control. I am talking about the case where the two F15s collided south of Tyndall Air Force Base in the Gulf of Mexico. We were able to vector a ship and to rescue one of the downed pilots using the AIS system that is on the ship and at any particular time between seven and ten aircraft were being coordinated

through the on scene aircraft command and control capabilities. And although we still face challenges with Deepwater, we are solving problems and remain committed to transparency and we are steaming ahead. As I said before, sir, and as you have said, I am responsible and I am on task.

CHALLENGES FACING USCG TODAY

I would like to shift gears and provide some context for our fiscal year 2009 request. If you can indulge me as I share some personal thoughts on the prescient challenges facing the service today. As I said last month in my second state of the Coast Guard speech, the spectrum of threats, hazards, challenges we face continues to grow on all fronts and increases our demand for services. Trust for our maritime safety, security, and prosperity at home and on the high seas are real and dynamic. Of the demands we face for rapidly growing global marine transportation system, spanning coastal development, changing conditions in the Arctic strain our current capacity and challenge conventional notions of mission responsibilities. We are also facing specters of transnational terrorism, increased sophistication, and human smuggling and drug trafficking, and expeditionary demands to support the global war on terror in a time of persistent conflict. Internally, we face present challenges that transcend all missions and threaten our ability to meet our national responsibilities.

Our first and foremost challenge is that we have a bona fide capacity shortage. We have authorities, the capabilities, and competencies for all missions. But, there is a limit to what any organization can accomplish when overall in-strength has not materially changed in 50 years, despite steadily increasing statutory responsibilities and external demands. The President's fiscal year 2009 request for the Coast Guard helps build new capacity in critical areas. Most notably, it adds 276 new marine inspectors and over 100 new multi-mission watch standards for our busiest sector command centers. Make no mistake, however, these are down payments in critical areas that demand a broader discussion of capacity.

Secondly, we are hamstrung by the burdens associated with operating and maintaining an aging and rapidly deteriorating inventory of cutters, aircraft, and shore facilities. We operate the 37th oldest of 39 similar naval fleets around the world. Our oldest cutter, the ACUSHNET, earned battle starts in World War II and is beginning her 64th year of commissioned service to the nation. Several weeks ago, one of her two propellers broke off during routine operations in the North Pacific and she is now out of service, standing by for major repairs.

The average age of our 378-foot high endurance cutters, the flagships of our fleet, stands nearly 40 years and their age is showing. Earlier this year, the high endurance cutter RUSH had to abort its search and rescue mission south of the Aleutian Islands, due to a split seam in the forward hull that caused her to take on water. Moreover, the medium endurance cutter, ALEX HALEY had a failure on board, its drinking water system, creating a hazardous condition for the health and the safety of the crew. Engine fuel literally mixed with the cutter's drinking water drove the problem be-

tween the tanks. Initially, the high-endurance cutter Dallas aborted a drug interdiction mission last month due to a failure of a flight deck lighting system, just as she was preparing to launch our first Deepwater armed H65 helicopter in pursuit of a suspected drug smuggler. In the words of a command officer, "it appears the inopportune failure of another piece of obsolete equipment lost the day."

Be assured, our failing assets increased operating costs, reduced readiness, and adversely impact our workforce and capabilities. We face similar challenges sustaining our aging shore infrastructure, inland buoy tender fleet, and polarized breakers, all of which are old and growing ever more obsolete.

Additionally, our maintenance costs are rapidly escalating. During the past year, we spent over $76 million on unanticipated repairs to cutters and aircraft. Today, we carry an estimated maintenance backlog of nearly $750 million. We are replacing aging assets and repairing shore infrastructures fast, as resources will permit. That is not fast enough.

CHALLENGES FACING USCG TODAY—CONT'D

In the near term, maintenance costs will continue to rise and we will struggle to maintain readiness. Our recapitalization needs have multi-mission impacts. They are urgent and they are real. I need every dollar in the fiscal year 2009 request.

Finally, our cutter armed forces are challenged or compounded by an environment of fiscal constraint and unprecedented scrutiny of a preparation of financial statements that has threatened policy development and mission execution. Our budget request maximizes efficiencies and reflects the realities of very difficult top-line choices. It balances many important priorities, including continual recapitalization efforts, annualization of the fiscal year 2008 emergency funding, and starting new initiatives to make the homeland safer and more secure. We are identifying 68 million dollars in management efficiencies to help fund these priorities and I will be glad to discuss that line.

I remain committed to modernizing our organizational structure to focus on mission execution, improving command and control, life cycle support, fiscal accountability, and base management. However, management efficiencies, while workable in near term, are inconsistent, the long-term need is to grow capacity and accelerate recapitalization. Meeting the requirements for a clean audit opinion is a difficult and time-consuming process, especially for a multi-mission, capital-asset intensive armed force. Over the past three years, we have reallocated millions of dollars in base funding to remediate internal controls and we have a solid way forward here. Inspector General Skinner's assertion about our lack of progress are unfortunate and are inaccurate. This aside, we are the only armed force facing comprehensive financial statement audits. DOD's requirement has been waived. This reality should be recognized and included in any discussion or testimony pertaining to Coast Guard compliance with the CFO Act. Let me be clear, it will take more resources to make additional progress. I am faced with the continuing question as to whether to allocate scarce resources to better mission capabilities or accounting capabilities.

In closing, I was surprised last week to learn of a dramatic trend in the forfeiture of leave among my active duty Coast Guard workforce. As background, any leave balances beyond 60 days are generally forfeited at the beginning of each fiscal year. In fiscal year 2003, the Coast Guard workforce lost some 10,000 days total leave due to the standard policy. The trend has increased in each subsequent year, culminating with more than 70,000 lost days in fiscal year 2007. This profound increase troubles me. I believe growth and demands for our services and the maintenance needs for our aging vessels, aircraft, and shore infrastructure are taking a toll on the workforce. Lost leave and other challenges I discussed this morning form the basis of what I call a cause for action or a response to the inflection point, as Mr. Rogers indicated. That is a call to create a Coast Guard that is appropriately sized, structured, and adaptable to meet modern 21st century Coast Guard mission demands.

The President's fiscal year 2009 request seeks important new resources to begin this journey and I urge your full support. Our people are courageous, dedicated, and resilient. They defend our nation and our values everyday. They are confronting historical national challenges protecting against a radical enemy and ensuring a safe and efficient commerce with an increasingly sophisticated air time transportation system. Their opportunity is now and they are facing the greatest challenges of any Coast Guard generation in history. The workforce today is also the most dedicated and talented in our history. I am entering the second half of my tenure as Commandant and I owe them my personal commitment to train, equip, and organize the service for success.

The Coast Guardian ethos and ideology are the soul of our success on the front lines of harrowing rescues, marine safety, law enforcement, and other operations. I ask for your support to ensure my men and women have the resources they need to do their jobs. I would be happy to answer any questions.

[The information follows:]

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DEPARTMENT OF HOMELAND SECURITY

U. S. COAST GUARD

STATEMENT OF

ADMIRAL THAD W. ALLEN
COMMANDANT

ON THE

FISCAL YEAR 2009 PRESIDENT'S BUDGET

BEFORE THE

COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON HOMELAND SECURITY

U. S. HOUSE OF REPRESENTATIVES

5 MARCH 2008

INTRODUCTION

Good morning Mr. Chairman and distinguished members of the Committee. I am pleased to be here to discuss the President's fiscal year (FY) 2009 budget request for the Coast Guard.

First, I thank you for the enduring support you have shown to the men and women of the United States Coast Guard and ask for your full support of the President's request. The Coast Guard FY 2009 budget request sustains service delivery, continues critical recapitalization efforts and builds capacity in three strategic areas: marine safety, command and control, and intelligence and awareness. We need every dollar the President has requested.

I open by sharing my professional views as Commandant on our strategic operating environment and the most immediate challenges facing the service today. These challenges provide an important backdrop for our budget request and the premium our workforce places on growth, pace of recapitalization and emergency sustainment.

The Coast Guard delivered historic national results in 2007. We saved over 5,000 lives, removed a record $4.7 billion of cocaine from the global narcotics stream, rescued over 6,000 migrants on the high seas, and co-sponsored one of the largest oil spill exercises ever conducted. It was a banner year for the Coast Guard on all fronts, punctuated by celebration of our one millionth life saved since Alexander Hamilton established the Revenue Cutter Service in 1790 as Secretary of the Treasury.

As you know, our people are courageous, dedicated and resilient. They defend our Nation and our values every day. They are confronting historic national challenges such as protecting America against a radical enemy while ensuring safe and efficient commerce within an increasingly sophisticated maritime transportation system. In addition, they are working longer and harder than ever before. In fact, multi-year trends presented to me last week show record levels of increasing, obligatory annual leave forfeiture among the active duty workforce. I am committed to reviewing the associated drivers in more detail but know the President's FY09 request will bring critical resources needed to alleviate field burdens associated with emergency maintenance and sustainment, as well as increased demand for our services.

Despite our successes, significant challenges lie ahead. The rapidly growing global Marine Transportation System (MTS), expanded coastal development, and changing conditions in the Arctic challenge conventional notions of our approach to mission execution. Added to this are specters of transnational terrorism, increased sophistication in human smuggling and drug trafficking, and expeditionary demands to support the global war on terror in a time of persistent conflict.

Looking forward, we must position ourselves to meet the emerging challenges of the 21st century. As with our Armed Service counterparts, I believe we must reset, reconstitute and revitalize the Coast Guard to meet today's demands and those of the future. The President's FY 2009 budget request begins this process on many fronts.

Our Aging Fleet

Our readiness is continually challenged by our reliance on outdated, rapidly-aging assets, systems, and shore infrastructure. In fact, during the past 12 months, the Coast Guard spent over $76M on major unanticipated repairs to cutters and aircraft. These and other casualties have a direct impact on our readiness and ability to execute our missions for the Nation. In FY 2007

alone, High Endurance Cutter operational days were reduced 27% due to engineering casualties. Our large deferred maintenance backlogs (i.e., $631M shore, $87M aircraft, and $27M cutters) also present a major challenge to Service readiness, and they continue to grow. I ask that you fully fund our request for AC&I and OE resources to ensure our recapitalization and emergency maintenance needs are met.

Operating Efficiencies, Financial Management Scrutiny, and Reporting Requirements

Efficiencies
We are operating in an austere fiscal environment with growing demands for our services. Our budget request maximizes efficiencies and reflects the realities of very difficult top line choices. Our request balances many important priorities including continuing critical recapitalization efforts, annualizing FY 2008 Emergency Funding, and starting new initiatives that leave the homeland more secure. We are identifying $68 million in efficiencies to fund these priorities.

I remain committed to modernizing our organizational structure to focus on mission execution, including better command and control, lifecycle support of our assets, fiscal accountability, and base management.

Financial Management Transformation
While certain weaknesses are impediments to CFO Act compliance, I strongly disagree with portions of Inspector General Skinner's latest testimony before the committee. We are making significant strides identifying and tackling the root causes of our financial material weaknesses. It is important to understand that remediation of internal controls is just the first step to improving our financial statement assertions. We must also establish a strong financial management organization, integrate our vast IT systems, and remediate our legacy balances. This is a long journey, but we have a trackline and are committed to it.

Over the past three years, we have reallocated significant base resources to pay for financial transformation and audit initiatives, including last year's establishment of the Office of Financial Transformation and Compliance (CG-85). CG-85 is coordinating our Financial Strategy for Transformation and Audit Readiness (FSTAR), a multi-year plan to earning a sustainable clean audit opinion.

Within DHS, the Coast Guard faces unique challenges with respect to CFO Act compliance. These challenges are not excuses, they are realities. We are the Department's only Armed Service and most capital asset-intensive component. Our broad spectrum of missions, authorities, and diverse operating assets creates a complex web of financial management challenges. Moreover, our financial management capacity was "Streamlined" in the 1990s because, at the time, it was not deemed a core competency in a military organization focused on operational effectiveness. We changed this culture long ago and are moving forward smartly.

Reporting Requirements
I have serious concerns over the growing burden of reporting requirements.

I assure you, I am committed to transparency on all fronts and have no objections to providing comprehensive information to our congressional committees of jurisdiction. However, the current scheme of overlapping reports, with widely divergent submission schedules, will ultimately have an adverse impact on policy formulation and mission execution.

Each mandated report diverts scarce resources from project management to report management. This approach is not sustainable.

I am grateful for your staff's assistance on this front and suggest we continue to move forward collaboratively with a consolidated reporting scheme. I believe this approach would satisfy congressional needs without unduly burdening Coast Guard program staffs. I seek your full support as we move forward.

"A Cause for Action"
These conditions form the basis of what I call 'a cause for action.' That is, a call to create a Coast Guard that is more appropriately structured and adaptable to meet our modern, 21st Century mission demands and responsibilities Our Fiscal Year 2009 budget request seeks resources needed to begin this journey and I again seek your full support as we move forward.

Before discussing the details of the request, I would like to explain how I view the roles and missions of the Coast Guard and the strategic direction in which we are taking the Service. The Coast Guard sources and operates to strategy, and our fiscal year 2009 request directly supports our strategic imperatives.

ROLES AND MISSIONS

The U.S. Coast Guard is one of the five Armed Services of the United States and the only military organization within the Department of Homeland Security (DHS).

Responsibilities
The U.S. Coast Guard is the principal Federal agency responsible for maritime **safety, security, and environmental stewardship**. As such, the Coast Guard protects vital economic and security interests of the United States including the safety and security of the maritime public, our natural and economic resources, the global transportation system, and the integrity of our maritime borders. The Coast Guard is committed to addressing all threats and all hazards throughout the maritime domain including in U.S. ports and inland waterways, along the coasts, on the high seas, and in other regions where U.S. maritime equities are at stake.

Service to the Public
The Coast Guard's value to the Nation resides in its multi-mission authorities, resources, and capabilities. The Service's **safety, security, and stewardship** missions are integrated like a tightly-knit fabric; valued for its protective durability and light weight. The Service's operational model is flexible, efficient, and effective across a wide range of complex maritime scenarios. Indeed, the Coast Guard's ability to field versatile platforms and personnel with broad authorities is the U.S. Government's most important strength in the maritime environment, adjacent coastal areas, and inland waterways. The Service is unique in the Nation and in the world.

Coast Guard roles and missions are *enduring* - long standing responsibilities, accrued over two centuries of service. They are inherently governmental, serve the collective good and accomplished most effectively by a single Federal maritime force. The Coast Guard creates value for the public through solid prevention and response efforts. Activities involving oversight and regulation, enforcement, maritime presence, and public and private partnership foster increased maritime safety, security, and stewardship. Additionally, ***unified, immediately-deployable and adaptive force packages*** are always poised and available to respond to attacks, disasters, and casualties.

Multi-Mission Integration

Effective maritime governance hinges upon an integrated approach to safety, security, and stewardship.

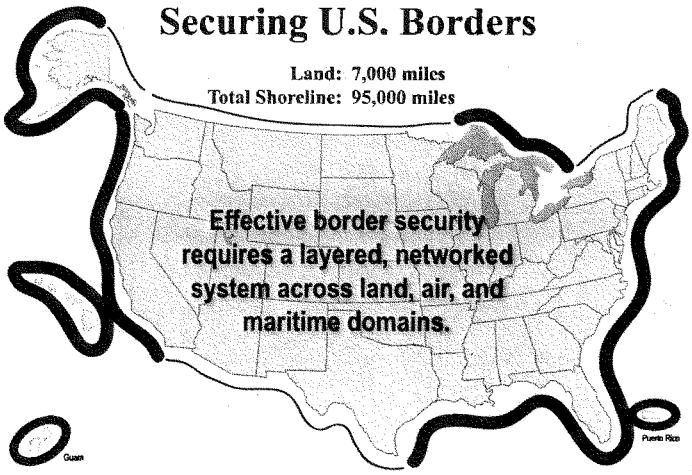
The United States is a maritime nation, reliant upon the seas for trade, security, and access to critical natural resources. To protect our maritime interests, the U. S. Government must safeguard our sovereignty and protect the environment, facilitate the safe transportation of people and cargo, rescue people in distress, and preserve marine resources for future generations. None of these objectives is independent – they are interlocking challenges requiring an in-depth understanding of the maritime domain as a system of inter-related public and private activities.

The Coast Guard is ideally-structured to meet these challenges and advance the Nation's maritime interests. Today, as in the past, the Coast Guard continues to leverage its multi-mission structure, diverse capabilities, and established partnerships to protect the American public and global marine transportation system.

STRATEGIES FOR SUCCESS IN THE MARITIME DOMAIN

Strategic Context: Emerging Threats
America's security, resilience and economic prosperity are intrinsically-linked to the oceans. Our maritime domain is larger than our land domain, providing shipping channels, recreational opportunities and access to natural resources that help to sustain the Nation and the world. *The maritime domain is also vulnerable to a wide range of threats and challenges. The U.S. Coast Guard must be prepared to meet these challenges today and in the future.*

Border Security
The United States has over 95,000 miles of shoreline that is in parts international border, coastal shipping route, tourist and recreation attraction, and home to a variety of economic enterprises. Criminals and terrorists seek to exploit the maritime border by smuggling people, weapons, illicit drugs and other items into the country. As controls over our land and air borders tighten, the sea borders become an attractive alternative for greater exploitation. The key to effective border security is a layered, networked system across the land, air, and maritime domains. *We must look beyond our borders to defeat threats far from our shorelines through the continual maturation of maritime security regimes, awareness, and operational capabilities.*



Safety & Security of the Marine Transportation System (MTS)
The global MTS is a complex, inter-connected system of public and private seaports, waterways, terminals, intermodal trans-shipment points, vessels, and people. This system is the economic lifeblood of the global economy and critical to U.S. national economic and security interests. Total global maritime cargo volume has tripled over the past 10 years, and seaborne trade through U.S. ports is expected to double by 2025. *The Coast Guard must have the capabilities and authorities needed to ensure the continued safety, security, and efficiency of the rapidly-growing global MTS.*

Transnational Terrorists and Criminals
Terrorists and criminals, including modern-day pirates, regularly seek to exploit the maritime domain and global transportation network. WMD, contraband smuggling, armed hijacking, and small vessel threats such as water-borne improvised explosive devices (WBIEDs) present the greatest terrorism and security risks to maritime commerce. Additionally, today's trafficking of illegal drugs and migrants is becoming increasingly sophisticated. *Defeating transnational terrorists and criminals in the maritime domain requires effective use of the Coast Guard's broad authorities and adaptable multi-mission capabilities.*

Expanded Use of the Arctic and Other Regions
Changing environmental conditions and advances in technology are expanding activity in the Arctic region, U.S. Exclusive Economic Zone (EEZ), and Outer Continental Shelf (OCS). The potential for access to new energy reserves and more efficient shipping routes is fueling demand. The U.S. EEZ covers over 3.4 million square nautical miles of ocean territory and is among the most valuable and productive natural resources on Earth. Continued growth in commerce, tourism and exploratory activities is increasing risks to mariners and eco-systems while challenging law enforcement regimes, operational capabilities, and conventional assumptions of sovereignty. *The U.S. Coast Guard must be capable of protecting America's interests in the Arctic Region, EEZ and OCS.*

Coastal Development
Coastal regions and ports have in recent years become heavily-developed and densely-populated. Catastrophic incidents, whether natural or man-made, have enormous consequences in coastal areas that quickly disrupt regional, national, and global commerce. The devastation of Hurricanes Katrina and Rita illustrates the potential scope of coastal disasters. *The Coast Guard must continue to provide immediately-deployable and adaptive force packages to mitigate the safety, security, and environmental impacts of catastrophic events.*

The Coast Guard is best-suited to address these challenges through its comprehensive, complementary authorities, flexible and adaptive operational capabilities, and centuries of expertise protecting America's national interests.

In the near term, the Coast Guard will defeat these threats by:

- *recapitalizing operating assets and sustaining aging infrastructure;*
- *enhancing our Marine Safety Program;*
- *improving command and control capabilities; and*
- *establishing comprehensive intelligence and awareness regimes.*

Strategic Intent: The Way Ahead
The Coast Guard sources and operates to strategy. Our near-term decisions are guided by a family of strategic documents outlining organizational imperatives and executive intent as articulated in the National Security Strategy and National Strategy for Homeland Security. These include *The National Strategy for Maritime Security*, the *DHS Strategic Plan, The Coast Guard Strategy for Maritime Safety, Security, and Stewardship,* and the joint, ground-breaking *A Cooperative Strategy for 21st Century Seapower* co-authored by the Navy, Marine Corps and Coast Guard. We will continue to refine strategy and doctrine to guide response and enforcement activities in the future. *Implementation of strategy requires effective integration of budget, programs, policy, and legislation.*

Coast Guard Modernization Strategy
The Coast Guard is modernizing its legacy command and control structures, support systems, and business practices to ensure continued superior mission execution in a changing global environment. Integral to this modernization effort is new authority to realign field-level leadership positions for improved service delivery.

Strategic modernization is designed to create efficiencies that make the Coast Guard more capable of addressing 21st Century threats and challenges. The strategic modernization effort will improve resource allocation, financial management, risk management, training, and unity of effort within the DHS and across multiple layers of government. It will strengthen Headquarters and field alignment, improve readiness management, and greatly enhance mission execution in all areas.

Legislative Priorities - Coast Guard Authorization Act of Fiscal Year 2008
The Administration is seeking authorities to enhance the organization and operations of the Service and, by extension, the maritime safety, security, and stewardship of the United States. The more significant provisions of the *Coast Guard Authorization Act* would facilitate—

- ***The Coast Guard's strategic modernization effort***, by increasing alignment with other armed forces and Federal agencies, ensuring greater organizational flexibility, and enhancing command, control and system support improvements.

- ***The Government's prosecution of maritime alien smugglers.*** The recent escalation of lucrative maritime human smuggling operations poses a significant threat to the lives of migrants and our national security. Although the Coast Guard continues to improve its ability to detect and interdict smugglers, current law impedes prosecution.

- ***The protection and fair treatment of seafarer witnesses.*** This provision would facilitate the availability of foreign seafarer witnesses for Coast Guard investigations and support seafarers abandoned by shipowners in the United States. This provision fits into the Coast Guard's overall efforts to ensure the fair treatment of all seafarers in all circumstances.

The House of Representatives is poised to consider these provisions when it takes up H.R. 2830, the "Coast Guard Authorization Act of 2007." Although we have some important concerns with the H.R. 2830, we strongly support these provisions of the bill and note that a swift enactment of a bill that includes these provisions would significantly improve safety, security, and stewardship in the maritime domain.

Strategy for our People
The Coast Guard succeeds through the courage, devotion, and sacrifice of its people. Our Service members epitomize core values of honor, respect, and devotion to duty in words and deeds. Our future success hinges upon our ability to continue building competencies to meet emerging demands and mission responsibilities.

Our goal is to foster and deploy an energetic, diverse, well-educated, highly-capable workforce of active, reserve, and civilian personnel dedicated to mission execution and Coast Guard core values, supported by the Nation's premier volunteer organization, the U. S. Coast Guard Auxiliary.

Strategic Budget Priorities for Fiscal Year 2009
In order to meet emerging threats and growing demand for services, the Coast Guard is focusing on the following major strategic areas in fiscal year 2009. Our comprehensive effort to address these challenges requires coordinated budget, program, policy, and legislative action.

- ✓ Recapitalizing Operating Assets and Sustaining Aging Infrastructure;
- ✓ Enhancing the Marine Safety Program;
- ✓ Improving Command and Control Capabilities; and
- ✓ Establishing Comprehensive Intelligence and Awareness Regimes

Recapitalizing Operating Assets and Sustaining Aging Infrastructure
The Coast Guard needs to replace aging vessels, aircraft, and shore infrastructure. The cost of maintaining and operating the out-dated assets is continually increasing, as are major unplanned maintenance evolutions and reductions in readiness. Vital shore infrastructure required to maintain our front line assets is also in critical need of renovation and repair. Ultimately, the future operational success of the Coast Guard is dependent upon a comprehensive recapitalization of front line assets and shore and support infrastructure.

Earlier this year, the aging High Endurance Cutter USCGC RUSH had to divert to homeport from a search and rescue mission south of the Aleutian Islands when she began taking on water due to a hull crack in one of the vessel's compartments. Though numerous modifications and refits have taken place over their service life, the average age of our High Endurance Cutters stands at over 39 years and, like much of our fleet of cutters and aircraft, their age is showing. Cutters like RUSH and ACUSHNET are preeminent examples of the Coast Guard's urgent need to recapitalize and sustain.

Enhancing the Marine Safety Program
With strong congressional support, we recognized the potential threat posed to our nation by radical extremists and took prompt and substantial action to fortify our ports, waterways, coastal areas, and maritime infrastructure after 9/11. Today, with maritime security needs better-addressed, we are revitalizing our long-standing efforts to enhance the safety of the Marine Transportation System (MTS).

The success of the marine transportation system hinges upon an integrated approach to safety, security, waterways management, and environmental protection. The goals in preventing or responding to safety and security incidents in our ports and waterways are the same: save lives and protect property, the environment, and the global economy.

The maritime industry is experiencing unprecedented growth and intermodal complexity, while also facing increased risk from transnational threats. The Coast Guard is acting now to improve marine safety capacity and performance, enhance service delivery to mariners, and expand outreach and advisory mechanisms. As a result of a comprehensive Marine Safety program review, the Coast Guard established a roadmap to improve the effectiveness, consistency, and responsiveness of the program to promote safe, secure, and environmentally sound marine transportation. This roadmap includes reinvigorating industry partnerships, improving mariner credentialing services, bolstering inspector and investigator capacity, improving technical competencies through new marine safety Centers of Excellence, and expanding rulemaking capability to ensure we meet current and future program needs. Additional details on the Coast Guard's strategy to enhance marine safety can be found under the "Marine Safety" tab at http://homeport.uscg.mil.

Improving Command and Control Capabilities
The maritime environment continues to grow in complexity as the global transportation system matures. The Coast Guard faces a critical need to update its command and control capability to better identify and classify safety and security threats in the maritime realm and coordinate an integrated response.

Polar Presence and Capabilities
Recent years have seen a significant increase in Polar activity, including efforts by multiple Arctic nations to define and claim Arctic seabed and access to natural resources. Energy security needs, protection of U.S. sovereignty, increased Arctic shipping, prevention and response activities, as well as the growing need for Arctic domain awareness will increase the tempo of Coast Guard operations in the region. The Coast Guard is often the sole federal presence in the Arctic and the only entity positioned and capable of protecting U.S. sovereignty while supporting scientific research. The Coast Guard is aggressively considering alternatives to improve and sustain operational presence in the Polar Regions, and I am requesting funds to study future mission requirements in the Polar Regions in the FY 2009 budget.

Establishing Comprehensive Intelligence and Awareness Regimes
Collecting, fusing, and sharing intelligence is critical to securing the border and protecting the Nation against determined terrorists and criminals. It is equally important to safeguard our intelligence resources from compromise and exploitation. As a member of the Intelligence Community, the Coast Guard must be fully and properly vested in equipment and intellectual capital capable of meeting responsibilities of intelligence collection, information sharing, long-range tracking, and interagency partnerships.

FISCAL YEAR 2009 BUDGET REQUEST

The Coast Guard's FY 2009 budget request sustains service delivery and continues critical recapitalization efforts while focusing on: *enhancing marine safety, improving command and control, and establishing comprehensive intelligence and awareness regimes. Budget request highlights include:*

Recapitalizing Aging Vessels, Aircraft, and Shore Infrastructure
Integrated Deepwater System (IDS) Surface Assets
$540.7M
The budget requests $540.7M for the following IDS surface asset recapitalization or enhancement initiatives:

- Completion of National Security Cutter #4.....$353.7M
- Production of three Fast Response Cutters.....$115.3M
- Operational enhancement of five Medium Endurance Cutters.....$35.5M
- Operational enhancement of three 110-foot Patrol Boats.....$30.8M
- Offshore Patrol Cutter requirements analysis.....$3M
- Development/production of IDS Cutter Small Boat.....$2.4M

Integrated Deepwater System (IDS) Air Assets
$231.3M
The budget requests $231.3M for the following IDS air asset recapitalization or enhancement initiatives:

- Delivery of two HC-144A Maritime Patrol Aircraft.....86.6M
- HH-65 conversion to modernized components, cockpit, and enhanced interoperability for 22 aircraft $64.5M
- HH-60 engine sustainment and avionics, wiring, and sensor upgrades for eight aircraft $52.7M
- HC-130H avionics and sensor upgrades for nine aircraft and one center wing box replacements $24.5M
- Unmanned Aircraft System project analysis.....$3M

Integrated Deepwater System (IDS) Other
$218.4M
The budget requests $218.4M for the following IDS equipment and services:

- Upgrades to IDS command, control, computer, intelligence, surveillance, and reconnaissance (C4ISR) items $88.1M
- Government Program Management for contract oversight and execution.....$58M
- Development of logistics capability & facility upgrades.....$37.7M
- Systems Engineering and Integration funds.....$33.1M
- Prevention of IDS asset obsolescence by replacing aging technology.....$1.5M

Depot Level and Emergency Maintenance
$29.2M
The budget requests $29.2M for urgent extraordinary maintenance requirements including vital crew safety needs on cutters, emergency maintenance, and post-casualty maintenance. Specifically, this request funds overhauls of habitability, sanitary, electrical, fire/flooding alarm systems and asbestos/lead remediation on cutters; restores required cutter dockside scope and intervals, restores aircraft repair intervals, funds required spare parts replenishment; and funds unanticipated repairs on legacy cutters and aircraft, unscheduled drydocks/dockside availabilities, and fire damage remediation.

Inland River Assets
$9M
The budget requests $4M in critical maintenance and renovation funding to address emergency safety and habitability needs on 25 aging Aids to Navigation (AtoN) cutters. This project will serve as a bridging strategy to future replacement. The $5M AC&I request will be for survey and design funding to chart a suitable course of action which may include additional sustainment measures and/or a multi-mission replacement due to obsolescence. Although originally designed specifically for ATON work, many of these vessels serve as a critical Federal presence on the inland waterways.

Response Boat-Medium (RB-M)
$64M
The budget requests $64M for 14 boats to replace the aging 41-foot utility boat (UTB) and other non-standard boats with an asset more capable of meeting the USCG's multi-mission requirements.

Shore Facilities and ATON Recapitalization Projects
$50M
The budget requests a total of $50M, an increase of $12.1M over FY 2008. The Coast Guard occupies more than 22,000 shore facilities with a replacement value of approximately $7.4B. The FY 2009 funding is crucial to maintaining safe, functional and modern shore facilities that efficiently and effectively support USCG assets and personnel. FY 2009 projects include:

- Sector Delaware Bay – Construct new consolidated facilities; upgrade work spaces and living quarters.....$13M
- CG Housing Cordova, AK - Six new duplex units.....$11.6M
- CGA Chase Hall - Renovate cadet barracks.....$10.3M
- AIRSTA Cape Cod - Replace runway lighting.....$5M
- Waterways ATON Infrastructure.....$4M
- TISCOM - Construct a 5,000 square-foot addition.....$2.5M
- Survey and Design – Planning and engineering of outyear shore projects.....$2.1M
- Station Montauk - Purchase three housing units.....$1.6M

Operation & Maintenance (O&M) of Surface and Air Assets
$40.2M / 199 positions
The budget requests a total of $40.2 million to fund O&M of the following cutters, boats, aircraft and associated subsystems delivered through the IDS acquisition project:

- Four HC-144A aircraft.....$24M
- C4ISR upgrades for legacy cutters, boats, aircraft, and operations centers $7.1M
- National Security Cutters #1 - #2.....$5.6M
- Fast Response Cutter (FRC-B) Primary Crew Assembly Facility ...$1.4M
- FRC-B #1.....$1.2M
- Airborne Use of Force aircraft & equipment.....$0.8M

Enhancing the Marine Safety Program
Marine Inspection Program
$20M / 276 positions
The budget requests $20M for 276 additional Marine Inspectors to address growth in maritime commerce and the Nation's regulated vessel fleet, including the inspection of approximately 5,200 towing vessels mandated by the FY 2004 Coast Guard Authorization Act. Inspection and investigation demand is expected to increase as a result of additional Liquefied Natural Gas ships and facilities, towing vessel examinations, non-tank vessel response plan reviews, ballast water management oversight, and regulatory development. This initiative is critical to maintaining the safety and efficiency of the Nation's MTS.

DHS Regulatory Program
$2.6M
The budget requests $2.6M to fund additional contract support and improve rulemaking throughput and capacity. Before 9/11, there were 59 Coast Guard rulemaking projects outstanding. In the year following 9/11, this backlog increased to 75 and now stands at approximately 100 rulemaking projects. This initiative provides much needed technical writers and environmental and economic analyses critical to the development of safety, security, and environmental protection regulatory regimes. In the interim, we are completing a rulemaking review and reform project and implementing performance measures to maximize throughput.

Improving Command and Control
Rescue 21
$87.6M / 97 positions
The budget requests $87.6M to continue full rate production of towers and equipment for sectors including Great Lakes, Hawaii, Guam, and Puerto Rico. This request also includes funding for one additional watch section (five persons) at 15 of the busiest Sector Command Centers. Rescue 21 replaces the existing National Distress and Response System and enhances the Coast Guard's ability to execute all of its missions through improved communications and command and control capabilities in the coastal zone. The additional watchstanders included in this request support the increased capability provided by Rescue 21 and ensure proper monitoring of the additional communications circuits and coordination of response operations.

Situation Unit Watchstanders
$6.3M / 101 positions
The budget requests $6.3M for additional watchstanders at Sectors, Districts, Area, and Headquarters Command Centers to meet increasing operational demands and support the additional vessel monitoring, information collection and interagency coordination capability provided by the Command 21 initiative. The additional watchstanders are responsible for fusing intelligence and information with vessel movements and other port activities to increase Maritime Domain Awareness (MDA) and maintain a thorough, integrated local tactical picture.

Acquisitions Directorate Personnel Increase
$9M / 65 positions
The budget requests $9M to complete consolidation of the Integrated Deepwater System, the existing Acquisition Directorate, the Head Contracting Authority, and the procurement policy staff into a combined Acquisition Directorate (CG-9). This request provides funding for 65 personnel to perform the lead system integrator role for all acquisition projects, and develop lifecycle support plans for newly delivered Deepwater assets. This initiative complement's the Acquisition Directorate's formal assignment of technical authority to the Directorates for Engineering & Logistics, Personnel, and Information Management for all acquisition projects.

Establishing Comprehensive Intelligence and Awareness Regimes
Nationwide Automatic Identification System (NAIS)
$25.5M / 10 positions
The budget requests $14.6M to provide Initial Operational Capability for Increment Two of NAIS, providing receive coverage out to 50 nautical miles and transmit coverage out to 24 nautical miles for CG Sectors Hampton Roads, Delaware Bay, and Mobile. This request also includes $10.9M for network operating and maintenance requirements for Increment One of NAIS already installed in 55 ports and nine coastal areas.

MAGNet 2.0
$12.3M / 17 positions
The budget requests $12.28M for Maritime Awareness Global Network (MAGNet) 2.0. MAGNet 2.0 provides the intelligence information technology capability that serves as a data repository, fusion platform and enterprise-sharing device to consolidate information from 20 separate national level sources and provide timely intelligence and maritime related information to operational commanders, interagency, and port partners. MAGNET is a proven, robust intelligence-sharing architecture.

Command 21
$1M
The budget requests $1M for Command 21 to continue the survey and design, software development and project management initially funded in FY 2008. Command 21 provides an integrated system of "surveillance and notice" to meet the requirements of the Maritime Transportation Security Act (MTSA) and the SAFE Port Act, which states, *"the Secretary shall establish interagency operational centers for port security at all high-priority ports...."* Command 21 will support interagency operations centers at Coast Guard Sectors by providing information-sharing and situational awareness tools to close the gaps in our current port and coastal surveillance capability while facilitating greater cooperation and coordination with port partners.

Cryptologic Service Group & Direct Support
$3.3M / 46 positions
The budget requests $3.34M to establish three Coast Guard Cryptologic Service Groups and five Direct Support Teams for deployment on legacy cutters. Cryptologic capabilities greatly contribute to the number of successful security and intelligence-related missions at-sea, including security and law enforcement interceptions, vessel boardings, and drug and migrant interdictions. DOD's current personnel support for Coast Guard cryptologic needs terminates in FY 2009.

Counter-Intelligence (CI) Service Initiative
$2.0M / 29 positions
The budget requests $2M to bring the Coast Guard's Counter-intelligence Service to a minimum staffing level necessary to execute counter-intelligence activities. A functional counter-intelligence service will preserve the operational integrity of the Coast Guard by shielding its operations, personnel, systems, facilities, and information from the intelligence activities of foreign powers, terrorist groups, and criminal organizations.

Fiscal Year 2009 Organizational Reinvestments
The Coast Guard's FY 2009 budget request creates efficiencies which shift resources to support new assets scheduled for delivery in FY 2009 and offset required annualizations from FY 2008 program initiatives.

Organizational Reinvestments
($139.4M) / (295 positions)
FY 2009 savings include:

- Termination of FY 2008 one-time costs.....($36.2M)
- Management Efficiencies.....($68.2M)
- Decommissioning of six aging aircraft.....($22.4M)
- Decommissioning of four aging cutters.....($9.5M)
- Annualization of FY 2008 Management of Technology Efficiencies..($3.1M)

Migrating LORAN-C to DHS Directorate for National Preparedness and Protection
LORAN-C Modernization
($34.5M) / [294positions]
The administration of the LORAN-C program will migrate to the DHS National Protection and Programs Directorate (NPPD) in preparation for conversion of LORAN-C operations to Enhanced LORAN (eLORAN). NPPD will oversee the development of eLORAN to provide national backup capabilities for position, navigation, and timing. The 2009 request reflects transfer of LORAN-C operations to NPPD, however the Coast Guard will continue operation of the system in 2009 on a reimbursable basis.

ALLOCATION OF BUDGET AUTHORITY ACROSS ALL MISSIONS

I recognize our Mission Cost Model (MCM) tables have generated concerns over the display of allocated budget authority across our 11 missions. The Coast Guard does not budget by mission, however, program performance is informed through the alignment of resources and missions.

Let me be clear, the MCM is not an accurate indicator of our FY 2009 budgetary emphasis nor is it a reliable estimation tool for future level of effort in any mission or allocation or budget authority.

Our appropriation structure supports our multi-mission requirements by allowing us to surge and shift resources across all mission areas. This level of resource flexibility is critical to successful mission execution in our dynamic, demand-driven operational environment. Owing to the nature of our appropriations, it is impossible to definitively determine a particular mission's "level of effort" through analysis of the MCM-projected FY 2009 budget authority allocations.

The MCM is also NOT an accurate tool for forecasting mission emphasis. MCM tables are merely a function of the cost to perform a mission and not a representation of level of effort expended on that mission. This is due to asset-intensive missions being inherently more expensive than personnel-intensive missions. For example, the cost to operate a cutter, boat, or aircraft in support of the Ports, Waterways, and Coastal Security (PWCS) mission for one hour is substantially greater than the cost for a marine inspector to conduct a one hour safety inspection on a commercial vessel.

The MCM's FY 2009 forecasted allocations are based on an average of historical operating hours by mission activity, not actual resource allocations outlined in our budget request. As a result, there is often a significant disparity between forecast allocations and actual expense data from the most recently completed fiscal year. For completed fiscal years, the MCM is a good lagging indicator of mission cost because allocations are based on actual operational data.

In short, our true budgetary emphasis is most accurately discerned through a line-by-line review of our entire budget request in the Congressional Justifications, not the MCM tables.

I am committed to working with Congress to ensure that our Congressional Justification clearly displays our allocation of budget authority. Separately, we will look to improve the MCM as a tool for budget-performance integration.

UNPRECEDENTED SERVICE TO THE PUBLIC DURING FY 2007

The President's fiscal year 2009 budget request for the Coast Guard builds on our recent mission successes. Coast Guard professionals delivered unprecedented operational service and record results for the American public in 2007:

- Celebrated *one million lives saved* since the Service's inception in 1790.
- Seized/removed a record 355,000 lbs of cocaine, 12,000 lbs of marijuana, and 350 pounds of heroin from the global narcotics stream, including a 33,359 lbs cocaine seizure from the Panamanian flagged motor vessel GATUN -- the largest cocaine seizure in Coast Guard history.
- Responded to over 27,000 Search and Rescue cases and saved over 5,000 lives.
- Supported the Global War on Terror through both Operation Iraqi Freedom and Operation Enduring Freedom with over 800 active and reserve personnel deployed around the world.
- Interdicted over 6,000 migrants attempting to gain illegal entry to the United States.
- Interdicted and seized six Chinese High Seas Drift Net (HSDN) vessels during the 2007 multi-national HSDN enforcement campaign, Operation North Pacific Watch.
- Conducted 44,896 domestic commercial vessel certification or general compliance inspections, 38,837 of which were on commercial vessels requiring a Certificate of Inspection for operation.
- Completed 8,840 Port State Control safety and environmental examinations and 8,814 International Ship and Port Facility Security Code examinations of foreign vessels arriving at U.S. ports.
- Collected biometric information from over 1,100 migrants in the Mona Pass using state-of-the-art handheld scanners. As a result of integration with the US-VISIT database, 257 migrants with criminal records were identified and 72 were brought ashore for prosecution under U.S. laws. Under this program, migrants with criminal histories were detained and prosecuted instead of repeatedly repatriated.
- Asserted U.S. rights of sovereignty, facilitated maritime commerce and supported Operation Deep Freeze (a 40- nation collaborative research project) in the Polar Regions.
- Protected and safely escorted 75 military sealift movements carrying over 6,000,000 square feet of indispensable military cargo in support of ongoing Global War on Terror operations.
- Partnered with FEMA, DHS and other agencies to revise and improve the National Response Plan, now referred to as the National Response Framework.

Established the Deployable Operations Group (DOG)

- Aligned all Coast Guard deployable, specialized forces under a single, unified command, providing "one-stop shopping" for Coast Guard and interagency partners seeking adaptive, tailored force packages for rapid response to worldwide threats. The DOG encompasses 3,000 Coast Guard personnel from 12 Maritime Safety and Security Teams, one Maritime Security Response Team, two Tactical Law Enforcement Teams, eight Port Security Units, and the National Strike Force.

Conducted a Major National Environmental Stewardship Exercise

- Co-sponsored (with EPA) the largest SONS exercise to date, involving 11 states, 14 federal agencies, two Coast Guard Districts, four Coast Guard Sectors, 15 industry partners, and over 5,000 emergency management personnel.

Created the Centralized Acquisition Directorate

- Created a centralized acquisition directorate to be responsible for the Coast Guard's major acquisition projects. As part of this reorganization, the Coast Guard implemented the *Blueprint for Acquisition Reform* to enhance mission execution, creating a more responsive, competent and efficient acquisition organization. Since inception, program execution, contracting practices, research and development, and industry oversight have significantly improved.

- Commenced an Alternatives Analysis for major Deepwater assets, designated technical authorities for Hull, Mechanical, Engineering and C4ISR design review, and resolved many outstanding contractual issues on the National Security Cutter through an acquisition and academic best-practice known as a Consolidated Contracting Action (CCA).

Recapitalized Aging Assets, Maintaining & Improving Capability

- Improved Search and Rescue capability by establishing state of the art Rescue 21 VHF-FM communications systems in three additional major coastal areas.

- Achieved NAIS "receive" capability in 55 ports and nine coastal waterways. The NAIS system substantially enhances MDA by providing the ability to continuously track the movement of AIS-equipped vessels both within and in the approaches to major ports.

- Leveraged existing organic maintenance capability to complete successful Mission Effectiveness Projects (MEPs) on four 210-foot/270-foot Medium Endurance Cutters (MECs) and one 110-foot Patrol Boat (WPB). MEP replaces obsolete, unsupportable and maintenance-intensive systems allowing for the continued operation of the current MEC and WPB fleets in a more economical manner until they are replaced by more capable IDS assets. Post-MEP MECs have shown a 22% improvement in Percent of Time Free of major casualties.

- Completed replacement of engines on 95 HH-65 helicopters on budget and ahead of schedule. This replacement increased aircraft power by 40%, significantly increasing aircraft capability and operating safety margins.

- Established an in-house maintenance capability to overhaul HC-130s at the Aircraft Repair and Supply Center in Elizabeth City, NC. In 2007, the Coast Guard achieved the best C-130 quality and schedule for Progressive Structural Inspections in agency history. This directly resulted in higher availability rates, fewer operational gaps, and the ability to respond quickly to mandated inspections of an aging aircraft.

CONCLUSION

As a maritime Nation, our security, resilience, and economic prosperity are intrinsically linked to the oceans. Safety and freedom of transit on the high seas are essential to our well-being, yet are very fragile. Moreover, threats to border security, growth in the global marine transportation system, expanded use of the Arctic, and burgeoning coastal development are challenging conventional paradigms. The Coast Guard is *ideally-suited* to address these and other challenges through its comprehensive, complementary authorities, flexible and adaptive operational capabilities, and centuries of experience protecting America's national security interests. *The Coast Guard's integrated approach to safety, security, and stewardship remains the most effective method of governance in the maritime domain.*

The people of the Coast Guard delivered record national results in 2007. Punctuated by the celebration of over *one million lives saved* since 1790 and removal/seizure of over 350,000 pounds of cocaine, "*Semper Paratus*," the Coast Guard motto, guides our effort every day and in every mission. Our men and women performed with courage, sacrifice and dignity, and are eager and prepared to answer the Nation's call now and into the future.

As our Nation faces the long-term struggle against radical extremism in a period of persistent conflict, the Coast Guard must be prepared to conduct operations across a broad spectrum of potential threats and hazards. We must position America's Coast Guard to answer the call, to be *Semper Paratus,* and to execute the mission. While much has been achieved, developing comprehensive maritime safety, security, and stewardship regimes for the Nation remains a work in progress. Our fiscal year 2009 budget request and current legislative priorities are critical steps in the right direction.

Thank you for the opportunity to testify before you today. I am pleased to answer your questions.

Mr. PRICE. Thank you, Admiral. Mr. Hutton, we will ask you to proceed in the same fashion and then we will turn to questions.

GAO STATEMENT

Mr. HUTTON. Thank you, sir. Mr. Chairman, members of the subcommittee, thank you for inviting GAO to discuss our ongoing work on the Coast Guard's Deepwater program, as well as its numerous homeland security missions. And accompanying me today is Stephen Caldwell, the Director on GAO's Homeland Security and Justice team and he is responsible for GAO's work on Deepwater operational issues, as well as the Coast Guard's broader missions, and I am from the side of the house that deals more with the acquisition issue. Our testimony today is based in part on our ongoing work for this committee. First, I will discuss Coast Guard initiatives aimed at improving its acquisition process, oversight structure, program management information, and acquisition workforce and second, I will highlight Coast Guard challenges in carrying out its various missions.

As you know, GAO has been reviewing the planning and execution of the Deepwater program since the late 1990s and over the years, we have informed Congress and others of the problems and uncertainties related to this large acquisition. Since we testified last year, the Coast Guard has been undergoing a fundamental shift in the way it approaches its management of the program and has taken several steps and I would like to highlight some of those right now.

The Coast Guard is consolidating its acquisition responsibilities into a single directorate with the goal of leveraging available knowledge and resources across all the programs. The Coast Guard is moving away from the systems integrator contract and the systems to systems model to a more traditional acquisition strategy, where it will manage the acquisition of assets separately. The Coast Guard recently demonstrated this new approach by holding its own competition for a fast response cutter in lieu of obtaining the asset through the systems integrator. Coinciding with this shift, the Coast Guard has decided to follow processes outlined in its major system acquisition manual, which include acquisition milestones, documentation requirements, and cost estimates for individual assets. The Coast Guard has taken an increased management role in Deepwater, including restructuring their integrated product teams to be led by Coast Guard personnel, not the contractor, establishing the Coast Guard as a technical authority for engineering to among other things review, approve, and monitor technical standards, and increasing Deepwater project manager's responsibility and accountability or acquisition outcomes of individual assets.

Other planned improvements relate to the use and quality of program information. For example, the Coast Guard has developed a tool to analyze each asset based on 19 elements, including compliance with the acquisition process, progress, and earned value management data to assess the risk of assets failing to meet their goals. And this information is intended to enable senior Coast Guard management officials' review of the project status and risks.

The Coast Guard, also, has initiatives underway aimed at developing a workforce with the requisite acquisition and program management skills. Back in 2001, we noted that the Coast Guard adopted a systems of systems approach with a contractor as a systems integrator, because it did not believe it had the technical expertise or the resources to be the systems integrator. While the Coast Guard has made some progress in filling some key positions in its acquisition directorate, it still has some vacancies in a range of positions, such as contracting, systems engineering, and program management.

Although many of the Coast Guard's initiatives are positive and may assist the program in meeting its goals, they are in the preliminary stages, some further along than others, with many processes and procedures yet to be implemented. Maintaining the momentum, discipline, and follow through will be important in improving the Deepwater program and we will continue to evaluate the Coast Guard's progress in these areas as part of our ongoing work with this committee.

Next, I will highlight Coast Guard challenges in carrying out its various missions. The Coast Guard expects the Deepwater assets to help with a wide range of missions. After September 11, Coast Guard cutters, aircraft, boats, and personnel normally used for non-homeland security missions, such as environmental protection, were shifted toward protecting the nation's vast and sprawling network of ports and waterways. For several years, we have noted Coast Guard difficulties in fully funding and executing both the homeland and non-homeland security missions. Although past work has found that the Coast Guard is restoring activity levels for many of its non-homeland security missions, it continues to face challenges in balancing the resources between the two missions.

Our recent and completed work has shown that Coast Guard requirements continue to increase in such homeland security areas as providing vessel escorts and conducting other security activities at some ports. In several cases, the Coast Guard has not been able to keep up with these security demands. Some of the Coast Guard's non-homeland security missions are facing the same challenges with regard to increased mission requirements. For example, the Coast Guard has additional requirements to revise area maritime security plans to cover natural disasters, to revise the oil spill regulations to better protect the oil spill liability trust fund from risks related to certain under-insured vessels, to conduct patrols and enforce regulations in new protected areas, and to increase polar operations commensurate with increased resource exploitation vessel traffic in the Arctic.

Mr. Chairman, this concludes our statement. We plan to issue reports later this month on the Coast Guard's homeland security missions and we plan to provide a more complete analysis of the Deepwater issues raised in the statement and report later this year for the committee. And we will be happy to answer any questions.

[The information follows:]

United States Government Accountability Office

GAO

Testimony

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COAST GUARD

Deepwater Program Management Initiatives and Key Homeland Security Missions

Statement of John P. Hutton, Director
Acquisition and Sourcing Management

and

Stephen L. Caldwell, Director
Homeland Security and Justice

GAO-08-531T

GAO

Highlights

Why GAO Did This Study

March 5, 2008

COAST GUARD

Deepwater Program Management Initiatives and Key Homeland Security Missions

What GAO Found

With a recognition that too much control had been ceded to the system integrator under the Deepwater Program, the Coast Guard began this past year to shift the way it is managing the acquisition. Significant changes pertain to

- increasing government management of the program as part of the Coast Guard's reorganized Acquisition Directorate,
- acquiring Deepwater assets individually as opposed to through a system-of-systems approach,
- improving information to analyze and evaluate progress, and
- developing an acquisition workforce with the requisite contracting and program management skills.

Many of these initiatives are just getting under way and, while they are positive steps, the extent of their impact remains to be seen.

The Coast Guard will likely continue to face challenges balancing its various missions within its resources for both the short and long term. For several years, we have noted that the Coast Guard has had difficulties fully funding and executing both homeland security missions and its non-homeland security missions. GAO's recent and ongoing work has shown that the Coast Guard's requirements continue to increase in such homeland security areas as providing vessel escorts, conducting security patrols of critical infrastructure, and completing inspections of maritime facilities here and abroad. In several cases, the Coast Guard has not been able to keep up with these security demands, in that it is not meeting its own requirements for vessel escorts and other security activities at some ports. In addition, there are indications that the Coast Guard's requirements are also increasing for selected non-homeland security missions.

Since 2001, we have reviewed the Deepwater Program and have informed Congress, the Department of Homeland Security, and the Coast Guard of the risks and uncertainties inherent with such a large acquisition. In March 2004, we made a series of recommendations to the Coast Guard. The Coast Guard has taken actions on many of them. Three recommendations remain open, as the actions have not yet been sufficient to allow us to close them. In past work on Coast Guard missions, GAO made recommendations related to strategic plans, human capital, performance measures, and program operations.

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss the Coast Guard's management and oversight of its Deepwater Program and its ability to carry out its numerous homeland security missions. The Deepwater Program, ongoing since the late 1990s, is intended to replace or modernize 15 major classes of Coast Guard assets—5 each of vessels and aircraft, and 5 other projects, including communications systems. The Coast Guard plans to use its Deepwater assets to help meet non-homeland security missions, such as environmental protection, as well as new homeland security missions in the wake of September 11. After September 11, the Coast Guard's priorities and focus had to shift suddenly toward protecting the nation's vast network of ports and waterways. Coast Guard cutters, aircraft, boats, and personnel normally used for non-homeland security missions were shifted to homeland security missions, which previously consumed only a small portion of the agency's operating budget. We will be issuing reports later this month related to the Coast Guard's homeland security missions, including its inspection of domestic maritime facilities, foreign ports, and foreign vessels, and we plan to provide a more complete analysis of the Deepwater issues raised in this statement in a report later this year.

Specifically, our focus today will be on

- Coast Guard initiatives to improve its acquisition process, oversight structure, program management information, and acquisition workforce as it assumes a larger role in managing the Deepwater Program; and
- Coast Guard challenges in carrying out the various homeland security missions for which it is now responsible in the post-September 11 environment, such as conducting security patrols of critical infrastructure and providing vessel escorts.

Our statement is based in part on ongoing work for this committee on the Deepwater Program and recent work on the Coast Guard's homeland security missions. To conduct our work on the Deepwater issues, we reviewed key Coast Guard documentation such as the *Major Systems Acquisition Manual*, acquisition program baselines, and human capital plans. We also interviewed Coast Guard acquisition officials, contracting officers, and other key staff. This work was conducted between October 2007 and March 2008. We also relied on our past work regarding the Deepwater Program. Appendix II lists selected reports related to Deepwater. Our work on the Coast Guard's homeland security missions is based on a series of reviews we have conducted in the aftermath of

September 11. This work involved discussions with Coast Guard and other federal officials at both headquarters and field units in domestic and international locations, reviews of related program documents, analysis of program data bases (including reliability assessments), and discussions with other domestic and international stakeholders in the maritime industry. All work for this statement was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. For issues where our observations are based on work that has not been previously reported, we obtained Coast Guard views on our findings and incorporated technical comments where appropriate. Although we are not making recommendations as a part of this statement, we have reviewed past GAO work and the actions the Department of Homeland Security and Coast Guard have taken to address any open recommendations.

Summary

The Coast Guard is currently undergoing a fundamental shift in the way it approaches its largest acquisition program, Deepwater. Key changes to increase Coast Guard management of the program include a reorganized acquisition directorate, a shift to acquiring Deepwater assets individually as opposed to through a system-of-systems approach, and efforts to improve information to analyze and evaluate progress. In addition, the Coast Guard has acknowledged the need for a workforce that can effectively manage its major acquisitions, including Deepwater, and is taking steps to develop a workforce with the requisite acquisition and program management skills. These initiatives are positive, but many are just getting under way as the agency begins to assert control over selected Deepwater assets, and the extent of their impact remains to be seen.

The Coast Guard continues to face challenges balancing its homeland and non-homeland security missions within its finite resources. For several years, we have noted that the Coast Guard has had difficulties fully funding and executing both homeland security missions and its non-homeland security missions. Our work has shown that the Coast Guard's requirements continue to increase in such homeland security areas as providing vessel escorts, conducting security patrols of critical infrastructure, and completing inspections of maritime facilities here and abroad. In several cases, the Coast Guard has not been able to keep up with these security demands, in that it is not meeting its own requirements

for providing vessel escorts and conducting other security activities at some ports. In addition, there are indications that the Coast Guard's requirements are also increasing for selected non-homeland security missions.

In March 2004, we made 11 recommendations to the Coast Guard on management of the Deepwater Program to address three broad areas of concern: improving program management, strengthening contractor accountability, and promoting cost control through greater competition among potential subcontractors. Over time, the Coast Guard has addressed many of these recommendations.[1] Three, pertaining to integrated product teams, maintenance and logistics responsibilities for Deepwater assets, and cost control under the Integrated Coast Guard Systems contract, remain open because the Coast Guard's actions have yet not been sufficient to allow us to close them. In our past work on Coast Guard missions, we have made recommendations to the Department of Homeland Security to develop strategic plans, better plan the use of its human capital, establish performance measures, and improve program operations. The Coast Guard generally concurred with these recommendations and is making progress in addressing them.

Background

The Coast Guard is a multi-mission, maritime military service within the Department of Homeland Security (DHS). The Coast Guard's responsibilities fall into two general categories—those related to homeland security missions, such as port security, vessel escorts, security inspections, and defense readiness; and those related to non-homeland security missions, such as search and rescue, environmental protection (including oil spill response), marine safety, and polar ice operations.

To carry out these responsibilities, the Coast Guard operates a number of vessels and aircraft and, through its Deepwater Program, is currently modernizing or replacing those assets. At the start of Deepwater, the Coast Guard chose to use a system-of-systems acquisition strategy that would replace its assets with a single, integrated package of aircraft, vessels, and communications systems[2] through Integrated Coast Guard Systems

[1] The Coast Guard did not intend to implement one of the recommendations, that the Coast Guard establish a baseline for determining whether the system of systems acquisition approach was costing the government more than a traditional asset replacement approach.

[2] Appendix I lists the assets currently being planned and procured for Deepwater as well as their status as of February 2008.

(ICGS), a system integrator that was responsible for designing, constructing, deploying, supporting and integrating the assets to meet Coast Guard requirements. The decision to use a system integrator was driven in part because of the Coast Guard's lack of expertise in managing and executing an acquisition of this magnitude. In a series of reports since 2001, we have noted the risks inherent in the systems integrator approach and have made a number of recommendations intended to improve the Coast Guard's management and oversight. In particular, we raised concerns about the agency's ability to keep costs under control in future program years by ensuring adequate competition for Deepwater assets and pointed to the need for better oversight and management of the system integrator. We, as well as the DHS Inspector General and others, have also noted problems in specific acquisition efforts, notably the National Security Cutter and the 110-Foot Patrol Boat Modernization, which the Coast Guard Commandant permanently halted in November 2006 because of operational and safety concerns.

Coast Guard Is Taking Steps To Increase Management Of The Deepwater Program

Over the past year, the Coast Guard's Deepwater Program has been in the midst of a major shift, from heavy reliance on a system integrator to greater government control and a greater government role in decision-making. Coast Guard officials acknowledged that the initial approach gave too much control to the contractor. The Coast Guard has made a number of significant program decisions and taken actions, including:

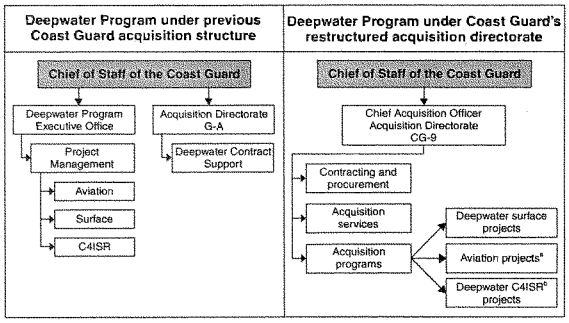
- an increase in the Coast Guard's management role through a reorganization of its acquisition directorate;
- a restructured approach to the review and approval of individual Deepwater asset acquisitions;
- planned improvements to the use and quality of information on program performance, and
- initiatives to develop a workforce with the requisite acquisition and program management skills.

Although many of the changes the Coast Guard has undertaken are positive and may assist the program in meeting its goals, these initiatives are in their preliminary stages, with many processes and procedures yet to be implemented. Maintaining momentum will be important in improving the Deepwater Program; we will continue to evaluate the Coast Guard's progress in all of these areas as part of our ongoing work.

Coast Guard Has Increased Its Program Management Role of Deepwater under a Reorganized Acquisition Directorate

As of July 2007, the Coast Guard began consolidating acquisition responsibilities into a single Acquisition Directorate, known as CG-9, and is making efforts to standardize operations within this directorate. Previously, Deepwater acquisitions were managed separately from other Coast Guard acquisitions by the Deepwater Program Executive Office. The Coast Guard's goal for the reorganization is that it will provide greater consistency in the Coast Guard's oversight and acquisition approach by concentrating acquisition activities under a single official and allowing greater leveraging of knowledge and resources across programs. Figure 1 depicts the changes.

Figure 1: Reorganization of Deepwater Within the Coast Guard Acquisition Function



Source: Coast Guard data with GAO presentation.

Note: Other organizations—such as the Engineering and Logistics Directorate (CG-4) and the C4ISR Directorate (CG-6) or their predecessor organizations—provided technical expertise under both structures.

[a]This office includes aviation assets for Deepwater.

[b]C4ISR is command, control, communications, computers, and intelligence, surveillance and reconnaissance.

As part of asserting a larger management role in Deepwater, the Coast Guard has taken additional steps, such as the following.

- Integrated product teams—a key program management tool—are in the process of being restructured and re-chartered. In the past, the teams were led and managed by the contractor, while government team

members acted as "customer" representatives. Now, the teams are led by Coast Guard personnel. The teams are responsible for discussing options for problem solving relating to cost, schedule, and performance objectives. For example, one team oversees management of the National Security Cutter project.

- The Coast Guard has formally established a technical authority for engineering to oversee issues related to Deepwater; Coast Guard officials told us a similar authority for C4ISR is pending. The role of the technical authority in program acquisition is to review, approve, and monitor technical standards and ensure that assets meet these standards, among other duties. Previously the contractor had some decision making power and the Coast Guard held an advisory role. In some cases this led to bad outcomes. For example, Coast Guard officials told us their engineering experts had raised concerns during the National Security Cutter's design phase about its ability to meet service life requirements and recommended design changes, but they were ignored. If the recommendations had been heeded, changes to the ship's design could have been made earlier and some additional costs may have been avoided.[3]

- Coast Guard project managers, who manage individual Deepwater assets, now have increased responsibility and accountability for acquisition outcomes. Previously, the project managers' role was less significant. For example, the contractor, not the project manager, provided Coast Guard management with quarterly updates on the status of assets. Now, project manager charters for individual assets outline project managers' responsibilities and authorities, including ensuring projects are on time and within budget.

Coast Guard has Restructured Review Process for Deepwater Assets

The Coast Guard is moving away from the ICGS contract and the systems-of-systems model to a more traditional acquisition strategy, where the Coast Guard will manage the acquisition of each asset separately. Agency officials told us that they are in the process of re-evaluating their long term

[3] The issue pertained to the ship's expected 30-year service life as it related to fatigue. Fatigue is physical weakening because of age, stress, or vibration. A U.S. Navy analysis done for the Coast Guard determined that the ship's design was unlikely to meet fatigue life expectations. The Coast Guard ultimately decided to correct the structural deficiencies for the first two National Security Cutters at scheduled points after construction is completed to avoid stopping the production lines, and to incorporate structural enhancements into the design and production for future ships.

relationship with ICGS, including an assessment of the value of continuing this contractual relationship. The government is under no further obligation to acquire services under this contract, as the minimum specified quantity of services was met during the 5-year base term. However, Coast Guard officials told us they may continue to issue task orders under the contract for specific efforts, such as logistics, or for assets that are already well under way. The Coast Guard recently demonstrated this new approach by holding its own competition for the Fast Response Cutter-B (FRC-B),[4] in lieu of obtaining the asset through the ICGS contract. The Coast Guard issued a request for proposals in June 2007 for the design, construction, and delivery of a modified commercially available patrol boat. Coast Guard officials told us they are currently evaluating proposals and expect to award the contract by the third quarter of fiscal year 2008, with the lead cutter expected for delivery in 2010. The Coast Guard plans to hold other competitions outside of the ICGS contract for additional assets in the future, including the Offshore Patrol Cutter.

The Coast Guard's transition to an asset-by-asset acquisition strategy is enabling increased government visibility and control over its acquisitions. Cost and schedule information are now captured at the individual asset level rather than at the overall, system-of-systems program level. For example, while cost and schedule breaches in the past were to be reported at the Deepwater system-of-systems level only, the Coast Guard is now reporting breaches by asset, as occurred recently with the cost increase on the C-130J long range surveillance aircraft and the first National Security Cutter.[5]

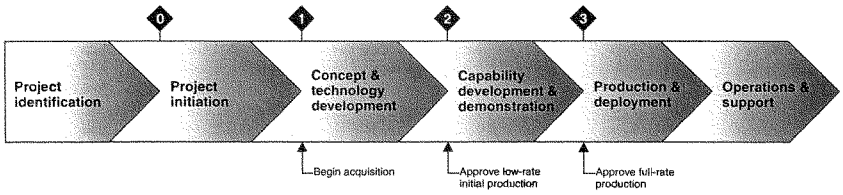
In implementing this new acquisition approach, the Coast Guard also plans to start following the processes set forth in its *Major Systems Acquisition*

[4] The Fast Response Cutter (FRC) was conceived as a patrol boat with high readiness, speed, adaptability, and endurance. ICGS proposed constructing the FRC (later termed the FRC-A) with composite materials, but the Coast Guard suspended the contractor's design effort in February 2006 in order to assess and mitigate technical risks. The Coast Guard subsequently decided to hold its own competition for commercially available FRCs (termed the FRC-B).

[5] We reported in 2007 that the Coast Guard was required to provide information to DHS on total program cost breaches of 8 percent or more. However, this threshold had not been breached because it was measured against system-of-system Deepwater Program costs and not on an asset basis. Coast Guard officials acknowledged to us that only a catastrophic event would ever trigger a threshold breach under this approach. GAO, *Coast Guard: Status of Efforts to Improve Deepwater Program Management and Address Operational Challenges*, GAO-07-575T (Washington, D.C.: Mar. 8, 2007).

Manual (MSAM), which include acquisition milestones, documentation requirements, and cost estimates for individual assets. Previously, the Coast Guard was authorized to deviate from the MSAM requirements for the Deepwater Program. Reviews were required on a schedule-driven basis—planned quarterly or annually—as opposed to the more disciplined, event-driven process outlined in the MSAM. In addition, the Coast Guard scheduled key decision points only occasionally and focused primarily at the Deepwater Program as a whole, as opposed to at an individual asset level. Coast Guard officials told us that little, if any, documentation of key decisions was maintained. The MSAM process requires reports on specific elements of program knowledge at milestones in the acquisition process, supplemented by annual briefings. For example, reports on the maturity of technology and estimates of an asset's life cycle cost are required at Milestone 2, before an asset enters the capability development and demonstration phase. Figure 2 depicts the key phases and milestones of the MSAM process.

Figure 2: Key Phases and Milestones of the Coast Guard's MSAM process



Source: Coast Guard's *Major Systems Acquisition Manual*.

Note: Black diamonds denote milestones.

Although the Coast Guard's decision to follow a more formalized and asset-driven acquisition process is a positive step, the Coast Guard faces challenges in implementing the process. The transition to the MSAM process is estimated to take at least 2 years to complete, as the Coast Guard is determining where Deepwater assets are in the process and is having to create basic documentation that was not required under the prior process—such as statements of requirements and technology assessments—to bring assets into compliance. For example, the National Security Cutter is in the production phase, but the Coast Guard is reviewing what documentation should be completed for milestones that already passed. Coast Guard officials also acknowledged the hurdles they

face in bringing C4ISR efforts under the MSAM process, as this asset may require a broader Deepwater-level approach to tie individual assets together.

GAO's work on best practices for major acquisitions has demonstrated that a knowledge-based approach to decision making, where specific knowledge is gathered and measured against standards at key points in the acquisition process to inform decisions about the path forward, can significantly improve program outcomes. While the MSAM process contains some characteristics of a knowledge-based approach, there are key differences that could affect acquisition outcomes. For example, the Milestone 2 decision to approve low-rate initial production precedes the majority of the design activities in the capability development and demonstration phase. We will continue to evaluate the Coast Guard's process as compared to established commercial best practices in our ongoing work.

The MSAM requires, as part of the acquisition approval process, the Coast Guard to report to DHS on all major program decisions beginning with the start of an acquisition program. Coast Guard and DHS officials told us that the processes and procedures for coordinating acquisitions with DHS's Investment Review Board, which is tasked with reviewing major acquisition programs, are currently undergoing revision. According to the Coast Guard, DHS approval of acquisition decisions is not technically necessary because the department delegated oversight responsibility for the Deepwater Program to the Coast Guard in 2003. Recently, however, the Coast Guard has increased communication and coordination through good will and informal procedures such as personal working relationships. We are currently conducting work on DHS's investment review process for this committee and will release our findings later this year.

Coast Guard is Working to Improve the Use and Quality of Program Information

The proper functioning of an acquisition organization and the viability of the decisions made through its acquisition process are only as good as the information it receives. In the past, much of the Deepwater Program information was collected on an ad-hoc basis and focused more at the Deepwater Program level, as opposed to the individual asset level. The Coast Guard is now putting processes in place to improve the use and quality of its information on program performance through a number of different efforts.

- The Coast Guard recently developed Quarterly Project Reports, a compilation of cost and schedule information that summarizes the

status of each acquisition for reporting through the Coast Guard chain of command as well as to DHS and the Congress.

- The Coast Guard also plans to analyze program information using the "probability of project success" tool. Coast Guard acquisition officials told us they will use this tool to grade each asset on 19 different elements, including acquisition process compliance and progress and earned value management data,[8] to assess the risk of assets failing to meet their goals. This information is intended to enable senior Coast Guard management officials to review project risks and status at a glance. At this time, the Coast Guard has completed reports on ten Deepwater assets.

- The Coast Guard is working to improve the quality and reporting of earned value management data. For example, officials have developed standard operating procedures for earned value reporting and analysis to create consistency among Deepwater assets. As part of these procedures, Coast Guard analysts have begun to review the earned value management data provided by contractors and provide the results to project managers. The Coast Guard is also exploring how it can use the Defense Contract Management Agency to validate contractor earned value systems. Certification would provide the Coast Guard greater assurance that contractor data are accurate.

Actions Underway to Hire and Develop an Acquisition Workforce for Deepwater and Other Major Coast Guard Programs

The Coast Guard has acknowledged the need for a workforce that can effectively manage its major acquisitions—including Deepwater—a challenge common within the federal government. With the July 2007 creation of the Acquisition Directorate, the Coast Guard has taken steps to develop a workforce with the requisite acquisition and program management skills, while trying to reduce reliance on support contractors.

The Coast Guard's 2008 acquisition human capital strategic plan sets forth a number of acquisition workforce challenges, including

- a shortage of civilian acquisition staff,
- lack of an acquisition career path for Coast Guard military personnel,
- difficulty in tracking acquisition certifications, and

[8] Earned value management data include cost and schedule data reported by the contractor and are used to evaluate contractor management systems and progress toward program goals.

- absence of policy guidance on the use of support contractors in the acquisition process.

To address these challenges, the Coast Guard has begun initiatives that leverage expertise and best practices from other organizations, including use of GAO's *Framework for Assessing the Acquisition Function at Federal Agencies*.[7] These initiatives include

- establishing an Office of Acquisition Workforce Management to oversee workforce issues;
- contracting for development of a strategic tool to forecast acquisition workforce needs in terms of numbers and skill sets;
- utilizing hiring flexibilities such as reemployed annuitants, relocation bonuses, and direct hire authority; and
- developing certification requirements for the entire Acquisition Directorate (not just for project managers) to help develop what it calls "bench strength" in the acquisition workforce.

Some of these initiatives have begun to see concrete results; for example, key Acquisition Directorate leadership positions have been filled and, through use of hiring flexibilities, over 100 vacant civilian acquisition positions have been filled, 40 of them using direct hire authority. However, as Table 1 shows, the Acquisition Directorate still has not fully staffed its billets, including a range of positions—such as contract specialists, financial analysts, systems engineers, and program management staff—that the directorate has designated as "hard-to-fill."

Table 1: Overall vacancy rates in the CG-9 Acquisition Directorate as of January 2008

	Billets	Vacancies	Vacancy Rate
Military	431	56	13.0%
Civilian	486	115	23.6%

Source: Coast Guard data.

The Acquisition Directorate has also identified a need for about 189 contractor billets for fiscal year 2008. These support contractors fill a range of positions, such as contracting support and logisticians. Despite

[7] GAO, *Framework for Assessing the Acquisition Function at Federal Agencies*, GAO-05-218G (Washington, D.C.: Sept. 2005).

the Coast Guard's stated goal of reducing its reliance on support contractors, acquisition management officials told us that use of contractors will likely continue for the foreseeable future and is contingent upon the Coast Guard's ability to build its core staff.

Other initiatives are still in the early stages, and it is too soon to evaluate their outcomes. For example, the Coast Guard is developing a workforce forecasting tool, which it plans to use to answer key questions about its strategic acquisition workforce needs. This tool requires significant up-front data collection and management training efforts to be used effectively. The Coast Guard is also evaluating a similar tool developed by the Air Force and will determine which tool best suits their needs in the future.

Coast Guard Continues to Face Challenges in Balancing Its Homeland Security and Non-Homeland Security Missions

The new and modernized assets the Coast Guard expects to acquire under the Deepwater Program are intended to be used to help meet a wide range of missions. After the September 11, 2001, terrorist attacks, the Coast Guard's priorities and focus had to shift suddenly and dramatically toward protecting the nation's vast and sprawling network of ports and waterways. Coast Guard cutters, aircraft, boats, and personnel normally used for non-homeland security missions were shifted to homeland security missions, which previously consumed only a small portion of the agency's operating resources. Although we have previously reported that the Coast Guard is restoring activity levels for many of its non-homeland security missions, the Coast Guard continues to face challenges in balancing its resources between the homeland and non-homeland security missions. In addition to the growing demands for homeland security missions, there are indications that the Coast Guard's requirements are also increasing for selected non-homeland security missions.

Homeland Security Mission Requirements Continue to Increase

The Coast Guard's heightened responsibilities to protect America's ports, waterways, and waterside facilities from terrorist attacks owe much of their origin to the Maritime Transportation Security Act of 2002 (MTSA).[8] This legislation, enacted in November 2002, established a port security framework that was designed, in part, to protect the nation's ports and waterways from terrorist attacks by requiring a wide range of security improvements. The SAFE Port Act, which was enacted in October 2006,

[8] Pub. L. No. 107-295, 116 Stat. 2064 (2002).

made a number of adjustments to programs within the MTSA-established framework, creating additional programs or lines of efforts and altering others.[9] The additional requirements found in the SAFE Port Act have added to the resource challenges already faced by the Coast Guard, some of which are described below:

- **Inspecting domestic maritime facilities:** Pursuant to Coast Guard guidance, the Coast Guard has conducted annual inspections of domestic maritime facilities to ensure that they are in compliance with their security plans. The SAFE Port Act added additional requirements that inspections be conducted at least twice per year and that one of these iuspections be conducted unannounced. More recently, the Coast Guard has recently issued guidance requiring that unannounced inspections be more rigorous than before. Fulfilling the requirement of additional inspections and potentially more rigorous inspections, may require additional resources in terms of Coast Guard inspectors.[10]

- **Inspecting foreign ports:** In response to a MTSA requirement, the Coast Guard established the International Port Security Program to assess and, if appropriate, make recommendations to improve security in foreign ports. Congressional directives have called for the Coast Guard to increase the pace of its assessments of foreign ports. However, to increase its pace, the Coast Guard may have to hire and train new staff, in part because a number of experienced personnel are rotating to other positions as part of the Coast Guard's standard personnel rotation policy. Coast Guard officials also said that they have limited ability to help countries build on or enhance their own capacity to implement security requirements because the program does not currently have the resources or authority to directly assist countries with more in-depth training or technical assistance.[11]

- **Fulfilling port security operational requirements:** The Coast Guard conducts a number of operations at U.S. ports to deter and prevent terrorist attacks. Operation Neptune Shield, first released in 2003, is the Coast Guard's operations order that sets specific security

[9] Pub. L. No. 109-347, 120 Stat. 1884 (2006).

[10] We will be issuing a report on the Coast Guard's inspections of domestic maritime facilities later this month.

[11] See GAO, *Maritime Security: The SAFE Port Act: Status and Implementation One Year Later*, GAO-08-126T (Washington, D.C.: Oct. 30, 2007). In addition, we will be issuing a report on the Coast Guard's program to inspect foreign ports later this month.

activities (such as harbor patrols and vessel escorts) for each port and specifies the level of security activities to be conducted at each port. As individual port security concerns change, the level of security activities also change, which affects the resources required to complete the activities. Many ports are having difficulty meeting their port security requirements, with resource constraints being a major factor.[12]

- **Meeting security requirements for additional Liquified Natural Gas (LNG) terminals:** The Coast Guard is also faced with providing security for vessels arriving at four domestic onshore LNG import facilities. However, the number of LNG tankers bringing shipments to these facilities will increase considerably because of expansions that are planned or under way. As a result of these changes, Coast Guard field units will likely be required to significantly expand their security workloads to conduct new LNG security missions.[13]

- **Boarding and inspecting foreign vessels:** Security compliance examinations and boardings, which include identifying vessels that pose either a high risk for noncompliance with international and domestic regulations or a high relative security risk to the port, are a key component in the Coast Guard's layered security strategy. An increasing number of vessel arrivals in U.S. ports may impact the pace of operations for conducting security compliance examinations and boardings in the future. For example, in the 3-year period from 2004 through 2006, vessel arrivals rose by nearly 13 percent and, according to the Coast Guard, this increase is likely to continue. Moreover, officials anticipate that the increase in arrivals will also likely include larger vessels, such as tankers, that require more time and resources to examine. At present, it is unclear to what extent increased demands on resources may impact the ability of Coast Guard field units to complete these activities on vessels selected for boarding.[14]

[12] See GAO-08-126T.

[13] For additional information on the challenges the Coast Guard faces with regard to energy commodity shipments, see GAO, *Maritime Security: Federal Efforts Needed to Address Challenges in Responding to Terrorist Attacks on Energy Commodity Tankers*, GAO-08-141 (Washington, D.C.: Dec. 10, 2007) and GAO, *Maritime Security: Public Consequences of a Terrorist Attack on a Tanker Carrying Liquefied Natural Gas Need Clarification*, GAO-07-316 (Washington, D.C.: Feb. 22, 2007).

[14] See GAO-08-126T. In addition, we will be issuing a report on the Coast Guard's program to inspect foreign vessels later this month.

- **Establishing interagency operational centers:** The SAFE Port Act called for establishment of interagency operational centers, directing the Secretary of DHS to establish such centers at all high-priority ports no later than 3 years after the Act's enactment. The Coast Guard estimates the total acquisition cost of upgrading 24 sectors that encompass the nation's high priority ports into interagency operations centers will be approximately $260 million. Congress funded a total of $60 million for the construction of interagency operational centers for fiscal year 2008. The Coast Guard has not requested any additional funding for the construction of these centers as part of its fiscal year 2009 budget request. However, as part of its fiscal year 2009 budget request, the Coast Guard is requesting $1 million to support its Command 21 acquisition project (which includes the continued development of its information management and sharing technology in command centers).[15] So, while the Coast Guard's estimates indicate that it will need additional financial resources to establish the interagency operational centers required by law, its current budget and longer term plans do not include all of the necessary funding.

- **Updating area maritime security plans:** MTSA, as amended, required that the Coast Guard develop, in conjunction with local public and private port stakeholders, Area Maritime Security Plans. The plans describe how port stakeholders will deter a terrorist attack or other transportation security incident or secure the port in the event such an attack occurs. These plans were initially developed and approved by the Coast Guard by June 2004. MTSA also requires that the plans be updated at least every 5 years. The SAFE Port Act added a requirement to the plans that specified that they identify salvage equipment able to restore operational trade capacity. The Coast Guard, working with local public and private port stakeholders, is required to revise its plans and have them completed and approved by June 2009. This planning process may require a significant investment of Coast Guard resources, in the form of time and human capital at the local port level for existing plan revision and salvage recovery development as well as at the national level for the review and approval of all the plans by Coast Guard headquarters.[16]

[15] The Coast Guard's fiscal year 2009-2013 Five Year Capital Investment Plan does not include funds for the construction of these interagency operational centers, but the plan does include a total of $40 million in future requests to support the Command 21 acquisition project. According to the Coast Guard, it is using the Command 21 effort as the vehicle to deliver interagency operational capacity to its existing command centers.

[16] GAO-08-141.

Non-Homeland Security Mission Requirements also Continue to Increase

While the Coast Guard continues to be in the center of the nation's response to maritime-related homeland security concerns, it is still responsible for rescuing those in distress, protecting the nation's fisheries, keeping vital marine highways operating efficieutly, and responding effectively to marine accidents and natural disasters. Some of the Coast Guard's non-homeland security missions are facing the same challenges faced by its homeland security missions with regard to increased mission requirements. Examples of these additional requirements include (1) revising Area Maritime Security Plans so they also cover natural disasters, (2) revising oil spill regulations to better protect the Oil Spill Liability Trust Fund from risks related to certain vessels with disproportionately low limits of liability, (3) patrolling and enforcing a Presidential declaration regarding new protected areas such as the Northwestern Hawaiian Islands Coral Reef Ecosystem Reserve, and (4) increasing polar activities commensurate with increased resource exploitation and vessel traffic in the artic.

Concluding Observations

In closing, we would like to emphasize several key points as we continue to oversee the various Coast Guard initiatives discussed today. First, now that the Coast Guard has made the decision to assume a greater management and oversight role of the Deepwater Program, sustained effort on a number of fronts will be needed for some time to come. Whether the Coast Guard will achieve its goals is largely contingent on continued strong leadership and a commitment to adhering to a knowledge-based acquisition approach that was lacking in the past. In addition, the Coast Guard originally turned to the private sector to manage Deepwater, in part, because the government lacked requisite expertise. Thus, the Coast Guard's ability to build an adequate acquisition workforce is critical, and over time the right balance must be struck between numbers of government and contractor personnel.

Similarly, the right balance must be struck between homeland and non-homeland security missions. In the aftermath of the September 11, 2001 terrorist attacks, the Coast Guard understandably shifted its focus to homeland security missions at the expense of non-homeland security missions. Congress passed and the President signed legislation that supported and reinforced this shift that further increased Coast Guard missions related to security. Our recent work on the Coast Guard's homeland security programs has indicated that these missions continue to increase demands on resources. To further complicate the Coast Guard's resource and mission balancing act, unexpected events such as terrorist attacks or natural disasters could result in major shifts in resources and

operations. Thus, the Coast Guard will continue to face the challenge inherent in being a multi-mission force.

Mr. Chairman, this concludes our testimony. We would be happy to respond to any questions Members of the Committee may have.

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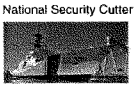
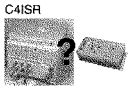
Appendix I: Deepwater

In 2005, the Coast Guard revised its Deepwater acquisition program baseline to reflect updated cost, schedule, and performance measures. The revised baseline accounted for, among other things, new requirements imposed by the events of September 11. The initially envisioned designs for some assets, such as the Offshore Patrol Cutter and Vertical Unmanned Aerial Vehicle, are being rethought. Other assets, such as the National Security Cutter and Maritime Patrol Aircraft, are in production.

Table 2 shows the 2005 baseline and current status of selected Deepwater assets.

Table 2: Progress of Selected Deepwater Assets

Deepwater asset	2005 baseline	Current status
Fast Response Cutter	• 58 ships • new design with composite hull • cost $3.2 billion or $55.6 million per ship • first asset delivers in 2007	• original procurement halted because of design concerns • new competition for up to 34 ships based on a commercially available design • Coast Guard intends to acquire 12 ships by 2012 for a cost of $593.0 million, or $49.4 million per ship • first asset delivers in 2010
National Security Cutter 	• 8 ships • cost of $2.9 billion or $359.4 million per ship • first asset delivers in 2007	• 8 ships • problems in design and construction will delay first asset delivery to 2008 • cost has increased to $3.5 billion or $431.3 million per ship
Offshore Patrol Cutter	• 25 ships • cost of $7.1 billion or $282.2 million per ship • first asset delivers in 2010	• re-competing asset with new design will delay first asset delivery until fiscal year 2015 • 25 ships • cost is uncertain because of new design; however, 2007 expenditure plan shows cost increase to $8.1 billion or $323.9 million per ship
HH-65 Multi-Mission Cutter Helicopter	• upgrade of 95 helicopters • cost of $575.0 million or $6.1 million per helicopter • first asset delivers in 2012	• upgrade of 102 helicopters in three phases • total cost of $741.0 million or $7.3 million per helicopter • first asset of third and final phase delivers in 2008
Maritime Patrol Aircraft	• 36 aircraft • cost of $1.6 billion or $44.2 million per aircraft • first asset delivers in 2008	• 36 aircraft • cost of $1.7 billion or $47.4 million per aircraft • first asset delivers in 2008
Vertical Unmanned Aerial Vehicle	• 45 aircraft • cost of $503.3 million or $11.2 million per aircraft • first asset delivers in 2007	• Coast Guard has deferred acquisition of this asset because of challenges in technology maturation • the fiscal year 2009 budget requests funding for continued analysis but the acquisition plan has not yet been determined
C4ISR 	• cost $1.9 billion • includes upgrades to cutters and shore installations, as well as development of a common operating picture	• cost $1.4 billion • capability will be introduced in four increments beginning in 2007 and completing in fiscal year 2014

Source: GAO analysis of Coast Guard documents.

Appendix II: GAO Products Related to the Deepwater Program

Coast Guard: Status of Efforts to Improve Deepwater Program Management and Address Operational Challenges. GAO-07-575T (Washington, D.C.: Mar. 8, 2007).

Coast Guard: Preliminary Observations on Deepwater Program Assets and Management Challenges. GAO-07-446T (Washington, D.C.: February 15, 2007).

Coast Guard: Status of Deepwater Fast Response Cutter Design Efforts. GAO-06-764 (Washington, D.C.: June 23, 2006).

Coast Guard: Changes to Deepwater Plan Appear Sound, and Program Management Has Improved, but Continued Monitoring is Warranted. GAO-06-546 (Washington, D.C.: Apr. 28, 2006).

Coast Guard: Progress Being Made on Addressing Deepwater Legacy Asset Condition Issues and Program Management, but Acquisition Challenges Remain. GAO-05-757 (Washington, D.C.: Jul. 22, 2005).

Coast Guard: Preliminary Observations on the Condition of Deepwater Legacy Assets and Acquisition Management Challenges. GAO-05-651T (Washington, D.C.: Jun. 21, 2005).

Coast Guard: Deepwater Program Acquisition Schedule Update Needed. GAO-04-695 (Washington, D.C.: Jun. 14, 2004).

Contract Management: Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight. GAO-04-380 (Washington, D.C.: Mar. 9, 2004).

Coast Guard: Actions Needed to Mitigate Deepwater Project Risks. GAO-01-659T (Washington, D.C.: May 3, 2001).

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FINANCIAL MANAGEMENT

Mr. PRICE. Thank you, Mr. Hutton. We thank you and Mr. Caldwell for your good work and we are pleased to have you at hand today, along with the Admiral. Admiral, let me take on this issue of financial management, which is referenced prominently in your testimony. As you know, the Department's Inspector General has told us that the Coast Guard, and I am quoting here, "has shown no discernible progress in its ability to produce reliable financial statements or correct the material weaknesses since the inception of the department in 2003." The IG, also, said, "the Coast Guard has no corrective action plan with milestones and that absent such a plan, the organization is unlikely to remediate any of its material weaknesses this year." In fact, the IG said that the Coast Guard will not be in a position to offer reliable financial statements until 2011 at the earliest.

Now, and what I must say is a rare defensive note for you. You say in your statement and you repeated it orally here today that you disagree vehemently with the IG. In fact, I think you said that his comments were unfortunate and inaccurate. So, I want to explore that and I want to ask the question in a somewhat complicated way, because I want to bring up some themes that might be relevant to the answer and to the organization's plan going forward. Let me quote from you first. You say, "the Coast Guard is making significant strides identifying and tackling the root causes of its financial management weaknesses." We did go back to the IG on this and he stands by his characterization of no significant progress. We have also gone to the department, the Chief Financial Officer, who essentially agrees with the IG. But, I do not want to debate the details of this.

What I do believe is called for, particularly since you have made the claims that you have made, is that you provide a commitment to this committee and to the IG within, let us say, a month's time to have a corrective action plan with milestones in place that we all can hang our hat on and we can know that this is, in fact, the plan that the agency, the organization will follow going forward. With this plan, I would suggest a commitment to correcting problems this year and having a process to spot and correct problems going forward. If that commitment really is not feasible, then I think the question does arise, should the Coast Guard move immediately from its current financial system to the department's new system? That is the question that is going to arise.

In a hearing a few weeks ago, GAO suggested that the Coast Guard financial management leadership needs more stability. So, that issue also arises here, I think. In fact, only three senior financial executives are civilian, I believe. The rest are military. They rotate every two years. Is that part of the problem? Should you offer the financial management leadership to include more civilians or create a financial management track for military leaders? Should the Coast Guard CFO be a civilian? Is the Coast Guard disabled in this function by the way the military works and the rotation system?

So, those are questions, I think, that naturally arise, but I think what we are mainly looking for is some assurance that this in, in

fact, whatever the debate may be about the current state of affairs, some assurance going forward that these challenges are going to be met and they are going to be met with a plan that has a time frame and milestones that can offer some assurance all around that these problems are being addressed.

Admiral ALLEN. Sir, that was a whole hearing's worth of questions there. Let me hit a couple of the high points and I would be glad to give you a report within 30 days, sir. No problem with that.

The structural issues with Coast Guard financial systems are longstanding and actually relate to the structure of the service and how we evolved over time. In 1915, we put the revenue cutter service, slice saving service together. This included isolated stations on the Outer Banks, cutters that were deployed to Alaska, all of which had to have the ability to acquire and execute funds at the lowest level. We have a structure we brought forward into the 21st century that is based on decentralized execution of funds. Because of that and some other structural issues, this is a much harder issue to deal with than it would be for some agencies and it has to do with where procurement levels lie and where reconciliations are done and where people actually make transactions that have to be audible with data to support that.

When I became Commandant almost two years ago, I issued 10 action orders. One of those was to get involved in financial transformation and we are doing that. We have put hundreds of people on this and we have spent millions of dollars on this. You do not do that in the area that I live in with boats sort of falling apart and having to make those tough decisions to allocate those costs unless you are serious about it and I am serious about it. I have been involved with the financial issues associated with the Coast Guard since I was Chief of Staff and some of these actually started in DOT when they were doing a transformation and we were doing a transformation at the same time that we moved into the Department of Homeland Security. It is a very large complex problem and it is hard to deconstruct.

A couple of other issues we are dealing with, a large portion of the Coast Guard's finances have to do with pay and compensation for personnel. We are linked to the miliary pay system right now, which is going to be overhauled and changed in 2010. So, there are portions of the Coast Guard's structure of accounting that are not going to be able to be reformed and aligned until certain dates. And what I need to do is give you a detailed report where there are structural impediments for us moving together. What we really need is a unified general ledger, we need to reconcile our funds balance with Treasury, and we need to have entity level controls to start to meet the goals that are laid out by the auditors that have been passed to us.

There is also a tension on a yearly basis of how much effort we put into the yearly audit that is ongoing and how much effort we put into the mitigation and the changing of the structural things, whether it is IT or actually writing code for entity level controls for people that are making transactions. So, we have to split our resources between answering the questions for the current year audit, which we are passing every year, and there is a questionable return on investment for the personnel and money we are applying

to that and whether or not you should be fixing long-term problems. But, I would be happy to give you an in-depth answer for the record to lay out all the pieces to this, sir.

FINANCIAL MANAGEMENT STAFF

Mr. PRICE. What about the question of the rotation of these officers and the possible debilitating that has on your ability to have a system in place that is—where the institutional memory is there and where the kind of stability you need is there?

Admiral ALLEN. First of all, I would tell you, back in the late 1980s, early 1990s, we pretty much did away with financial management as a career path for senior Coast Guard officers. We converted head contracting, head financial positions to civilians, captains to 15s and so forth. Over the years, that element of our workforce, much like the procurement and acquisition and management side, has probably been shrunk and deskilled and that needs to be rebuilt. That is part of the plan we need to do. I do not believe the rotation of military personnel is having the impact that it is perceived to be, both in the department and the IG, because many of these people come back for second and third tours. I, myself, have probably 12 to 14 years in budget and financial management and our turnover is no greater, in fact, it is sometimes more stable than the people we deal with, and there have been three CFOs at the Department of Homeland Security since we have been in it.

FINANCIAL MANAGEMENT PLAN

Mr. PRICE. Well, let me clarify. I do not want to get hung up on semantics here, but we are aware that you have applied yourself to this and we are aware that you have some basis for differing with the IG and the CFO's characterization. I think what we are looking for is not necessarily a report that basically answers those charges or justifies past actions. I think we are looking for a plan. I think we are looking for the kind of reassurance that we need that these matters are being addressed, that there is a plan going forward to deal with this, and that there are timetables and benchmarks that will let us assess progress. So, I do not want to be misunderstood on that.

Admiral ALLEN. Sir, we have plans and we have extensive breakdown of tasks and we can provide that to you. I think the question is whether or not we have got the right rock for them and I would be happy to show you what we have, sir.

Mr. PRICE. And you are saying you can provide that kind of plan, that kind of distillation of your planning, your plan going forward within a month?

Admiral ALLEN. Yes, sir. We have worked to an extent that already exists out there where we have broken this down into pieces that have to be attacked and we have that laid out. I think the question from the IG and the department is whether or not that will deliver the requirements that they perceive that are needed. We will be happy to give you the plan and if the plan is not satisfactory, we will update the plan. But, we are—I am on task to fix it, sir.

[CLERK'S NOTE.—No plan was submitted by the Coast Guard in the requested timeframe.]

Mr. PRICE. All right. Thank you. Mr. Rogers.

Mr. ROGERS. Well, briefly on that same point, I am told that there is about 300 personnel devoted to financial management and that about a third of those are military personnel subject to transfer. Is that accurate?

Admiral ALLEN. If it is not, I will correct it for the record, sir. But, we have—it is a mixed workforce, yes, sir.

Mr. ROGERS. But the point I was going to make and I think the Chairman also was making, part of what he was saying, is that those personnel rotate in and out and you say many of them re-up, so to speak. But, nevertheless, a third of that workforce devoted to this, many of those do not rotate, do not stay on; correct?

Admiral ALLEN. Well, you are not assured that you have a second tour, yes, that is correct, sir.

OPERATION AT SAN JUAN

Mr. ROGERS. Well, from the bookkeeping end of the picture, I want to go to operational pretty quickly. In Puerto Rico a couple of weeks ago, I was very impressed with Captain Tanstall and the operation at San Juan, especially in how they were able to coordinate with what the Coast Guard does with Customs and Border Patrol, ice agents, DEA, and all the other agencies in or out of homeland security. In fact, I think the San Juan operation is really a model of how the department needs to—the agencies within the department need to cooperate across the world. But one of the problems—well, and there is a bunch, one of the problems is they are short there in the Carribean. Our patrol craft, both water and air and land, what do you think, what is going to happen? Are we short there in these respects and what do we do about it?

Admiral ALLEN. Well, yes, sir. I think we have laid out a patrol boat gap and also a maritime aircraft gap that is related to the new requirements. That is what we are trying to build the Deepwater structure to. So, there are gaps that are out there. And some are more acute, because in regional areas, you will have surges or particular threats will arise and will require you to redeploy forces and we may not be as agile or flexible as we need to be. We are achieving great efficiencies, as you know, working with our partners down there. But, what we really need to do is build out our patrol boat capability, because that is the major platform of effectiveness in the Straits of Florida and around Puerto Rico. You are down in the deeper Carribean, it is larger ships. But, this focuses right on the FRCB procurement. We need to move forward as fast as we can on that, sir.

Mr. ROGERS. Well, at Mona pass——

Admiral ALLEN. Yes, sir.

DRUG SMUGGLING TO PUERTO RICO

Mr. ROGERS [continuing]. Mona pass, where smugglers have both drugs and people bring their product over to U.S. territory, Puerto Rico, from the Dominican Republic, increasingly apparently the drug smuggling out of Columbia through Venezuela by air, then to Dominican Republic, and then by boat or whatever over to the U.S. territory in Puerto Rico is a major source of drugs in the country; correct?

Admiral ALLEN. Yes, sir.

Mr. ROGERS. Not to mention the smuggled human beings that attempt to gain U.S. territory status, either from Cuba or elsewhere, use that same passageway and, yet, we have only got one plane, which we took a tour on to watch how they patrol the Mona Island and Mona pass, severely undermanned, in my opinion.

Admiral ALLEN. Yes, sir. Well, we have our helicopters down there. I am assuming you are referring to the Customs and Border Protection Fixed Wing aircraft that is there?

Mr. ROGERS. Right.

DEPLOYMENT OF MPA FLEET

Admiral ALLEN. Yes, sir. Based on your conversation with me the other day, I actually had a conversation with Ralph Basham and relayed your concerns to him, sir. We are looking at a combined force to lay down what we need to do. We have the potential, as we build out the Deepwater MPA fleet with the new HC144A, is to deploy them from Miami down there to assist, as well, and those are the things we will consider in the future, sir.

Mr. ROGERS. Also, the patrol craft, the water craft.

Admiral ALLEN. Yes, sir.

Mr. ROGERS. Dedicated personnel, outdated equipment, and you go down in the living quarters of that patrol craft and over the years, they have added this radio and that piece of equipment and this radar and this, that, and so forth, some as recently as a few months ago, effective equipment, but you can hardly climb through the boat for the wiring. I mean, you are making due with what you have waiting on the new cutters to come on board. How can you sustain an effective water patrol with outdated cutters and cruisers until we get the new ones?

110-FOOT CUTTERS

Admiral ALLEN. Well, in particular, the 110-foot cutters are going through a mission efficiency program at the Coast Guard yard. We are upgrading, doing haul repairs and structural repairs and upgrading the ships, that will allow us to extend the service life a short while longer while we are waiting for the FRC contract. We are conducting three of those cutters a year into the yard and we are slowly going through the entire fleet of about 20. The ones at the end, which are out in the Pacific, we will not upgrade. By the time we have the FRCBs on line, they will just be replaced. But, there is a plan to do repairs as a bridging strategy while we are waiting for the new cutters, sir.

Mr. ROGERS. So, we do not have a cutter gap?

Admiral ALLEN. Well, we have a cutter gap, yes, sir, because we do not have enough platforms out there. And quite frankly, the need to take these out of service and upgrade them is actually contributing in the short term to the gap, sir.

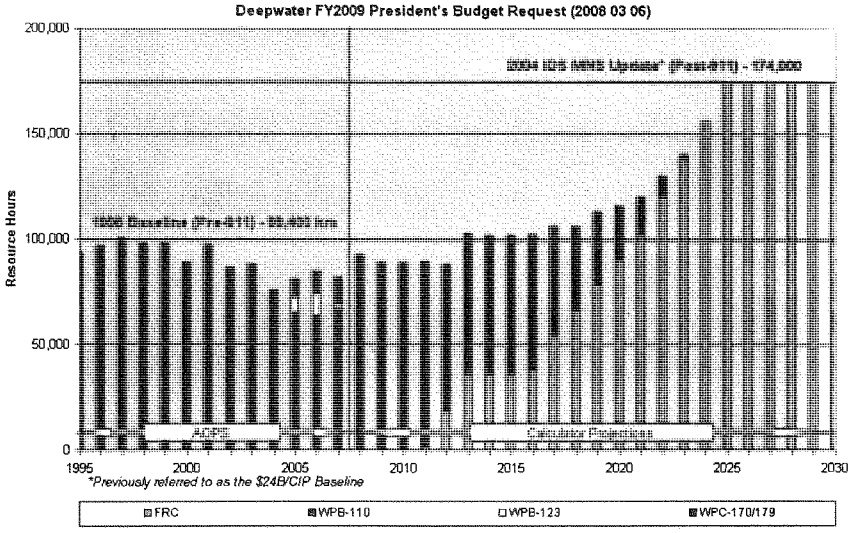
Mr. ROGERS. What year do you think we will get past the gap?

Admiral ALLEN. Well, the current buildup rates will probably be around, I would say, 2023, somewhere around there, sir. I can answer for the record, we have a chart that shows the gaps.

[The information follows:]

Patrol Cutter Transition Schedule

Deepwater FY2009 President's Budget Request (2008 03 06)



Note 1: WPB-110 projected resource hours reflect the multi-crewing option and the FY08 OMNIBUS PB Op Hour Increase.
Note 2: Graph reflects the extension of 3 WPC-179s through FY 2011.

Mr. ROGERS. I think I have that chart.

Admiral ALLEN. Yes, sir.

UAV PATROLS

Mr. ROGERS. Patrol aircraft, first, I was an advocate for unmanned aerial vehicles for the chores that we need to do in patrolling like the Mona Straits. But, I have come to change my thinking along those lines. I think the eyeballs of an observer out there are much more capable of seeing what needs to be seen than the focus of a small camera on an underbelly of an unmanned aircraft. What is your thinking?

Admiral ALLEN. I think you need both, sir, although we are reassessing our approach to unmanned aerial vehicles, as we speak today here. We looked at vertically launched technology for a national security cutter. We have stopped that, because our concerns that we were too far ahead on the development and technology stage there. I will tell you this, that we have set up a joint program office with Customs and Border Protection to take a look at a departmental approach to unmanned aerial systems. We are on the verge of conducting our first predator maritime demonstration project with Customs and Border Protection. Wherever we go ahead with unmanned aerial vehicles, when it is part of depart or not part of depart, it needs to be as part of a joint program within the department that we work jointly with Customs, sir.

Mr. ROGERS. And then you have the problem with the FAA, because most of these would be flying in areas that is heavy with commercial traffic, air traffic.

Admiral ALLEN. Yes, sir. Ralph Basham and I met with Buzz Mosley, the Chief of Staff of the Air Force, a couple of months ago and we are looking to partner with the Air Force, because they have infrastructure already in place where they deal with the FAA. And as you know, they do extensive control on unmanned aerial vehicles and we are looking to partner with them going ahead. And, in fact, Secretary Chertoff had sent a letter to Secretary Gates, in that regard, as well, sir.

Mr. ROGERS. Well, in many cases, at least, you are relying upon CBP for surveillance. In fact, in Puerto Rico, you have no dedicated marine patrol aircraft.

Admiral ALLEN. That is correct, sir.

RELIANCE ON CBP FOR SURVEILLANCE

Mr. ROGERS. And you are relying heavily upon the CBP for surveillance. And Captain Tanstall told me when CBP is not flying, I cannot see anything. I do not think you want to be blind, do you?

Admiral ALLEN. Well, he is not completely blind, sir. He has helicopters. But, you are right, he has no fixed planes, sir. Yes, sir.

Mr. ROGERS. All right.

Mr. PRICE. Thank you. Ms. Kilpatrick.

Ms. KILPATRICK. Thank you, Mr. Chairman. And let me apologize for being late, Admiral. We had the Secretary of the Treasury, Mr. Paulsen, across the hall in financial services and I am trying to get back and put my turn in. But, I want to commend you for the work that you have done since we have merged the agencies with transportation to homeland security and all that has been involved in

that. I did do some research and want to commend you on celebrating one million lives saved that you did last year since 1790, when the agency was established. Three-hundred-and-fifty thousand pounds of cocaine was seized last year. Thank you moving that off the streets.

I personally believe that your budget is tight, that you are doing with an aged fleet, overworked—you said you lost 70,000 hours. Does that mean that your workforce is working overtime?

DAYS OF LEAVE FORFEITED

Admiral ALLEN. Days of leave forfeited.

Ms. KILPATRICK. They forfeit it, because they can only carry over 60.

Admiral ALLEN. That is correct, ma'am.

Ms. KILPATRICK. So, as I said, you are working more than that and that is unfortunate.

Admiral ALLEN. It is very unfortunate.

Ms. KILPATRICK. We expect you to do a great job, which you are doing without the resources that you need, in terms of staff, as well as equipment. And I just reserve the right to put some of my questions in writing, so that I can move across the hall.

GREAT LAKES MARINE SAFETY SECURITY TEAM

But the marine safety, which is what your mission is, the Great Lakes, we do not have a marine safety security team stationed in my district or around the Great Lakes. How do you account—is it the shortage of funds or is it something else that we need to—I cannot imagine. Most of the work when we talk about borders, southern border, and my chairman has been really good on that and taken us out there to see that. Absolutely, I was amazed when I saw it. The northern borders, I am concerned, does not have the protection, the resources, that it needs to do a good job, not just with Coast Guard, CPB, and the rest of it, the coordinated team. How do you account for not having a marine team in the Great Lakes?

Admiral ALLEN. Yes, ma'am, I think you are referring to our marine safety and security teams. We have 13 of those in the Coast Guard. A lot of it has to do with the operating environment up there and how we attack the mission. There are a lot of ways to do that. We have a very close cooperative relationship with the Canadians up there. In fact, in the last summer, we had issued something called the Ship Rider program, where we have joint patrols with Coast Guard and the Royal Canadian Mounted Police. What you are dealing with is not an international body of water. You are either in U.S. waters or Canadian waters up there. So, our operational model is different. That does not mean that marine safety and security team could not add value there.

But, I would tell you, we are somewhat constrained on what we do up there operationally. A team like that requires a high level of training on the water and right now, we are operating under a prohibition of using live fire on the water, exercising of our mounted weapons, because of environmental concerns up there. So, there are some very unusual constraints up there about that and I would

be glad to give you a more extensive answer for the record, if that is okay.

[The information follows:]

The Coast Guard has 12 Maritime Safety and Security Teams (MSSTs) located throughout the United States and one Maritime Security Response Team (MSRT) located in Chesapeake, Virginia. MSSTs were created to close security vulnerabilities in our nation's militarily and economically strategic seaports. MSSTs provide complementary, non-redundant domestic Coast Guard capabilities modeled after the expeditionary Port Security Unit (PSU) and Law Enforcement Detachment (LEDET) programs. Each MSST possesses specialized skills, capabilities and expertise to perform a broad range of port security, harbor defense and Antiterrorism/Force Protection (AT/FP) missions. MSSTs are a quick response force capable of rapid, nationwide deployment via air, ground or sea transportation in response to changing threat conditions and evolving Maritime Homeland Security (MHS) mission requirements.

The Great Lakes region poses many challenges to MSST operations. The use of advanced boat tactics and techniques by MSSTs requires year-round training to maintain the high level of operational readiness required by these units. The icing of the Great Lakes during the winter months would severely limit proficiency and effectiveness. Moreover, from an environmental perspective the region is not suited for live fire training, which is critically important to MSSTs.

MSSTs also have maritime law enforcement requirements for advanced interdiction competencies including the ability to board vessels using a helicopter delivery method called vertical insertion, or fast roping. The vertical insertion capability requires extensive, year-round training and flight availability, which would be limited on the Great Lakes, particularly during winter months.

Even though these factors indicate permanently stationing an MSST on the Great Lakes is not operationally feasible, MSSTs have and will continue to be deployed to the area when the need arises. For example, MSSTs have been deployed to the Great Lakes to provide security for the Super Bowl, the Major League All-Star Game, and the Detroit Auto Show, and will continue to be deployed on a needed basis in the future.

Ms. KILPATRICK. I would like to visit that with you. We have good relationships with the Canadians. I am on the Canadian-U.S. inter-parliamentarian group and we talk a lot about it and I am thankful that they work with you and our U.S. borders to try to work that area of the country. But, yes, I would like to work with you further on it.

Admiral ALLEN. Thank you, ma'am.

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

Mr. PRICE. Thank you, Ms. Kilpatrick. Mr. Carter.

GROW THE FORCE

Mr. CARTER. Thank you, Mr. Chairman. Let me see if I got this picture right, Admiral, and correct me if I am wrong. From what I am hearing, we have a fleet of which an awful lot of ships are obsolete or they are being patched all the time and worked on and added to and new technology added, which crowds our Coast Guardsmen and so forth. Then something we started out talking about is this force has not grown in 50 years. Is that both the civilian and the military side of the force or just the military side of the force had not grown? And then, is there a plan—I assume that we cannot grow the force, if we do not have the adequate ships to put them in, but we are actually with our Deepwater project working on these ships. Now, are we simultaneously looking for ways to grow the force? Because it seems to me, we need to be growing the force of the Coast Guard. We need to be adding people to the Coast Guard, because of your responsibility to guard this nation.

Is there an ongoing plan, as the ships come on line, to add Coast Guardsmen or are we going to stay at this 50-year old level?

Admiral ALLEN. The staffing of the Deepwater cutters is covered by staffing plans, as we move forward. I will tell you, there are so many people you can put on a ship and I think we will staff the assets that we bring on line. When I talk about the size of the Coast Guard, it is really related missions that we execute through people. This year, we have asked for a significant increase in inspectors. In the future, we have new towing regulations that are coming into effect, that will require us to use more people. We have a vast expansion of permit applications for liquified natural gas facilities that are going to require more people. We have an expansion of the cruise ship trade. We have more foreign vessels culling in this country. All of those require services the Coast Guard provides in are capacity driven. So, when I talk about the size of the Coast Guard, you can almost take your mission area and see what is happening to it in the new flection point. Changes in technology and the marine transportation system, the opening of the Arctic, all of those require—we have the skills and competency to do that and we have the mission and authorities. It is a capacity issue on how many people you have, sir.

Mr. CARTER. Well, my concern was, as we modernize the Coast Guard, and that is basically what we are doing, bringing the Coast Guard into the 21st century, and we have problems with it, but we are trying to fix those problems and I commend you for trying to fix some tough problems, challenges everywhere. I want to make sure that we, also, have the adequate number of people——

Admiral ALLEN. Yes, sir.

Mr. CARTER [continuing]. To get the job done. I thank you for your answer. I have to go to another meeting, but I thank you for your service and thank all of you for being here. Thank you, Mr. Chairman.

Mr. PRICE. Thank you. Ms. Lowey.

Ms. LOWEY. Thank you, Mr. Chairman, and thank you, very much. It is good to see you and the whole team here today. I appreciate it.

PROTECTION OF LNG FACILITIES

A recent GAO report found that the Coast Guard is stretched too thin to adequately protect tankers carrying liquefied petroleum or crude oil from a possible terrorist attack. This particularly concerns me, as there are plans, as you know, to open the proposed Broadwater LNG facility in Long Island Sound. Admiral, if Broadwater were built, does the Coast Guard have the assets needed to secure current and foreseeable responsibilities in New York's waters and what additional resources would you need to protect the proposed Broadwater or the other 20 or so proposed LNG facilities?

Admiral ALLEN. The answer is no, we do not have the resources. If I could make a comment to follow up. I have had several conversations with our authorizing subcommittee chairman, Chairman Cummings, on this particular issue, as there is an LNG permit being looked for Sparrows Point right now. I said this and I am not trying to be facetious here, if the requirement that the Coast Guard

provide the security resources was a condition of operating LNG facilities, I would recommend we not approve another permit. What we need to have is a national discussion and a national dialogue about how we are going to handle dangerous cargos and it moves well beyond LNG. There are other liquid hazardous gases, liquid propane gas. We move tons of ammonium nitrate on barges in this country. What I would like to see is a national discussion about security of dangerous cargos in the entire context of what moves in the marine transportation system.

In sectioning out LNG for this discussion, and especially looking at potential Coast Guard resources being applied to it, you are, in effect, providing a subsidy to that sector against their cost of doing business. I think we need to have a very reasoned discussion of where we want to go nationally on hazardous cargoes.

Ms. LOWEY. Have you taken a position on that?

Admiral ALLEN. Well——

Ms. LOWEY. Have you made your voice heard on this issue?

Admiral ALLEN. I have said what I just said to you to Chairman Cummings on several occasions. I have had the same discussion with Senator Mikulski.

Ms. LOWEY. You are not saying what kind of capacity you need. You are just saying that there should be a national discussion.

Admiral ALLEN. Yes. I think sectioning out LNG is going to kind of tilt the whole thing. There are many other things out there that presents hazards in the maritime environment and I think if we look at LNG to the exclusion of everything else, we are not balancing the portfolio of risk.

Ms. LOWEY. I think that is particularly interesting and important, Mr. Chairman, and I hope to speak with you and Chairman Cummings about this to see that we can take your advice and have an in-depth discussion about this. I thank you, very much.

Admiral ALLEN. There are local security forces. There are state and local officers. There are contracted security forces. The Coast Guard has forces to do this, but if you are looking at over 40 LNG permits, which is what we are looking at right now, and if you look at what it takes to escort an LNG tanker into the facility in Boston right now, which has a number of service vessels, aircraft, and it is a combination state, local, and Coast Guard to do that, that can be done. Is that the best use of our resources? Is that the best way to provide security for that industry? And I think that is the discussion that needs to be had.

Ms. LOWEY. Do you think it is?

Admiral ALLEN. Well, it almost gets to——

Ms. LOWEY. I do not want to put you on the spot.

Admiral ALLEN. Well, no, it almost gets to a politically economic discussion of how you are going to internalize the price of security and the cost of goods and I do not think we have that discussion about security in this country to the extent we need to. You know, we have even internalized the cost of environmental protection. When you buy tires or get your air conditioning serviced, you pay for the environmental impact of that. I think since the events of 9/11, there has not been an adequate national discussion of how you internalize the price of security.

Ms. LOWEY. Well, there are two issues though or there are more than two. But one is, what is the price of security and then who is the best suited to provide that security.

Admiral ALLEN. Yes, ma'am, that is the discussion that needs to be had.

Ms. LOWEY. So, at this point, you are not saying whether the Coast Guard is the most suited to provide this security or whether you believe it should be undertaken by——

Admiral ALLEN. We have the competency to do it. We do not have the capacity to do it. And taking that capacity off of our base right now, from a risk management standpoint, is not something I would support as a Commandant.

Ms. LOWEY. Thank you, very much.

Admiral ALLEN. Yes, ma'am. Thank you for the question.

Ms. LOWEY. Do I have time to ask a second question? I probably could have asked it.

Mr. PRICE. I am sorry, the gentlelady's time has expired.

Ms. LOWEY. Okay.

Mr. PRICE. We will get you on the next round.

Ms. LOWEY. Thank you, sir. And, unfortunately, we all have to go in different directions. But, I thank you, very much, and thank you, Mr. Chairman. And I certainly hope to pursue this important issue.

Admiral ALLEN. Yes, ma'am.

Ms. LOWEY. I will submit the other question for the record.

Mr. PRICE. Good, thank you.

Ms. LOWEY. Thank you.

Mr. PRICE. Mr. Peterson.

PROTECTION OF LNG TANKERS

Mr. PETERSON. I was not going to talk about this one quick question, tankers of LNG, are they protected coming into our port? Now is that a role the federal government is playing?

Admiral ALLEN. Yes, sir, in combination with state and local. One of the issues is it depends on the port. Jim Loy, one of my predecessors, said, "If you have seen one port, you have seen one port."

We have some very isolated LNG facilities that are not near population centers, where there is very little or sometimes security, because none is needed.

There is one on the Key 9 Peninsula in Alaska, for example. But we have others, as in Boston, where you have to go right through the Boston Harbor to get to it. So you have a fashion a security framework that meets that waterway, and we do those assessments as part of the permitting process.

Mr. PETERSON. So I guess with the cost of this, with potential terrorist attacks, that is another argument for producing our own natural gas, which we have lots of, on the OCS. If my colleagues would listen, we would be producing our own natural gas, and we would not be buying it from foreign unstable nations like we do our oil.

Admiral ALLEN. Sir, that is above my pay grade.

Mr. PETERSON. I know that. I just made a statement [Laughter.]

ARCTIC ENCROACHMENT ISSUES

Admiral Allen, I want to take a minute to expand upon the developing issue of the Arctic, as it relates to the Outer Continental Shelf.

It is my understanding that there may be some developing encroachment issues with the areas of the Arctic with Russia. Can you address that issue, and what the Coast Guard's mission is in regards to protecting our rights on our OCS?

Admiral ALLEN. Yes, sir; I was at a speaking engagement a while back, and I made this statement. I will re-state it just for the committee's benefit.

I am agnostic on the science associated with climate change or anything else. All I know is, there is water where there did not use to be, and I am responsible for it.

So we look at what is going on in the Arctic right now and the recession of ice in the summer. If you look at what happened with the cruise ship that hit the iceberg and sunk down off South America, the implications for a search and rescue, environmental response, infrastructure protection, and law enforcement, and just general presence and sovereignty issues, are huge issues going forward for us.

I have the step. We are going to be deploying some assets up there this next summer to test their capabilities at high latitudes.

So regardless of where we go economically, environmentally, or whatever, Coast Guard has missions in water where we did not have them before, and we have to be prepared to respond to them up there, sir.

GOVERNANCE OF THE ARCTIC

Mr. PETERSON. Where did Russia plant their flag? Whose soil was that on?

Admiral ALLEN. Well, according to open source reporting, I think they dropped it at the North Pole, sir.

Mr. PETERSON. Whose land is that?

Admiral ALLEN. It is nobody's right now, sir.

Mr. PETERSON. Is it more than 200 miles from shore?

Admiral ALLEN. It is much more, sir; yes, sir.

Mr. PETERSON. Okay, I guess to get my jogger in there.

Admiral ALLEN. If I could just give a little background, there is a treaty that covers the governance of the Antarctica. There is no equivalent for the Arctic. The only operative international mechanism that applies up there is the Law of the Sea Convention, which we have not ratified, sir.

DRUG INTERDICTION

Mr. PETERSON. Okay, could you talk about your year with capturing drugs?

Admiral ALLEN. Yes, sir; we had a very successful year this last fiscal year; 160 tons of drugs, mostly attributed to better intelligence, better sensors, and better technology. Some of the new things that are coming with Deepwater are starting to help us.

Airborne use of force is very significant and impactful, although we are finding that they continue to adapt to our new methods. As

we become more successful, we have seen things like liquid cocaine, dissolved in fuel tanks; and most recently, self-proposed semi-submersible vehicles. They look like mini-submarines, but they operate just barely above the water line.

Just last weekend, we had a seizure of one off the Galapagos. Well, it was not a seizure. Because as we were ready to come on board, it was scuttled and sunk.

Mr. PETERSON. Where is the greatest amount of drugs coming from, towards us?

Admiral ALLEN. It is from Columbia to Mexico, in the Eastern Pacific Corridor; the West Coast, sir.

Mr. PETERSON. Do you have adequate resources for that mission?

Admiral ALLEN. It is a needle in a haystack operation. The area between Columbia and Mexico, off the coast of Central America that we patrol every day is the size of the lower 48 United States.

We have good intelligence, but it gets back to maritime patrol aircraft being able to locate these vessels, and then put a cutter on scene and a boarding team on the vessel itself. It is a challenge, sir.

Mr. PETERSON. But our intelligence does tell us when ships are leaving.

Admiral ALLEN. Yes, the intelligence has never been better.

Mr. PETERSON. But what can we do to help you stop the drug trade?

Admiral ALLEN. Well, again, it is building out the Deepwater fleet; especially the national security cutters and the offshore patrol cutters that are the ones that operate in that environment, the maritime patrol aircraft.

Ultimately we are going to have to come to grips with what our solution needs to be on high altitude, unmanned aerial vehicles, which have some potential, especially in a place in the Eastern Pacific. That actually, as I mentioned earlier, has prompted me to have some discussions with General Mosley, Chief of Staff of the Air Force, about what we might be able to do together.

SIZE OF USCG AND MARITIME DOMAIN AWARENESS

Mr. PETERSON. When you look at the issue of energy and the role you play in bringing energy into this country, protecting our resources offshore; when you look at the drug issue, and you look at the whole terrorism issue, and your new role to protect us offshore, do we need more of you?

Admiral ALLEN. Well, as I said earlier, yes, you do, sir. But we also need something called Maritime Domain Awareness. We need a system that allows for a combination of sensors; locating devices on vessels, which are going to be required here shortly under international law. That all needs to be put together, so we can sense what is out there, to check threats and deal with this as far offshore as we can, sir.

So the size of the Coast Guard certainly is one issue. But the issue of Maritime Domain Awareness and building out that national/international system is also going to be key.

BUILDING OUT NATIONAL/INTERNATIONAL SYSTEM

Mr. PETERSON. Is that money you have asked for?

Admiral ALLEN. We are building out the process. Part of the national automated identification system is in the budget. That is one of the first steps involved in vessel tracking. That will be supplemented in the next two years by long-range tracking that is now required by international Maritime domain.

Mr. PETERSON. What other agencies play a role in that?

Admiral ALLEN. That is virtually every Federal agency that operates in or on the water; the intelligence community, all of our partners.

Mr. PETERSON. It is vital to our security.

Admiral ALLEN. Absolutely, sir.

DOLLAR OPERATION

Mr. PETERSON. Thank you.

Mr. PRICE. Thank you very much. I would remind the gentleman from Pennsylvania the history of his questions about polar operations. This committee does have a history of involvement in those issues under Mr. Rogers' leadership.

For example, we commissioned a National Academy of Sciences study a few years ago that has to do with the Coast Guard's ability to meet its obligations in the polar areas; and in last year's bill, the Commandant is directed to submit a comprehensive polar operations report in this current year that will fully assess the current projected mission requirements, evaluation of capabilities, and how they measure up with those requirements. So you raised good questions. We are, I think, on our way to getting some more systematic answers.

SIZE OF USCG FORCE

Admiral, a number of members have raised the issue of the size of the Coast Guard. You, in your statement, indicated that there would be some personnel increases. There are some personnel increases built into your 2009 budget. But I think you describe that as a mere down payment. So I want to explore that a little further with you, and also bring Mr. Caldwell into the discussion. Because I know GAO has analyzed pockets of Coast Guard personnel needs.

As I understand it, Admiral, we are talking about approximately 350 new personnel in the budget submission you have made: 276 marine inspectors, 29 in the counter-intelligence area, 46 in providing intelligence on cutters. It is a down payment, you say.

I wonder if we should not be taking a more systematic look at this? Is this something that competent outside analysts should be helping us with? Is the Coast Guard itself going to be coming up with this more comprehensive review?

You have thrown out some tantalizing suggestions, yourself; but without, I believe, clearly drawing the budget implications. So I would like to invite you to elaborate.

Admiral ALLEN. Yes, sir; first of all, it is a small amount of personnel that are being requested in the 2009 budget. I am really trying to frame this discussion going forward, sir.

I have challenged my people at Coast Guard Headquarters to start breaking down our programs, and give me some gap analysis. So that is, we know we have shortages now, and where we will need them in the future.

I alluded to some of those earlier: Increases in the liquified natural gas traffic. We have new towing regulations that are coming on; changes in the Maritime environment. They are going to require us to more, what I would call, not asset-based work. It is personnel-based work.

Our sector command centers are much more complicated than they used to be. They require more people there to be looking at the eyes and ears around the port, to ensure that we are detecting those threats and responding to them.

The way we used to operate in Coast Guard groups before sectors, you had somebody listening for a distress call and then somebody to launch a boat if somebody was in trouble. Now we have active surveillance looking for anomalies and targets of interest to intercept and board, before we actually have a problem in and around the port. That is a vastly different operational model; one that is more resource-intensive than the one we have had historically.

So this can be broken down into segments, sir, and that is what I have got my people working on right now. I want to be able to articulate, going forward, because this is going to be competitive in the budget process. This is not a request for appropriations outside channels. I know where my lanes are at.

But the discussion needs to start; and whatever we come forward with, we need to be able to defend, both inside the Administration and before the Congress, and that is my intent, sir.

Mr. PRICE. To what extent do those analyses, discussions that you are referring to figure into your 2009 request in the early stages of negotiations within the Administration?

Admiral ALLEN. Actually, I think my discussion recently was an absolute result of not only the 2009 process, but the 2008 appropriations process and how they mix together, sir. I came to a realization a few weeks ago, and this prompted some of my public discussion.

We got kind of caught in the middle, where we had agreed to a top line on the 2009 budget, which everybody does in Government. That is the way it works. Then we had a 2008 Appropriations Bill passed that required annualizations.

Nobody is doing that with untoward intent. But we kind of got caught between two fiscal years, and the ability to analyze 2008, and then deal with the top line in 2009 severely constrained us. I think we have to have a discussion going forward of how we are going to do this in the budget process to bring the people into the Coast Guard that we need to bring in, sir.

Mr. PRICE. Well, as you and I, I think, both said in our statements, you did largely analyze the 2008 increases. They are reflected in the 2009 request. Those did include some personnel increases. Is that not right?

Admiral ALLEN. Yes, sir; our 2009 request includes $49 million that was brought forward to analyze. The remainder amount of that was brought within the Coast Guard's top line. In other words, we had to analyze that ourselves, sir. It did not come forward.

The $70 million that was in the budget, about $40 million of that came forward, sir. We would be glad to provide you a detailed answer and a breakdown for the record.

[The information follows:]

The annualization of the FY 2008 emergency spending is included in the FY 2009 budget request. The below table provides a break-out of the 277 FTE (198 Military / 79 Civilian) added to the Coast Guard as a result of FY 2008 emergency funding and the associated annualization cost in FY 2009.

FY 2008 Emergency Funding ($K)

Initiative	FY08 FTE (Mil)	FY08 FTE (Civ)	FY08 Funding Level	FY09 Term. Of One Time Costs	Carried to FY09 Base	FY09 Annualized Costs	Total Annualized Cost
AMSPs to Include Salvage Response Plans	0	14	1,900	(64)	1,836	1,667	3,503
Increase Port Presence (Boats, Crews, Boarding Teams)	113	5	29,400	(14,993)	14,407	10,243	24,650
LNG Waterways Suitability Assessments	0	2	2,000	(11)	1,989	878	2,867
Long Range Identification and Tracking	0	0	4,800	(4,100)	700	0	700
Port Security Exercise and Training Program	0	11	2,000	(51)	1,949	1,543	3,492
Port Vulnerability and Threat Assessments	0	0	2,000	0	2,000	667	2,667
Rulemaking and Regulations	0	15	3,100	(86)	3,014	2,428	5,442
MTSA Spot Inspections	15	0	2,000	(352)	1,648	1,336	2,984
Watchstanders and Intelligence Officers	48	29	11,600	(1,355)	10,245	8,635	18,880
Intensive Maintenance for D7 110' Op Hours	22	3	11,500	(1,267)	10,233	4,711	14,944
Total:	**198**	**79**	**70,300**	**(22,279)**	**48,021**	**32,108**	**80,129**

Mr. PRICE. Yes, in fact, just looking here at the figures we have, the 2007 to 2008 personnel increases exceed by a considerable number the requests you are making for 2009, as I understand it. Well, we need to know whom those people are and where they came from. I do know that in our 2008 bill, we included substantial personnel increases.

Admiral ALLEN. They are annualized, sir.

Mr. PRICE. They are annualized.

Admiral ALLEN. Yes; it is different sources, but they are annualized.

Mr. PRICE. All right, Mr. Caldwell, what would you have to say about this? I know you have looked at, at least on a spot check sort of basis, the pockets of needs.

GAO REVIEW OF STAFF SHORTAGES

Mr. CALDWELL. Yes, we have looked at several areas recently involving the security missions, as well as some of the other management areas. We have looked at acquisition management, domestic facility inspections, the overseas facilities inspections, as well as protection of LNG and other energy tankers, which Representative Lowey had mentioned.

In every one of those areas, we found that there were not enough staff to do the work. We started asking the Coast Guard to do analyses of what staff they needed. In our LNG work, the Coast Guard, I think rightly in this case, came back and said, LNG is not the only concern. They stated they have got a lot of other hazardous commodities, and thus a lot of other security concerns. They were probably deferring to the larger analysis that Admiral Allen is talking about here.

For those areas we have not looked at, which are mentioned in the budget request, I cannot comment. But for the security areas that we have looked at, there were definitely shortages of personnel.

I wonder if I could make another comment related to the questions about rotation that came up?

Mr. PRICE. Certainly.

Mr. CALDWELL. Just as members of the committee and the staff, I also get out to quite a few Coast Guard locations in the course of my work. I have seen the rotation policy, both the bad and good up close, and I would like to talk about that briefly.

The bad part of the rotation policy I see is when I meet an inspector who is relatively new to the Coast Guard. They are inspecting facilities to see if they are in compliance with MTSA security plans. This is the first time they have had that job. When we talk to them, we also find out they are about to rotate off to another type of unrelated position.

They are rotating in and out of those positions as fairly junior people. They are in training programs to try to bring them up to speed but they are not experts and not experienced.

Related to this, we will hear complaints when we talk to other stakeholders in the ports, that the stakeholders have the continuity that the Coast Guard does not. It has different people coming in. One facility security officer told us that in the year and-a-half that he had been there, there had been three different Coast Guard in-

spectors coming to look at this facility. Each of them, in his words, was "wet behind the ears."

The good side of the Coast Guard's rotation policy, just to be balanced, must also be mentioned. I meet Coast Guard people with 10 to 12 years of experience. It is very broad experience. They have been in four different positions. So by the time Coast Guard personnel gets up to a mid-level officer, they have done environmental work. They have done safety work. They have done security work. They have done regulatory work.

So that is the balance that the Coast Guard is trying to reach. As a military service, they are trying to achieve that with their rotation policy.

I want to also bring into this discussion the topic of the civilian work force. Whether it is financial or otherwise, I think there is a lot of positives that can come out of increasing the civilian workforce for these inspection positions.

If you have civilians, they are there for a number of years. They are going to know which facilities are a little shakey that you need to check up on. A civilian might better know which facilities have very good security, because they have been to them multiple times and they have developed an in-depth knowledge of a particular port.

So I was actually happy to see that many of the marine inspection positions are going to be civilians. Maybe there could be more than are currently planned. That may be one way to improve the Coast Guard's rotation policy, by increasing the number of civilians.

Mr. PRICE. Thank you, and I would think that financial management is one of those areas where the virtues of rotation are less evident. The balance probably tilts very much the other way.

Let me just quickly turn to another topic. Our time is limited here. But I want to raise the issue of these security operations. Here, too, we are referring to GAO findings in the past; to the effect that the Coast Guard had not made its own security requirements such as vessel escorts, boarding, critical infrastructure patrols.

So in the 2008 Appropriations Bill, the committee added $29.4 million dollars, for an additional 238 boat crew members, boarding team members and marine inspectors. That is where some of those personnel increases come from, and there were 26 defender class small boats to enhance the Coast Guard's ability to enforce security zones and protect critical infrastructure, and provide escorts and boarding of high interest vessels.

So let me ask both the Commandant and Mr. Caldwell, with this additional funding made available and the $24.6 million requested by the Coast Guard this year to analyze that funding, will the Coast Guard now be able to fulfill its security requirements? Is additional funding in 2009 necessary? In other words, are the 26 additional small boats and the 238 boat crew members that this committee added in 2008 enough, assuming that is annualized; or should additional boats and crews be funded in 2009, Admiral?

Admiral ALLEN. Put in the context of the growing workload, to be present from liquified natural gas and so forth, I would have to tell you no.

Having said that, some of the requirements were not met and that those resources were put in again, for our own internal standards for what we would do at different maritime security levels in a port. We established those after 9/11.

Some of them are pretty significant in the ports. I have asked my people to go out and re-baseline that, to make sure that we are adequately managing the risks. So we are not just throwing resources across the board at all the ports, and so the resources that we get are being put to the highest use.

What I would like to do is give you a gap analysis and answer for the record, if I could, on that. Because my guess is, that is a great down payment; but we probably need more.

SMALL BOAT STUDY

Mr. PRICE. How does your budget request compare to the need determined in your own small boat study last year?

Admiral ALLEN. Our internal boat study?

Mr. PRICE. Yes.

Admiral ALLEN. I would have to answer for the record on that one, sir.

[The information follows:]

Consistent with the planning process reflected in the FYHSP, we are in the continuous process of identifying gaps in our boat forces community beyond what is presented in the President's request. In 2007, Pacific and Atlantic Areas deployed the Boat Analysis Tool (BAT). The BAT uses standard methodology to quantify total mission required boat hours throughout the Coast Guard.

The Office of Boat Forces compared the mission required 724,707 boat hours in the BAT to currently deployed capabilities (i.e., boats and boat crew personnel). This yielded a mission required boat hour gap of approximately 400,000 hours (or 57 percent) which is considered when assessing Coast Guard performance against stated Ports, Waterway, and Coastal Security (PWCS) mission objectives. At present, the Coast Guard is meeting PWCS performance objectives. We use a layered approach and system of assets and activities (i.e., involving aircraft, boats, facility inspections, etc.) to fulfill PWCS objectives. The results of the BAT are being vetted through the program and validated against both risk based operational needs and Coast Guard mission hour requirements.

In 2008 we received $29.4 million to acquire additional small boats and personnel to support increased PWCS capabilities. These assets will be used to support the increased requirement for the security of certain dangerous cargo and other port security requirements. The 2008 appropriation also provided $45 million to procure 14 more RB–Ms, our 41 ft UTB replacement boat. All of these assets will help improve our progress in mitigating the gap between currently deployed capabilities and increased mission hour requirements. The FY 2009 Budget Request will continue to close the gaps.

Mr. PRICE. All right, fine; Mr. Caldwell.

Mr. CALDWELL. We did our work by visiting several different sectors, and we found that was where these personnel shortages were. We also did a broader analysis of all the sectors and found the shortages were widespread. But I cannot say we did our study with enough granularity to come up with detailed estimates of needs.

The Coast Guard, at that point, was still doing the small boat study. We just have not done enough study on this question. Therefore I do not know if 26 small boats is the right number or not.

Mr. PRICE. All right, well you, too, maybe can answer for the record, and then help us analyze this, going forward; Mr. Rogers.

FY 2009 OPERATIONAL COST

Mr. ROGERS. Admiral, when you factor in emergency appropriations and the money transferred from the Navy for your Operation Iraqi Freedom expenses, your 2009 request is about 3.5 percent above the 2008 inactive level, which is about inflation.

But upon closer examination, I am not sure that your 2009 request for operational expenses is an accurate measurement of the true operational costs. What do you say about that?

Admiral ALLEN. It probably is not an accurate presentation of the costs required to conduct the Coast Guard operations. I had mentioned earlier, we have unscheduled maintenance and things that require us to manage within our base, if you will, against the challenges that are at hand.

So I would tell you that the operating base and the cost associated with that are something that we have to manage in any particular year.

The aging assets are things that start to go above historical trending lines. You either have to give more money to support those assets or the unscheduled maintenance, or you have to absorb that within the cost of operating the Coast Guard. That is where we are at right now, and that is why I say we are at an inflection point, sir.

Mr. ROGERS. Well, you are not going to be able to operate at the same level.

Admiral ALLEN. No, sir; well, I mean, we should be counted on to find efficiencies where we can, and we are doing that. But at some point, once you get to a certain line and inflation goes faster and have the costs go up, you are going to absorb it, sir.

Mr. ROGERS. Well, I mean, you have got these older cutters that are requiring more maintenance every day, as you have said, and as we have seen.

Admiral ALLEN. Yes, sir.

Mr. ROGERS. There are other hidden costs that will eat up that 3½ percent increase over last year, not counting inflation. You are going to be well below the capability that you now have, next year, with this small of an increase, as I see it. Am I off base?

Admiral ALLEN. Well, you do not know until you get into that year and see what is coming. But sir, the possibility certainly exists; yes, sir.

Mr. ROGERS. Well, what are you going to do about that?

Admiral ALLEN. Sir, it is my job to manage the Coast Guard. We had extraordinary fuel increases throughout the year. We have ships that break down, and you manage it against the line you have got. That is the reason they hire us to do these jobs. It is not easy, and with a constrained budget, it presents more challenges.

I took the rather extraordinary step this year in working the 2009 budget with the Administration to ask for more maintenance money for our Legacy cutters. That is something that has not enjoyed, you know, particular support in the past. But it has now, because it is reality and we have to do it.

If that means that we have to reduce our funding some place else in the Coast Guard to support those Legacy cutters, I am willing to do that, sir.

AC&I BUDGET REQUEST

Mr. ROGERS. Now your 2009 request for acquisition, construction, and improvements does not seem to align with the previous year's capital investment plans that we require you to file with us. They do not appear to be in sync. Can you help us understand that?

Admiral ALLEN. Yes, sir, I think we are going through a maturation process in the department regarding the future year of Homeland Security plan, of which the capital investment plan is a subset of.

This is a standard way of budgeting across the river, in the Pentagon, the future year defense plan, the FYDP. Since the department was established, the intention was to create that future Homeland Security Plan.

I think, because of the urgencies of each particular year, it is negotiated on a yearly basis; that sometimes we lack stability then in long-term funding projections on which to base our acquisition projects and so forth. It is a problem with the maturation of the budget process in the department, sir.

Mr. ROGERS. So which one are we to believe?

Admiral ALLEN. The one that comes with our Congressional justification, sir, that year.

POLAR OPERATIONS IN ANTARCTICA

Mr. ROGERS. Now very briefly, back to the polar operations, I am still confused. The icebreakers are Coast Guard ships, are they not?

Admiral ALLEN. Yes, they are, sir.

Mr. ROGERS. They are owned by the Coast Guard.

Admiral ALLEN. Yes, sir.

Mr. ROGERS. Do you operate them?

Admiral ALLEN. When we are provided money by the National Science Foundation, sir.

Mr. ROGERS. Do they provide money?

Admiral ALLEN. This year they elected not to use our polar ice breakers to do the break-out at McMurdo Sound in Antarctica. They contracted with the Swedish ice breaker, the Oden, to do that, sir.

Mr. ROGERS. What was the reason for that?

Admiral ALLEN. Probably it was a better deal, and they are constrained like everybody else is, sir.

Mr. ROGERS. A better deal meaning cheaper?

Admiral ALLEN. Less cost, yes, sir.

Mr. ROGERS. So do they pay you for your equipment?

Admiral ALLEN. We have enough money to have the people on board on the cutters stationed in Seattle, ready to go. One is in commission special status right now, because we have not had enough money to keep it up.

The actual operations of those vessels in any particular year is dependent on funding from the National Science Foundation, due to the appropriation structure that was created a few years ago that gives them the base money to operate the cutters. But we have the people and the ship, sir.

Mr. ROGERS. I remember being down there in New Zealand a couple of years ago. We got the briefing from the NAS, and I left

more confused than when I went in, because you are saying a hell of a lot.

Admiral ALLEN. I am with you, sir.

Mr. ROGERS. You are confused?

Admiral ALLEN. About the current funding situation, yes.

Mr. ROGERS. What should we do about it?

Admiral ALLEN. I would rather have not enough money to operate the ice breakers, and have it in the Coast Guard, sir.

Mr. ROGERS. Yes, I think I hear you, okay.

Admiral ALLEN. Now there is the issue of having enough money to operate the ice breakers. But the first thing we need to do is, if I am responsible for operating them, then I think the money should be in my budget.

Mr. ROGERS. Well, apparently, they are thinking that there will not be any ice to break, because of warming. Is that the answer?

Admiral ALLEN. Not necessarily, sir—ice that breaks off and starts shifting around, and then collides and goes over itself, actually can create a more hazardous environment regarding ice and the requirement for ice breakers in a fast sea ice, sir.

Mr. ROGERS. Now those ice breakers are not new ships, are they?

Admiral ALLEN. No, sir, they are about 30 years old.

Mr. ROGERS. Do you pay the maintenance on them?

Admiral ALLEN. The National Science Foundation pays for the maintenance, sir.

Mr. ROGERS. Is that adequate?

Admiral ALLEN. No, sir.

Mr. ROGERS. How much are we talking about?

Admiral ALLEN. I would be happy to provide you a detailed answer for the record, sir.

[The information follows:]

Current funding is adequate to maintain the Coast Guard's icebreaking fleet at the requisite operational capability determined each year by NSF and USCG through the annual planning process specified in our MOA. Based on the Fiscal Year 2008 Coast Guard—National Science Foundation (NSF) program plan, the NSF will reimburse the Coast Guard up to $26.88 million in maintenance costs for our three icebreakers. Assuming no change to NSF operational plans, this funding level should allow for maintenance of the POLAR SEA and the HEALY at full operational capability, while leaving the POLAR STAR in caretaker status, pierside in Seattle.

FY08 (in millions)	HEALY	POLAR SEA	POLAR STAR	Total
Maintenance	12.36	14.48	0.04	26.88
Operations	6.00	4.60	0.33	10.93
Personnel	6.15	9.12	2.59	17.86
Total	24.51	28.21	2.96	55.68

If a change in U.S. icebreaking needs required the return of POLAR STAR to operational status in fiscal year 2009, maintenance costs are estimated at $56.6M for full reactivation, which would provide a service life of 7–10 years. The $56.6M includes an estimated $8.2M for a one-year work-up period to allow for a single Operation Deep Freeze deployment. Following Operation Deep Freeze, a two-year ($48.4M) maintenance period would be required to complete drydock, recurring/corrective maintenance, and system upgrades on par with the POLAR SEA.

Mr. ROGERS. Please do that.

Admiral ALLEN. Yes, sir.

Mr. ROGERS. Thank you, Mr. Chairman.

Mr. PRICE. Ms. Roybal-Allard.

TWIC PROGRAM

Ms. ROYBAL-ALLARD. I apologize for being late, Mr. Chairman. We have other hearings going on at this time, as well.

Mr. Caldwell and Mr. Hutton, as you know, the TWIC Program was created to make the nation's ports more secure by requiring that background checks be performed on those wishing to gain unescorted access to port facilities.

It is my understanding that at some ports, there have been problems in enrolling individuals in the TWIC program. At the ports of Los Angeles and Long Beach, for example, due to poorly sited enrollment offices and under-investment by the private program administrator, only 7,800 out of the roughly 50,000 to 60,000 eligible truck drivers have enrolled in the program.

Many of the nation's ports plan to begin mandatory use of TWIC by this Fall. Can you tell us what percentage of our nation's ports will meet that target date, and why are the Coast Guard and the TSA having so much trouble enrolling individuals in the TWIC program?

Mr. CALDWELL. In terms of the early TWIC enrollments, those seem to have gone fairly smoothly, like at Wilmington. I think that those ports were front loaded, in terms of additional resources to make sure that those first enrollments went well.

In terms of the situation at an individual port, the captain of the port—the Coast Guard official in charge of that individual port—will make the decisions of when to put the TWIC enforcement requirement in place.

So the decision will be made individually at each port. I would assume that decision would be made when the captain of the port felt the enrollment had reached where it needed to be.

One thing that neither TSA or the Coast Guard does control is whether people that will be required to have these TWIC cards actually make the decision to enroll or not. There are certain criteria such as criminal records, where enrollees know they will not get the card. I do not know if that is becoming an issue in particular ports or not.

Admiral ALLEN. Ma'am, we are in a two step process. The first process is to enroll people that need access and have them have TWIC cards. The second part will be a Coast Guard rulemaking that will establish a card reader program, where we will go to actually automating the access by flashing the card when they go by.

The roll-out of those ports will be subject to when the captain in the port feels that is necessary. But there is a deadline for TWIC enrollment, and it is this September.

We have checked all the Coast Guard captains in the ports around the country, including L.A. Long Beach. Enrollment is behind where it needs to be for us to finish this on time.

The process is complicated. As you know, there is an enrollment process. Biometrics are taken. Background checks are run, and then that information is transmitted to a card production facility, biometrics, and then it is returned to the individual. That whole process has been rolled out, and is being worked right now.

I have made a commitment with Kip Hawley, the Administrator of TSA, to go over our progress in the next 30 to 40 days with Acting Assistant Secretary Snyder. If we need to make a recommendation regarding whether or not that date should hold firm, we will do it at that time.

But I am committed, within the Maritime community, to taking a look at that, and openly talking about that; and if there is a need to adjust the date, to tell them as soon as we can.

Ms. ROYBAL-ALLARD. Well, is there a problem though? I mean, just using the figure in L.A. with the truckers, of only 7,800 out of 50,000 to 60,000 eligible having enrolled, is there a problem that has been identified, that you are trying to address, in order to make that September deadline?

Admiral ALLEN. The enrollment is being done by Lockheed Martin, which is the contractor for TSA. It is a TSA-contracted function. They have a set amount of enrollment centers and work stations where they do that. So the capacity is fixed by the contract.

I think what we need to reconcile, going forward, is whether or not that capacity is sufficient to allow the through-put and time to meet the deadline. I think that is the issue we need to deal with, within the next 30 days, ma'am.

Ms. ROYBAL-ALLARD. All right, thank you.

Mr. PRICE. Mr. Peterson.

POLAR ICE BREAKERS

Mr. PETERSON. Let us go back to the discussion you were having with Mr. Rogers, the ice breakers. I was reading here, it says, while other Arctic powers are racing to carve up the region, the United States has remained largely on the sidelines. The United States today funds a Navy as large as the next 17 in the world combined. Yet, it has just one sea-worthy, ocean-going ice breaker, a vessel that was built more than a decade ago, that is not optimally configured for Arctic missions.

Russia, by comparison, has a fleet of 18. China operates ice breakers, despite the lack of Arctic waters. Through its own neglect, the world's super power, a country that borders the Bering Strait and possesses over 1,000 miles of Arctic coastline, has been left out in the cold.

Is that a fair assessment of where we are at in the Arctic?

Admiral ALLEN. The National Academy of Sciences study that was done several years ago affirmed the need for three polar ice breakers. Actually, it was two ice breakers and one ice strength and research ship, which is the Healy. That is the standing requirement of record.

What I have been trying to do within the Administration, and it is reflected in the 2009 budget request, there is money to start a requirements analysis, where we are going with our Polar capabilities.

We have to lay out, I think, what it is that we need. But first, I think we need a discussion on policy, because there are some policy issues that should drive the requirements.

In other words, what is the U.S.'s position in the Arctic? What kind of presence do we want up there? What are the sovereignty issues; and how does that translate into a requirement for pres-

ence, that would translate into ice breaking requirements and almost a re-validation?

The standing requirement now is that there are three to be operated. One is a commission special status now, due to lack of funds for maintenance to conduct it. One is tied up and not being used by the National Science Foundation for breakout, McMurdo. The third, the Healy, is being actively used and will be deployed this summer to do scientific research in support of a potential U.S. claim beyond their Continental Shelf.

Mr. PETERSON. But that is the only one we have.

Admiral ALLEN. There are two operational now, yes, sir—two of the three, yes, sir.

Mr. PETERSON. Okay.

Admiral ALLEN. There is the heavy ice breaker and one ice strength and research.

INCREASE OF NAVIGABLE WATERWAYS

Mr. PETERSON. But if we end up with more water there that is navigable, it talks here about it becoming a northern pass, where huge shipping costs could be saved by cutting 65,000 knots at sea. It could reduce current traffic.

That is 11,200 miles to 6,500, a savings of 40 percent; and also, from Seattle to Rotterdam, by 2,000 nautical miles, making it 25 percent shorter than current routes, by having navigable waters up there. Is that something we should be pursuing with energy costs of moving goods and services and time?

Admiral ALLEN. Well, I think the markets will drive that. What we have to be prepared for is to support the marine transportation system that evolves to meet those markets. Things we are looking at are the implications of the Bering Strait becoming a neutral point; and the requirement for vessel traffic separation schemes and a way to manage that water way, if traffic increases up there.

Oil and gas leases that are being expanded off the north slope are another issue that we need to look at; and generally, the wide range of Coast Guard missions that would now have to be accomplished in high latitudes. We do not have any permanent operating bases up there.

ARCTIC OIL AND GAS RESERVE

Mr. PETERSON. This article also talks about that this is the largest oil and gas reserve left in the world that is up there, and the whole world is going to fight for it. If we are not a player and it is our territory, it seems to me like we are sort of sitting on our hands when we ought to be functioning.

Admiral ALLEN. Well, there are two issues, sir. One of them is presence and how we are going to protect our sovereignty within our exclusive economic zone; and if we decide to sort of claim beyond the 200 mile limit, how we will do that, as well.

The second thing is the entire governing structure for the Arctic Basin right now. It is, in effect, the Law of the Sea Treaty. As I said before, when the claims are made before that international Seabeck Commission, we want to have a seat at that table, because we will not have ratified the treaty.

Mr. PETERSON. That is the Senate's rule, right?

Admiral ALLEN. Yes, sir.

SHIPS CARRYING HAZARDOUS CARGO

Mr. PETERSON. One final question, you spoke earlier about LNG ships and your protection of those. What other dangerous ships are moving in and out of our coastline that you have to monitor and that you have to provide protection to?

Admiral ALLEN. Well, all shipping creates some measure of risk, because you are moving through an environment and there are issues related to that.

As I said earlier, beyond LNG, we need to look at all liquid hazardous gases, propane being one of them. But there are all kinds of hazardous cargoes that are being moved by both bulk and liquid tankers.

I just had a hearing yesterday. Our non-tank vessels are getting so large right now that the amount of fuel they carry is as large as what a tanker used to carry. The largest ship that is called in the United States, carrying just fuel oil not cargo, was carrying seven million gallons of fuel oil.

So we are in the process now of creating regulations and rules for how we would respond to spills from non-tank vessels; and there is actually an international requirement to have those fuel tanks double-hulled in the future. So there are a variety of risks, sir.

Mr. PRICE. The gentleman's time has expired. If you could submit your remaining questions for the record.

Mr. PETERSON. Thank you.

Mr. PRICE. Mr. Culberson.

ICE BREAKERS

Mr. CULBERSON. Thank you, Mr. Chairman

Admiral Allen, thank you for your service. We really admire the Coast Guard immensely, and we would do anything we can to certainly help.

On the requests that you have made, I have also been concerned, as you know from previous hearings about the problems with the ice breakers, and would certainly encourage the subcommittee, Mr. Chairman, and members, to do what we can to help the Coast Guard pay for these vessels.

It is not a good solution, in my opinion and I agree with you, to leave these in the hands of the National Science Foundation. Chairman Price and I both serve on the Commerce, Justice, Science Subcommittee. We are both, as I know other members of the subcommittee are, but I know Chairman Price in particular is as passionate as I am about investing in the sciences.

The National Science Foundation is getting a good shot in the arm this year. But that is just frankly to meet the needs that they have got for the number of grant requests. They have never been and should not be in the business of operating a fleet of ice breakers.

So I certainly look forward to working with you, Mr. Chairman and Mr. Peterson and members of this subcommittee, to help make sure the Coast Guard takes full responsibility for the ice breakers, that we give you the money you need to operate and maintain

them, and frankly, help replace some of the problems you have got with the age of your fleet.

I admire what you do immensely. This is not a question, but I just want to tell you how much I appreciate your work. I look forward to working with you, Mr. Chairman and this subcommittee, in helping address the Coast Guard's needs; thank you.

GAO RECOMMENDATIONS

Mr. PRICE. Thank you, and in response to both of the last questions, Admiral, I believe the study that we have required as part of the 2008 Appropriations Bill, in many respects, matches what you described as the 2009 prospective study with regard to these Arctic operations.

So we look forward to receiving a fuller and more comprehensive assessment of where we are and where we need to be with regard to the Polar operations, including the funding issues to which Mr. Culberson refers.

We have some votes coming on the floor rather soon, and so I am afraid our time is going to be limited. For that reason, Mr. Hutton, I am going to forego an oral question I was going to ask you.

But I would ask you to submit for the record an elaboration of the statements in your testimony regarding the 10 recommendations that GAO made in 2004 to the Coast Guard on the management of the Deepwater Program.

You say that over time, the Coast Guard has addressed many of these, but that three significant areas remain: The integrated product teams, the maintenance and logistics responsibilities for deep water assets, and cost control under the ICGS contract—that those matters remain open. So I think we do need an elaboration of that statement.

Mr. HUTTON. I would be happy to do that.

FRCB INDEPENDENT VERIFICATION AND VALIDATION

Mr. PRICE. So we will look for that.

Admiral, let me get to a couple of Deepwater details. Last year, you said you were going to ensure that independent verification and validation by a third party would be conducted of the design of a new asset.

The Coast Guard has now reviewed proposals it received for the patrol boat that will replace the current 110-foot patrol boat, called the fast response cutter-B. The rough timeline that we have received for awarding this contract is pretty aggressive. It is within six months of when you received the proposals.

So it does raise the question about what kind of independent verification and validation you will receive before you award the FRCB contract in June. Will the verification and validation cover all the changes made to the design of the so-called parent craft?

Admiral ALLEN. Yes, sir; we have an evaluation team that is looking at this. In fact, we extended the time for the proposals a little bit longer, because we had a significant response and significant questions. We actually allowed for more proposal time than we originally had imagined.

The evaluation of these proposals is done by a team of Coast Guard experts representing our technical authorities. As you know,

the ship will be classed by ABS, which is an independent third party.

So as we move forward to that, there will be a balance between Coast Guard people being involved and the subject matter experts as we need from the outside, sir.

Mr. PRICE. So the short answer is that this pledge of independent verification of these new assets will apply to this project, despite the short time line?

Admiral ALLEN. Yes, sir; what I would be glad to do is give you an answer for the record of exactly who was involved in the evaluations. We would be glad to give that to you, sir.

[The information follows:]

The Coast Guard is employing the services of an independent entity that is recognized for its expertise in ship classification to assess the ability of the offered designs to comply with the requirements in the American Bureau of Shipbuilding (ABS) Guide for Building and Classing High Speed Naval Craft (HSNC Guide). The review is being conducted by structural, electrical, mechanical and control system engineers with significant experience in performance of design analysis and reviews. Due to the need to protect the integrity of the ongoing source selection process, it is not appropriate to enter into the public record the specific name of any organization participating in the evaluations of proposals.

Mr. PRICE. And by independent, you mean outside the Coast Guard.

Admiral ALLEN. We are going to classify this vessel according to ABS standards. That is the independent. We made that promise going in, sir. That is the American Bureau of Shipping.

Mr. PRICE. Is that the same thing as promising verification, validation by a third party on the design of a new asset? I am just trying to square up what you are saying. Is this implementation an operationalization of the process you earlier said you would be following?

Admiral ALLEN. Yes, sir; the process that I said we would follow, there are two things. One of them is, independent validation of the requirements for the vessel.

Mr. PRICE. Yes.

Admiral ALLEN. That is being done through the alternatives analysis. Then the goal always was to having ABS on board, so we did not have Coast Guard people being involved in the proposal development and award, and the construction of this vessel; ABS being the independent third party, sir.

Mr. PRICE. All right, we may have some further questions about this.

Admiral ALLEN. Yes, sir.

Mr. PRICE. But we do need to make sure what we are looking at here, and the independent verification and validation of the design, exactly what that means and how that is going to be implemented.

Admiral ALLEN. Yes, sir.

MARINE PATROL AIRCRAFT

Mr. PRICE. Let me turn to the marine patrol aircraft. The committee, in the 2008 appropriations, directed the Coast Guard to study and report back on interim stop-gap measures that might be used to address the Maritime patrol hour gap.

The Coast Guard is substantially below the 44,000 air patrol hours it said it needed some years ago. It is probably today oper-

ating at about half the 61,600 air patrol hours it determined it needed in 2004. This is because of the old age and the bad state of the current Falcon jets.

Other than speeding up the production of the CASAs, which are the Falcons' replacement, which is difficult to do while the CASA is still in the developmental testing phase, what kind of alternatives have you explored?

Admiral ALLEN. Well, really all we looked at was whether or not we could extend the life of the Falcons. But quite frankly, that is cost prohibitive, sir; and the time it would take to bring at least aircraft or some other platform in is, I think, both time and cost prohibitive, as well. I think the course we are on is the correct course.

I would just tell you this, because this just breaking news from the last couple of days. We have finished exercising all the communications transmissions modes from the HC–144 Alpha, and would anticipate taking receipt of that in the next two weeks. At that point, we will be through developmental testing evaluation, as we told you we were going to complete, sir.

Mr. PRICE. Well, we provided $170 million for the Maritime Patrol aircraft in the 2008 bill.

Admiral ALLEN. Yes, sir.

Mr. PRICE. We did make $70 million of this unavailable until you certified that the mission system pallet developmental service and evaluation was complete. That pallet is critical for ensuring that the aircraft can effectively communicate mission data and can connect to classified information networks. What about that certification?

Admiral ALLEN. Yes, sir; we expect to have that done in the next two weeks, sir.

Mr. PRICE. All right.

Admiral ALLEN. We are hoping to accept on this aircraft in the next month, sir.

Mr. PRICE. All right, you had first said 2008. Now you are saying mid-March is the date you anticipate this will done.

Admiral ALLEN. Yes, sir.

Mr. PRICE. All right, have you certified the MPA through development testing? What are the issues with doing that, and when do you expect that certification?

Admiral ALLEN. Well, developmental test and evaluation is complete, with the exception that we need the transmittal. It is called the common operating picture, from the plane to the ground.

What we were looking at, in the last couple of weeks, is unclassified and classified communications data exchange, which we have done. We anticipate finishing up the final pieces of that in the next week or so. Subject to a successful evaluation of that, we will accept the first aircraft, sir.

We will be done, at that point, with developmental tests and evaluation, and we will move into operational tests and evaluation, where we will then take the airplane and put it into mission scenarios and see how it performs against the mission, sir.

OFFSHORE PATROL CUTTER

Mr. PRICE. All right, finally, the alternative analysis that the committee required of the Coast Guard that was just received last week recommends that the Coast Guard examine whether the offshore patrol cutter, a new cutter not yet in design, could meet the national security cutter mission and potentially obviate the need to produce two national security cutters. The offshore patrol cutter is supposed to replace the existing 210 foot and 270 foot cutters.

Are you looking, or will you potentially look, at using this offshore patrol cutter as a replacement of the two NCSs. Mr. Hutton, I would appreciate your view on that, too, if you would chime in; Admiral?

Admiral ALLEN. Well, since it was raised by an independent third party, we need to look at it and evaluate it. We need to look at the mission profile. If you look at operations in the Pacific and the Bering Sea, potentially north of the Bering Sea, off of Columbia, for drug interdiction, we have a cutter deploying to the West Coast of Africa this summer.

We need to look at the mission demand for the endurance that the NSC will bring, which is greater than the OPC, and make a decision on the tradeoff and requirements, sir.

Mr. PRICE. Mr. Hutton, I do want to hear from you. But also, Ms. Roybal-Allard, do you have another question?

INCREASE OF FUNDS FOR DEEPWATER

Ms. ROYBAL-ALLARD. I just wanted to add that given the budget request includes an increase, a 20 percent increase in funding for the Deepwater Project, and given the fact that not all the reforms have been completed and there are some problems, if you could include in your report as to whether the timing is right to give a 20 percent increase at this point, will it help address some of the problems, or will it complicate it, because of their inability, at this point, to fully manage the program.

Mr. PRICE. Admiral, you may want to respond to that briefly, and then respond for the record.

[The information follows:]

We are confident that we are on the right course with a 20 percent increase in funding for the Deepwater program. The reorganization I enacted last summer standing up the new Acquisition Directorate, incorporates program and oversight management reforms recommended by the Defense Acquisition University. Codified as the *Blueprint for Acquisition Reform*, the Coast Guard is moving forward in achieving real improvements in how we handle major acquisitions and assuring proper stewardship. Working closely with the Department, we are hiring top-notch professionals and improving training and certification,

We are also applying the Coast Guard's Major Systems Acquisition Manual guidelines to all of the projects falling under the Deepwater program and are already seeing tangible results. Over the past year and a half, these acquisition program changes have resulted in the following significant accomplishments.

The USCGC BERTHOLF (WMSL 750), the first of eight NSC's to be built, has successfully completed machinery and builders trials leading to delivery this spring. I have walked that cutter many times as it has been built --- this will be the most capable cutter that the Coast Guard will have the privilege of putting into service for the nation. The USCGC WAESCHE (WMSL 751) is nearly 50 percent complete, and we will cut steel for the third ship, the USCGC HAMILTON (WMSL 752), this summer.

We have completed Developmental Test and Evaluation (DT&E) of the Mission System Pallet for the first fully-missionized HC-144 Ocean Sentry maritime patrol aircraft this month and have five more under construction to add to the three already delivered. We've upgraded our entire fleet of HH-65C helicopters with more powerful engines, and replaced the prior HITRON helicopters with these new assets, which are equipped with airborne use of force (AUF) capability.

We added new sensors and communication systems aboard 35 of our legacy medium endurance cutters last year and will do the same to five more if we receive the FY 2009 request. Our mission effectiveness project to sustain and refurbish our legacy fleet of 110-foot patrol boats and both classes of medium endurance cutters are on schedule, and we have actually reduced the time to complete each patrol boat at the Coast Guard Yard by approximately three months. The first of six newly-missionized C130J Hercules long range surveillance aircraft just successfully completed DT&E last week and will enhance our capabilities once it completes operational testing this year.

I have every confidence in my Chief Acquisition Officer, Rear Admiral Gary Blore and his outstanding staff. The addition of three SES's to our acquisition corps, the majority of whom have come to us with years of experience with the Department of Defense, has helped us move leaps and bounds in the right direction. As I said earlier, the best indicators are the Deepwater assets serving in our air and sea fleets today. The awards of contracts for the NSC #4 Long Lead Time material, additional HC-144A and the Fast Response Cutter-B will be very public and visible evidence of continued progress this summer.

Additionally, we're measuring progress in improving the Deepwater program through several strategies:

1) recently receiving the Deepwater Alternatives Analysis report, an example of a third-party review of a major acquisition program, that confirms our basic procurement strategy remains valid for meeting mission requirements;

2) use of Earned Value Management (EVM) policies documented in the Coast Guard Major Systems Acquisition Manual (MSAM) for monthly analysis and reporting for oversight; internal review of financial data tracking to ensure data is accurate, complete, timely, and reliable; and

3) converting the Deepwater Performance Management System (DPMS) to the Acquisition Performance Management System (APMS), and the integration of the three USCG accounting systems into a complete Acquisition, Construction, and Improvement (AC&I) data set.

Our FY 2009 budget request was made with the awareness of what we can properly manage and obligate to move Deepwater forward and continue to provide the Coast Guard men and women with the assets needed to perform our critical missions.

I expect that continued progress will be made in Coast Guard Acquisition Management and I want to reiterate that we are confident that the Coast Guard could appropriately, effectively and efficiently manage the funds requested.

Admiral ALLEN. Well, it is always a tradeoff, ma'am. We need these new cutters desperately. We need to re-organize our acquisition program. We need to adhere. We have been assiduously dealing with GAO on this thing.

There are three items left to do, to be able to get our house in order. But quite frankly, they are in progress. It is not that there are still gaps. There are things that we are working on that we just have not finished or demonstrated that we have completely done them.

So the answer is, we are always going to be in a risk position where we are not going to be able to wait on some of these decisions, because we need these cutters and aircraft out there as fast as we can. But we have to demonstrate competency and stewardship and capacity to be able to do this, and that is the reason we welcomed GAO's partnership as we move forward there.

Mr. PRICE. Mr. Hutton, let us return, for just the time we have remaining here, to the offshore patrol cutter. What would you say about that proposition?

Mr. HUTTON. The one thing I can add is that with respect to the OPC, the Coast Guard has basically taken a pause. They are looking at their requirements right now.

As they look at those requirements and they assess the results of the alternatives analysis, they are also looking at upgrading some of their modeling to look at the mixing of the assets and what is the most optimum, I think that there is some time right now where they can look at those things and then make a determination, when it is appropriate, what steps make the most sense for the Coast Guard.

Admiral ALLEN. Mr. Chairman, could I add a comment?

Mr. PRICE. Certainly.

Admiral ALLEN. This is not part of your questions. But I think in truth in advertising, there are other discussions going on in government about ship building right now.

I meet regularly with the Chief of Naval Operations. They are building, as you know, a littoral combat ship at this time. We are also looking at whether or not there are synergies and advantages to be gained, either by current designs the Navy may be looking at or even systems or sub-systems that we can share on these ships moving forward as well, sir.

OFFSHORE PATROL CUTTER PROCUREMENT PROCESS

Mr. PRICE. I do have a remaining question, which I am going to ask you to answer for the record, having to do with the kind of procurement processes that should apply to this offshore patrol cutter. It is not yet in design.

I want to ask whether the committee should require the Coast Guard to conduct the procurement like the current fast respond cutter-B procurement. That is through an open competition. I would appreciate your views on that.

Admiral ALLEN. It will be openly competed, sir.

Mr. PRICE. You can assure us of that?

Admiral ALLEN. Yes, sir; absolutely.

Mr. PRICE. All right, well, that might make that response a very short one. If you have anything to add, Mr. Hutton, we would appreciate.

I am going to have to call this to a halt. Oh, Mr. Farr has just arrived. We are at the 10 minute point. Mr. Farr, if you have a question to chime in, we maybe have a moment for that.

Mr. FARR. Well, I am sure I have a question, but I cannot find it. [Laughter.]

TEAM MONTERAY

I just want to thank you very much for your help last year when we were engaging in port security and Customs Border Patrol. I have learned a lot about the Coast Guard and the Pacific Coast.

Certainly, I have put together something that might be of interest to you. I have a thing called Team Monteray, which is all the military entities that are in Monteray County. There are about seven of them. They have each known what others do.

Since we got the Center for Homeland Security there and the Center for Post-Conflict Reconstruction; the Naval Post-Graduate School and the Language Schools; and Perserak, which is the manpower development; and Fleet Numerical, which you work with, which gives operational weather data all over the world, they have all come together and realized that this jointness really can get a better bang for the buck for each one of them, and I am pleased that the Coast Guard is a member of that. We look forward to working with you.

Admiral ALLEN. Sir, we thank you for your support. I have just two quick items. I did go out and address the Naval Post-Graduate School, Homeland Security Masters Program recently.

Mr. FARR. What did you think of it?

Admiral ALLEN. It is a terrific program; absolutely terrific, sir.

Mr. PRICE. That is the right answer, I assure you. [Laughter.]

Admiral ALLEN. It is the truth. Also, we have come to an accommodation with NOAA on the former Coast Guard facility there. You and I had discussed that at one point, sir. I think we are on level ground there, moving forward, sir.

Mr. FARR. Yes, really, I think that is just good jointness that makes sense.

Admiral ALLEN. Yes, sir.

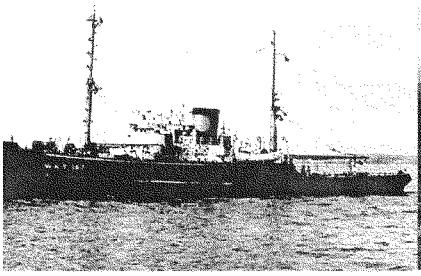
Mr. FARR. All right, thank you; Mr. Chairman, I am sorry to come in at the very end.

Mr. PRICE. That is all right. We have had a moveable feast this morning, with many subcommittees having hearings.

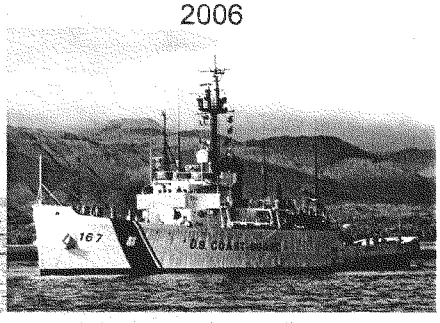
Let me thank all of our witnesses. We appreciate the work you do, and we appreciate your help this morning. The subcommittee hearing is adjourned.

USCGC ACHUSHNET

1946

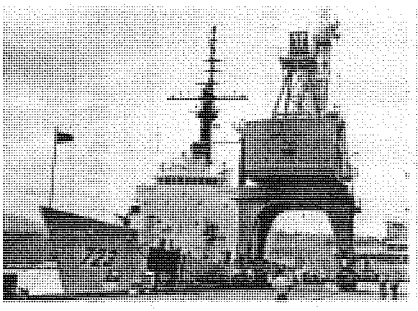


2006



USCGC RUSH

1971



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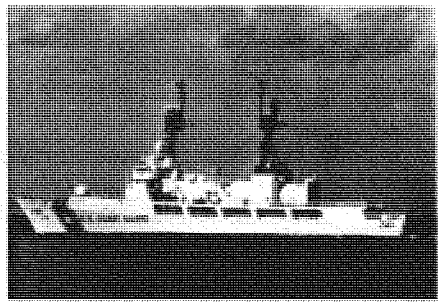
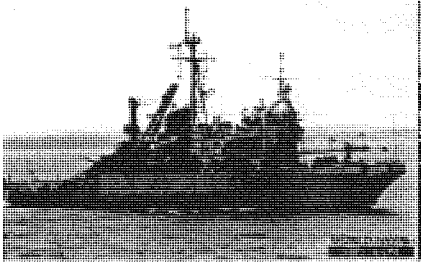


USCGC ALEX HALEY

1971



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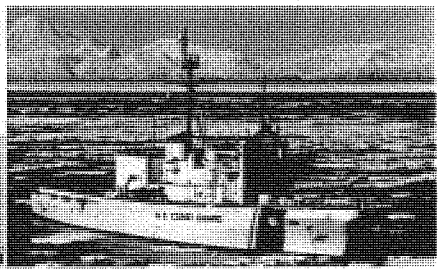

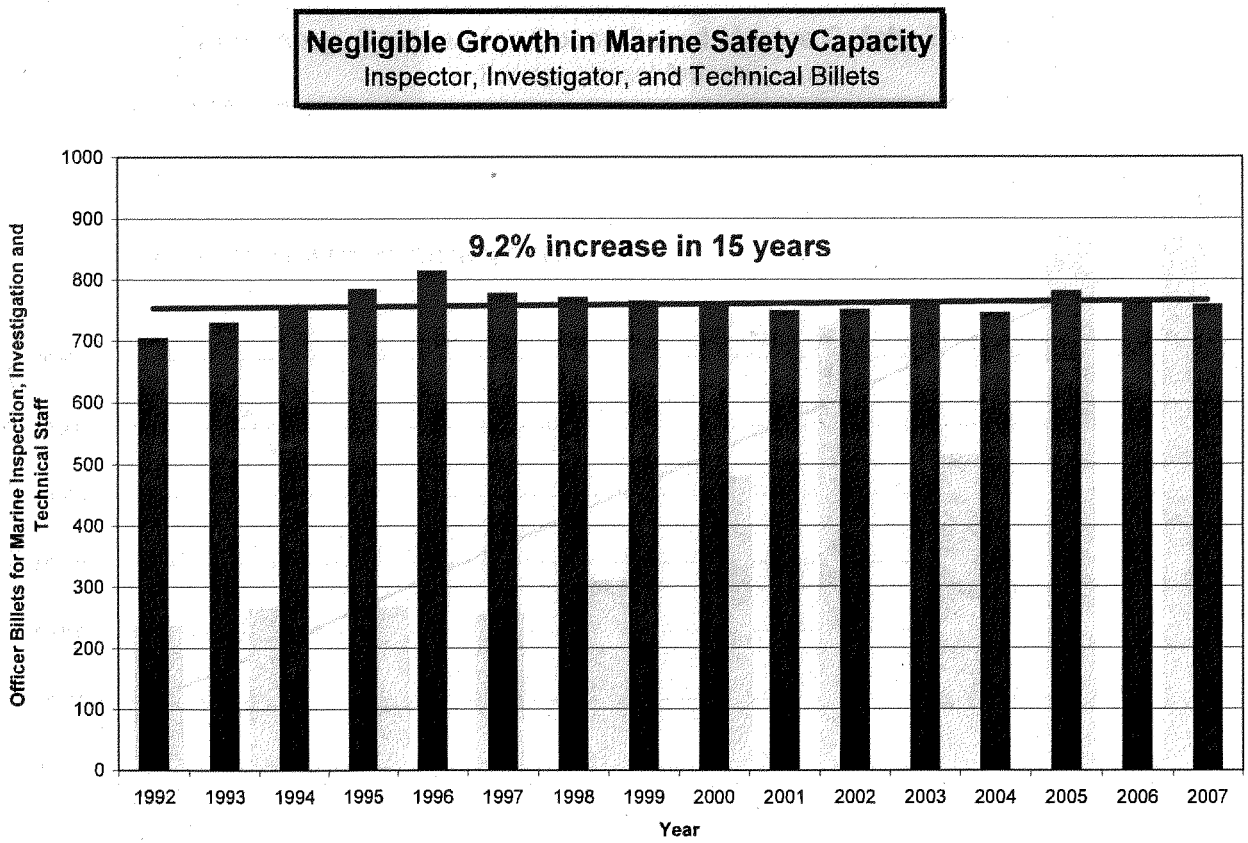
Negligible Growth in Marine Safety Capacity
Inspector, Investigator, and Technical Billets
9.2% increase in 15 years
Officer Billets for Marine Inspection, Investigation and Technical Staff
1000
900
800
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600
500
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1992
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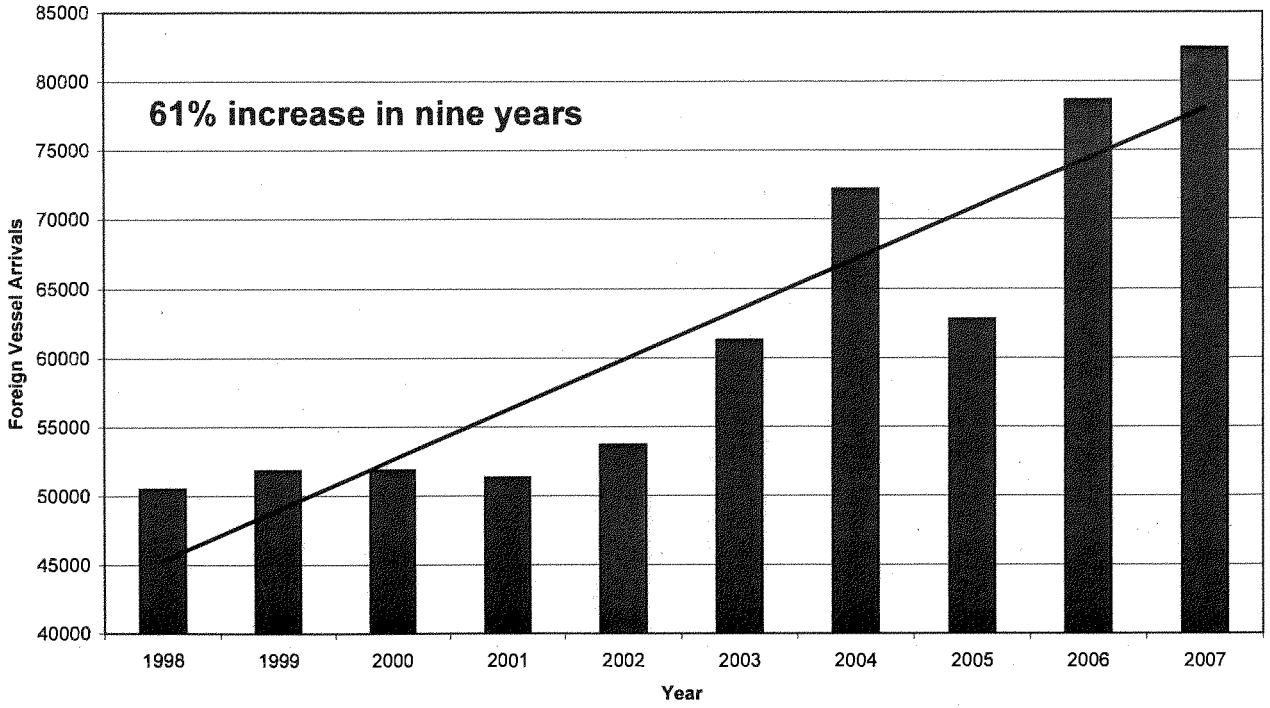
2007
Year

Increasing Demand for Coast Guard Marine Safety Services
Foreign Vessel Arrivals



QUESTIONS FOR THE RECORD SUBMITTED BY

CHAIRMAN DAVID PRICE

Coast Guard
Fiscal Year 2009 Budget Request

A-76

Question: In May 2007 GAO found that Coast Guard contracted-out support services for its "competitive-sourcing" or A-76 program. The contractor performs a wide range of activities, including policy development and planning. In other words, Coast Guard contracted-out contracting out and since that time the number of A-76-related contracts has increased substantially, to six in 2007.

⇒ How many staff now work on A-76 activities for the Coast Guard?

ANSWER: The Coast Guard's annual Federal Activities Inventory Reform (FAIR) Act inventory and Green Plan are developed, reviewed and approved solely by federal employees. Moreover, governmental employees are assigned as the designated Competition Officials for each A-76 study and all performance decisions are made by governmental personnel.

Support Service Contractors provide only technical support and assistance at the Program Office level and for each A-76 study. These contractors are not asked, nor do they perform inherently governmental decision-making functions. Additionally, all contract deliverables are reviewed by the government prior to acceptance.

Currently, the Competitive Sourcing/A-76 Program staff has one GS-15 and one GS-14 who administer the program. The Competitive Sourcing staff reports to a senior GS-15, under the purview of the Coast Guard's Chief Financial Officer.

⇒ How many are contractors, civilian, and military personnel?

ANSWER: The Competitive Sourcing/A-76 Program staff has one GS-15 and one GS-14 who administer the program. Currently, there are no military members assigned. The support services contractor currently provides a staff of two.

⇒ Who is responsible for A-76 analysis and recommendations?

ANSWER: The Coast Guard person responsible for analysis and recommendations is the Chief (GS-15), Competitive Sourcing Program Office (CSPO).

⇒ Does Coast Guard have a certain number of A-76 studies that it must conduct, either assigned by DHS or OMB?

ANSWER: The determination of whether a new activity is performed by contractors or government employees is made by contracting officials at individual Coast Guard commands. The Contracting Officer is responsible

for ensuring that a proposed contract for services is proper for a given purpose. The Federal Acquisition Regulations (FAR) Subpart 37.1 (Service Contracts--General) directs agencies to generally rely on the private sector for commercial services and to not award a contract for the performance of an inherently governmental function. Similar and related direction is also found in OMB Circular No. A-76 (Performance of Commercial Activities) and FAR Subpart 7.3 (Contractor Versus Government Performance).

⇒ Do contract staff make recommendations to Coast Guard on contacting out?

ANSWER: Support service contractors provide only technical support and assistance at the Competitive Sourcing Program Office level and with each A-76 Study. They are not asked to, nor do they perform any inherently governmental decision-making functions.

The Coast Guard's annual Federal Activities Inventory Reform (FAIR) Act inventory and Green Plan are developed by the Competitive Sourcing Program Office Chief (GS-15) with the assistance of stakeholders, reviewed by the Competitive Sourcing Official (Rear Admiral), and approved by the Chief of Staff (Vice Admiral). Moreover, inherently governmental employees are assigned as the designated Competition Officials for each A-76 study and all performance decisions are made by inherently governmental personnel.

⇒ How does Coast Guard make decisions on whether new activities are performed by contractors or in-house?

ANSWER: The determination of whether a new activity is performed by contractors or government employees is made by contracting officials at individual Coast Guard commands. The Contracting Officer is responsible for ensuring that a proposed contract for services is proper for a given purpose. The Federal Acquisition Regulations (FAR) Subpart 37.1 (Service Contracts--General) directs agencies to generally rely on the private sector for commercial services and to not award a contract for the performance of an inherently governmental function. Similar and related direction is also found in OMB Circular No. A-76 (Performance of Commercial Activities) and FAR Subpart 7.3 (Contractor Versus Government Performance).

COAST GUARD ACADEMY

Question: GAO reported in January 2008 that unlike the other services, Coast Guard is not required to have a sexual assault response coordinator position and is not required to submit sexual assault data for DoD's annual report and to participate in assessments methodologically comparable to those administered by DoD. GAO also found that although Coast Guard had performed a limited assessment of the academy's sexual harassment program, it has not established guidance, program requirements, or a management oversight framework. GAO concluded that without this type of management oversight framework, including data collection, maintenance, management goals, performance measures and milestones, Coast Guard would not know if its efforts to prevent, respond to, and resolve sexual harassment incidents were effective.

⇒ Does the Coast Guard agree with these recommendations?

ANSWER: The Coast Guard's response to the GAO report is documented in Appendix III. To be clear, we are committed to continuously improving our sexual assault and harassment prevention programs. For example, we have recently implemented a new, comprehensive sexual assault policy which GAO recognizes as addressing many of their concerns. We are also establishing new positions at Coast Guard Headquarters and the Academy to manage training, expand reporting options and improve victim care.

Additionally, we are benchmarking the Department of Defense by adopting their annual Service Academy survey of cadets and staff at the Coast Guard Academy. We are immediately implementing the survey during academic year 2008. We are also enhancing prevention and edueation efforts at the Academy by requiring cadets to receive a comprehensive and improved training program on sexual assault, harassment and alcohol abuse prevention. Originally implemented in 2006, this program provides approximately 25 hours of training during each cadet's four year tenure.

In addition, a specific plan for CGA is being developed by the CG sexual assault program manager that provides specific goals, objectives and annual measurement criteria by which to assess the Academy's Sexual Assault Response Program.

⇒ Please provide the dates of when Coast Guard expects to fully implement the recommendations?

ANSWER: The Sexual Assault and Response and Prevention Program (SARPR) policy was recently implemented and acknowledged as addressing many of GAO concerns.

We expect two new positions, Sexual Assault Response Coordinator and an Employee Assistance Program Coordinator, to be filled within the 3-6 months. We are also adopting and implementing the annual DoD Service Academy Gender Relations Survey for academic year 2008.

⇒ Should Congress require Coast Guard to submit data and participate in assessments similar to DoD?

ANSWER: The Coast Guard is committed to adopting the Department of Defense (DoD) assessments and data reporting and does not believe there is a need for a legislative requirement. The issue is a top organizational priority.

MARITIME SECURITY

Question: GAO found that the Coast Guard had not met its own security requirements for activities such as vessel escorts, boardings, and critical infrastructure patrols. In the 2008 Appropriations, this Committee added $29.4 million for an additional 238 boat crew members, boarding team members, and marine inspectors and 26 Defender Class small boats to enhance Coast Guard's ability to enforce security zones, protect critical infrastructure, and provide escorts and boarding of high interest vessels.

⇒ With the additional funding made available to the Coast Guard last year and the $24.6 million requested by the Coast Guard this year to annualize that funding, will the Coast Guard be able to fulfill its security requirements?

ANSWER: Not every Coast Guard Sector has all of the resources required to meet Coast Guard's certain dangerous cargo (CDC) vessel security requirements, or all other critical infrastructure protection requirements under the Maritime Transportation Security Act; although resources are allocated through risk-based decisionmaking and the Coast Guard did meet its primary performance measure for its Ports, Waterways and Coastal Security mission. Funding provided in the Consolidated Appropriations Act of 2008 will help mitigate some of these resource gaps, but projected increases in the number of CDC vessels entering U.S. ports will increase the importance of risk management as Sectors struggle to meet increasing CDC vessel security demands. Additionally, the full scope of Coast Guard security requirements is much broader than CDC security. The following security operations do not directly benefit from the aforementioned funds:

- Escorts of high-capacity passenger vessels and high value units;
- Security boardings;
- Security patrols; and
- Visits to maritime critical infrastructure and key resources.

⇒ Is additional funding in 2009 necessary? In other words, are the 26 additional small boats and 238 boat crew members that this Committee added in 2008 enough?

ANSWER: Consistent with the planning process reflected in the FYHSP, we are in the continuous process of identifying gaps in our boat forces community beyond what is presented in the President's request. In 2007, Pacific and Atlantic Areas deployed the Boat Analysis Tool (BAT). The BAT uses standard methodology to quantify total mission required boat hours throughout the Coast Guard.

The Office of Boat Forces compared the mission required 724,707 boat hours in the BAT to currently deployed capabilities (i.e., boats and boat crew personnel). This yielded a mission required boat hour gap of approximately 400,000 hours (or 57 percent) which is considered when assessing Coast Guard performance against stated Ports, Waterway, and Coastal Security (PWCS) mission objectives. At present, the Coast Guard is meeting PWCS performance objectives. We use a layered approach and system of assets and activities (i.e., involving aircraft, boats, facility inspections, etc.) to fulfill PWCS objectives. The results of the BAT are being vetted through the program and validated against both risk based operational needs and Coast Guard mission hour requirements

In 2008 we received $29.4 million to acquire additional small boats and personnel to support increased PWCS capabilities. These assets will be used to support the increased requirement for the security of certain dangerous cargo and other port security requirements. The 2008 appropriation also provided $45 million to procure 14 more RB-Ms, our 41 ft UTB replacement boat. All of these assets will help improve our progress in mitigating the gap between currently deployed capabilities and increased mission hour requirements. The FY 2009 Budget Request will continue to close the gaps.

⇒ Should additional boats and crew be funded in 2009?

ANSWER: Consistent with the planning process reflected in the FYHSP, we are in the continuous process of identifying gaps in our boat forces community beyond what is presented in the President's request. In 2007, Pacific and Atlantic Areas deployed the Boat Analysis Tool (BAT). The BAT uses standard methodology to quantify total mission required boat hours throughout the Coast Guard.

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more RB-Ms, our 41 ft UTB replacement boat. All of these assets will help improve our progress in mitigating the gap between currently deployed capabilities and increased mission hour requirements. The FY 2009 Budget Request will continue to close the gaps.

⇒ Admiral, how does your budget request compare to the need determined in your small boat study last year?

ANSWER: Consistent with the planning process reflected in the FYHSP, we are in the continuous process of identifying gaps in our boat forces community beyond what is presented in the President's request. In 2007, Pacific and Atlantic Areas deployed the Boat Analysis Tool (BAT). The BAT uses standard methodology to quantify total mission required boat hours throughout the Coast Guard.

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ENVIRONMENTAL OPERATIONS

Question: After the Exxon Valdez oil spill, laws were strengthened so that the role of the federal government was clear. The federal government is responsible for determining the level of cleanup required and for either performing the cleanup itself or directing or monitoring the clean up activities of others. A National Contingency Plan, published by the President, for removal of oil and hazardous substances is required. So, the federal government is the leader. The ultimate responsibility for clean-up rests on our shoulders. Last month, Coast Guard published an incident specific preparedness review related to the oil spill in San Francisco Bay. One of the "findings" was that the Area Contingency Plan, which links to the National Contingency Plan, was not specific enough.

⇒ First, what is Coast Guard's responsibility in reviewing Area Contingency Plans? When was the San Francisco Plan last reviewed by Coast Guard? When was it last exercised?

ANSWER: The guidance for creating and maintaining Area Contingency Plans (ACP) is detailed in 33 USC 1321(j)(4). These requirements require that the Coast Guard "periodically review" the ACP. An update/review to the ACP involves coordination with stakeholders including Federal agencies, tribal nations, state agencies, local agencies, commercial spill response contractors, natural resource trustees, responsible parties and others.

The Coast Guard uses a multilevel review process coordinated through District Offices. The District-level review looks at consistency with applicable statutes in accordance with 40 CFR 300.210c and relevant

programmatic guidance. Districts also ensure the National Strike Force Coordination Center (NSFCC) and appropriate Regional Response Teams are given an opportunity to comment.

The last official update of the Area Contingency plan was in 2005. Coast Guard Sector San Francisco is working with three different area committees (North Coast, San Francisco Bay, Delta, and Central Coast) to update the ACP for the 2008 triennial update based on COSCO BUSAN lessons-learned.

The San Francisco Area Contingency Plan was last exercised during the Golden Guardian Full-Scale Exercise November 14th and 15th, 2007 in Stockton, CA.

⇒ Second, is the National Contingency Plan specific enough?

ANSWER: Yes, the National Contingency Plan (NCP) is adequately specific. The requirements and applicability for the National Oil and Hazardous Contingency Plan (NCP) are found in 40 CFR Part 300. The purpose of the NCP is to provide the organizational structure and procedures for preparing for and responding to discharges of oil and releases of hazardous substances, pollutants, and contaminants. It specifies responsibilities among the Federal, state, and local governments and describes resources that are available for response at the national level. The NCP also establishes requirements for Federal, regional, and area contingency plans.

Another recommendation from the San Francisco oil spill incident specific preparedness review was that all responders, especially in Coast Guard's Incident Management Divisions and Command Centers, need training about the complexities of spill quantification.

Question: Another recommendation from the San Francisco oil spill incident specific preparedness review was that all responders, especially in Coast Guard's Incident Management Divisions and Command Centers, need training about the complexities of spill quantification.

⇒ Does the 2009 budget include funding for this training?

ANSWER: Funding for these types of courses are included in the Fiscal Year 2009 President's Budget as part of the Coast Guard's base funding. The Coast Guard's Pollution Incident Response School at Yorktown, Virginia provides oil spill quantification information to its students. Quantification is addressed as part of the on site assessment lesson and includes use of job aids and other tools to assist the responder in spill quantification. In addition, Coast Guard personnel involved in pollution response work frequently attend the NOAA Science of Oil Spills course and Shoreline Clean-up Assessment Team (SCAT) Training which address complexities of spill quantification. We are reviewing lessons-learned from the San Francisco oil spill and will adjust course of work as necessary.

⇒ How many people need to be trained and when did they last receive training?

ANSWER: Oil spill quantification is addressed within the Pollution Incident Response course at the Coast Guard's Training Center. Personnel in the oil spill response field attend this training as part of a job qualification process in addition to on-the-job training and other formal oil spill response courses. The exact number of personnel requiring training is variable and depends on where an individual member is in their job qualification process. In 2007, 72 members attended the Pollution Incident Response course.

AQUATIC INVASIVE SPECIES

Question: Aquatic invasive species are transported easily within ballast water carried by ships from foreign waters. Currently, any ship sailing from a foreign port is required to exchange ballast water outside of the U.S. Exclusive Economic Zone (EEZ) prior to calling at a U.S. port. This method has proven insufficient in preventing aquatic invasive species from entering U.S. waters. Sediment remains in the ballasts even after ballast water exchange, and can still contain nuisance species. One new solution offered is onboard ballast water treatment systems. However, these cannot be developed or mandated effectively without a decided level of efficacy and standards for development.

⇒ Coast Guard's FY09 budget justification states that Coast Guard plans to "develop a means to ascertain the efficacy of Ballast Water Treatment systems." Will you be testing different ballast water treatment systems in 2009? If not, when will "the means" be ready to test different ballast water systems?

ANSWER: The Coast Guard does not intend to test treatment systems. Rather, the Coast Guard is developing standardized test procedures that will be required of independent test organizations for the purposes of "type" approval by the Coast Guard. The Coast Guard has been working with the Environmental Protection Agency (EPA) and Naval Research Laboratory (NRL) to develop standard protocols and methods for testing the efficacy of ballast water treatment systems. Draft protocols were developed in partnership with the EPA Environmental Technology Verification Program in 2002-2004. The Coast Guard then worked with NRL to validate and refine the protocols in 2005-2007. The specific test requirements and procedures for approval will be announced as part of the Coast Guard's ballast water discharge standard rulemaking.

⇒ What form will the "regulation for control of non-indigenous species" that you are developing take? Is it going to require a working system or will it require a level of efficacy for a system?

ANSWER: The proposed regulation is still under development and we cannot comment on the form it will take at this time. Also, several bills are pending, and the Administration recently submitted a draft bill, which, if passed, would significantly affect the statutory context and requirements for a ballast water standard.

Question: Please list the amount of research funding obligated, or planned to be obligated, on aquatic invasive species activities for fiscal years 2000-2008. Break out in no more than $1 million increments and describe what the funding was used for.

ANSWER: The research funding obligated, or planned to be obligated, on aquatic invasive species activities for fiscal years 2000-2008 is attached.

Activity	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	Total by Activity
Standard Setting		$174,326								$174,326
Ballast Water Exchange (BWE)	$141,000	$100,000	$576,780	$601,667	$522,717	$525,009	$119,050	$491,809	$325,000	$3,403,032
Ballast Water Treatment (BWT)	$523,500	$365,972	$217,960	$503,700	$199,931	$175,348	$193,476	$303,000	$425,000	$2,907,887
Fouling and Other			$105,714							$105,714
Total by FY	$664,500	$640,298	$900,454	$1,105,367	$722,648	$700,357	$312,526	$794,809	$750,000	$6,590,959

Question: Has Coast Guard funded performance testing of ballast water treatment technologies? If so, please describe the findings. If not, when is such testing planned?

ANSWER: The Coast Guard has not funded performance testing of ballast water treatment systems, and has no plans to do so. Testing of treatment systems will be funded by treatment system manufacturers as part of the process required to gain Coast Guard approval.

Testing of ballast water treatment systems has not started, thus there are no findings. The specific test requirements and the procedures for gaining Coast Guard approval for treatment systems will be announced as part of the Coast Guard's ballast water discharge standard rulemaking, which is currently in progress.

INTELLIGENCE OPERATIONS

Question: Coast Guard has requested $12.3 million for the Maritime Awareness Global Network to consolidate information from 20 separate data sources. Coast Guard has told the Committee that Lexus Nexus commercial personal information is to be included in this. Has Coast Guard done a privacy impact assessment of the use of personal data?

ANSWER: The Coast Guard has prepared a Privacy Impact Assessment (PIA) for MAGNet regarding the use of personal data. This PIA is currently under review within the Department of Homeland Security.

Question: A 2004 Booze Allen Hamilton Counterintelligence study conducted for the Coast Guard recommended 180 billets to sustain a fully functioning counter-intelligence program, or a minimum of 50 billets to provide "baseline" support. Yet, the 2009 budget requests only 29 positions. Why? What in the "baseline" support will Coast Guard not be able to do in 2009?

ANSWER: The Coast Guard is administering a phased approach to grow its Counterintelligence Service (CGCIS). The FY 2009 Budget will increase the strength of the CGCIS to approximately 44 personnel. This budget request supports the appropriate, sustainable mix and magnitude of personnel that the CGCIS can realistically absorb in one year when considering a variety of factors including program management, training throughput, available office space, etc.

The Coast Guard will continue in future years to take into account Booz Allen Hamilton study recommendations, and lessons-learned.

If the FY 2009 budget request is not funded, the Coast Guard Intelligence Service (CGCIS) will lack the resources to expand CI Awareness training to all Coast Guard units; conduct CI analysis in support of national/strategic requirements and tactical missions; adequately conduct CI inquiries/investigations; enhance CI support for cyber and resource technology protection (RTP) priorities; target 'non-traditional' threats (especially foreign drug trafficking intelligence elements); and run offensive operations.

ESTIMATED DEEPWATER CARRYOVER FUNDS

Question: At last year's hearing, Coast Guard estimated it would carry forward $575 million in Deepwater funding from 2007 to 2008. Later on in the year, Coast Guard estimated it would carry forward $385 million. Even later on in the year (April) that number dropped to $215 million. The actual amount of Deepwater

funding Coast Guard carried forward into FY 2008 was $566 million. This is relevant because over the past five years Coast Guard has estimated each year that it will obligate more funding for Deepwater than it actually does. The underestimation of the carryover resulted in this Committee providing more funding for Deepwater than might have been necessary, and that is particularly a cause for concern because of the limited resources we had to address needs across the entire Department. Coast Guard today estimates that it will only carry $88 million in unobligated Deepwater funding into 2009. What can you tell us that would give us more faith in that estimate as we begin writing the bill for FY 2009?

ANSWER: The reason that the Coast Guard has reasonable faith in the current estimate is based on last year's obligations. In FY 2007, the Coast Guard obligated approximately $1.25 billion for the Deepwater program, which was a Coast Guard record for the Acquisition, Construction & Improvement (AC&I) account. Even though the Coast Guard did not obligate $566million by the end of Fiscal Year 2007, that amount included approximately $99 million for the Offshore Patrol Cutter (OPC) and the Fast Response Cutter that was requested to be rescinded in the President's FY 2008 budget. Based on that request, the net unobligated balance was actually only $467 million. For FY 2008 there is a total of approximately $1.22 billion available for Deepwater obligations, and the Coast Guard projects that approximately $1.13 billion should be obligated in by the close of the fiscal year. Additionally, the Coast Guard will be conducting a mid-period review early in the third quarter FY 2008, and will provide an updated obligation plan to Congress after the review is completed.

We also believe the new consolidated Acquisition Directorate will significantly enhance our ability to improve project performance and obligate funding. It is modeled after best acquisition practices and includes newly-hired executives with extensive experience in Department of Defense acquisitions.

Question: Please fill in the table below listing estimated monthly obligations for each Deepwater asset for fiscal year 2008.

	Oct-Feb	March	April	May	June	July	August	Sept.
FRC-B								
FRC-A								
OPC								
NSC								
HH60								
HH65								
MPA								
MEC Sustain								
Patrol Boat Sustain								
Short Range Boat								
UAV								
C130H								
C130J								
Air Use of Force								
C4ISR								
Systems Engineering								
Logistics								

ANSWER: The Coast Guard Acquisition Directorate's obligation plan for each Deepwater project is prepared on a quarterly basis. The actual total obligations through February 29, 2008, are only $131,348 thousand because the FY 2008 appropriation was not received until late December and included appropriation language withholding

$300M until the Deepwater expenditure plan was submitted, and the Alternative Analysis was completed, and withholding $70 million from the HC-144A until the Mission System Pallet completed Development Test and Evaluation.

The table below includes the quarterly estimate of obligations based on the FY 2008 enacted language for fund obligation. Additionally, the Coast Guard will be conducting a FY 2008 mid-period review of project obligations in April 2008. An updated FY 2008 obligation plan will then be provided to Congress.

	FY08 Actual and Planned Obligations			
(Thousands of dollars, budget year dollars)	Actual through 29 Feb 2008	Planned for Remainder of Q2FY08	Planned Q3FY08	Planned Q4FY08
Integrated Deepwater Systems	**$131,348**	**$420,156**	**$368,284**	**$209,384**
Aircraft	**$34,129**	**$226,728**	**$132,767**	**$79,669**
Maritime Patrol Aircraft (MPA)	$4,035	$180,127	$14,147	$0
Unmanned Aerial Vehicle (UAV)	$0	$0	$0	$0
HH-60 Conversion Projects	$3,783	$37,383	$29,464	$4,443
HC-130H Conversion/Sustainment Projects	$1,412	$0	$40,944	$23,456
HH-65 Conversion/Sustainment Projects	$5,552	$471	$20,233	$44,039
Armed Helicopter Equipment (Airborne Use of Force)	$11,907	$0	$27,980	$7,731
HC-130J Fleet Introduction	$7,440	$8,746	$0	$0
Surface	**$44,071**	**$95,830**	**$187,565**	**$83,070**
National Security Cutter (NSC)	$26,819	$89,836	$47,700	$57,620
Offshore Patrol Cutter (OPC)	$230	$0	$3,300	$1,470
110-123 Patrol Boat Conversion	$0	$2,054	$4,107	$2,054
FRC - A Class	$0	$0	$0	$0
FRC - B Class	$253	$947	$94,000	$800
IDS Small Boats	$392	$1,334	$1,182	$1,751
Patrol Boats Sustainment	$1,953	$82	$26,000	$11,965
Medium Endurance Cutter Sustainment	$14,425	$1,578	$11,277	$7,410
Other	**$53,148**	**$97,598**	**$47,953**	**$46,645**
Technology Obsolescence Prevention	$0	$0	$700	$0
C4ISR (A)	($1,439)	$75,082	$25,567	$3,194
Logistics	$14,646	$5,428	$5,653	$21,786
Systems Engineering and Integration	$27,082	$5,447	$433	$3,048
Government Program Management	$12,859	$11,641	$15,600	$18,617

Note (A): C4ISR has a negative amount due to a contract de-obligation of $12M

STATUS OF DEEPWATER OVERSIGHT INITIATIVES

Question: What was the role of DHS and the DHS Investment Review Board when the Deepwater contract with ICGS was renewed last year?

ANSWER: The role of the Department of Homeland Security (DHS) and the DHS Investment Review Board (IRB) was one of appropriate oversight and awareness. In December of 2005, there was an annual Deepwater brief to the DHS IRB and Deepwater award term evaluation was included as an upcoming event in the brief. The Coast Guard briefed the IRB, executive agent, and the DHS Program Analysis and Evaluation Office in early April 2006 on the award term process and determination. During this time frame, the DHS Chief Procurement Officer was also briefed on the award term determination and planned modifications to the contract terms and conditions that reflected better business practices and improved governance.

Later in April 2006, a special briefing was provided to the DHS Deputy Secretary who was also the chairman of

the IRB. Based on this briefing the Deputy Secretary requested that the Coast Guard not proceed until his review and concurrence was provided. In May 2006, the Deputy Secretary's concurrence was received and on 19 May 2006, the Coast Guard Deepwater Program Executive Officer announced an award term determination stating the ICGS had earned an additional 43 months of performance out of a possible 60 months. The results of the award term determination and the modification of the terms of the contract to reflect improved Coast Guard oversight and increased emphasis on contractor performance and accountability were also briefed to Office of Management and Budget (OMB) and the Senate Commerce, Science and Transportation Committee Staff and the House Appropriations Committee Staff.

⇒ Did DHS require Coast Guard to take certain actions regarding Deepwater? If so, what were they?

ANSWER: While DHS did not require any specific actions be taken as a result of the award term decision, DHS has been active in Deepwater oversight. For example, the DHS Undersecretary of Management, in the role of Vice Chairperson of the Investment Review Board, approved the revised Acquisition Program Baseline (APB) for the Deepwater program in the USCG Deepwater Acquisition Decision Memorandum (ADM) dated May 15, 2007.

The ADM required completion of seven action items which are summarized as: 1) prior to the commencing negotiations with the contractor on the proposed settlement of business issues relating to NSC #1 and #2, obtain concurrence of the Deputy Chief Procurement Officer on the government's negotiation position and strategy; 2) no contract shall be awarded for NSC # 3 until the business issues relating to the first two NSCs are settled; 3) submit an updated cost and schedule estimate for the remaining NSCs after completing the Consolidated Contracting Action for the first three NSCs; 4) provide a recommendation regarding reporting of program breaches at the asset category level; 5) provide an updated Deepwater APB; 6) provide a post-delivery logistics plan for NSCs and update the NSC C41SR plans; and 7) regarding the Fast Response Cutter (FRC) acquisition, present a briefing on the FRC-B acquisition strategy. The Coast Guard has satisfied five of these seven items and the remaining two are under development and review.

⇒ How has DHS followed up with Coast Guard on these requirements?

ANSWER: No actions were required as a result of the award term decision, so no follow-up action was necessary. However, as previously discussed, the Department of Homeland Security (DHS) was heavily involved in Deepwater oversight throughout 2007. This oversight included review of the first DHS-approved Deepwater Acquisition Program Baseline (APB) in May 2007, as well as having the Deputy Chief Procurement Officer involved in the key decision points of the National Security Cutter Consolidated Contracting Action in August 2007.

⇒ Has the DHS follow-up been part of a formal process?

ANSWER: In terms of the Deepwater award term contract, there were no specific actions required. However, DHS concluded that there were seven Deepwater action items in the Acquisition Decision Memorandum of May 2007 that needed completing to provide assurance that risks had been and are being properly managed.

While five of the seven action items have been completed, DHS has continued to follow the other two items that are under development and review. Characteristically, DHS has been heavily involved as the Approving Authority for the Deepwater Acquisition Program Baselines which contain the cost, schedule and performance requirements.

Question: Your testimony, Mr. Hutton, states that Coast Guard's Deepwater procurement reform actions regarding integrated product teams, logistics, and cost control have not yet been sufficient. Could you elaborate on this?

ANSWER: This question was redirected to GAO as per House Appropriations Subcommittee staff.

Question: Last year the Commandant told this Committee that eight engineering change proposals for Deepwater would be completed in 2008. Admiral, what is the current estimate of the number due to be completed in 2008 today? If it differs from eight, please explain why.

ANSWER: Please see the below table of eight engineering change proposals (ECP) which reflect post-9/11 requirements for National Security Cutter. Five of the eight have been completed as of February 2008. The ECPs and their status are provided:

ECP	Status
Aircraft Handling System	Accomplished
Berthing	Accomplished
Communications (EXCOM)	Partially Accomplished (1 of 3 phases complete)
Flight Deck	Accomplished
Navy Type Navy Owned Equipment	Accomplished
Chemical/Biological/Radiological	Accomplished
Combat Management System	Deferred After gaining experience with the existing system, the Coast Guard will decide whether or not to enhance combat management capability
Intel Collection (SCIF)	Three of four SCIF related ECPs are incorporated in the NSC-1 contract; the fourth ECP will be accomplished during post - shakedown availability.

The Combat Management System ECP will be deferred until experience with the existing system demonstrates if any changes are required. The Intelligence Collection ECP had four subparts. Three of the four subparts have been completed and the fourth will be completed after delivery. We can provide a briefing on ECPs if helpful.

FAST RESPONSE CUTTER/REPLACEMENT PATROL BOAT

Question: Admiral Allen, last year you said that you were going to ensure that independent verification and validation by a third party would be conducted of the design of a new asset. Coast Guard is now reviewing proposals it received for the patrol boat that will replace the current 110' patrol boat, called the Fast Response Cutter B. The rough time line we received for award of this contract is quite aggressive, within six months of when you received the proposals. Will you have an independent verification and validation before you award the FRC-B contract in June? Will such verification and validation cover all changes made to the design of the so-called "parent craft"? If not, how will you ensure that IV&V is conducted?

ANSWER: Yes, the Coast Guard is employing the services of an independent entity recognized for its expertise in ship classification to assess the ability of the offered designs to comply with the requirements in the American Bureau of Shipping Guide for Building and Classing High Speed Naval Craft (HSNC Guide). Structural,

electrical, mechanical and control system engineers with significant experience in performing design analysis and reviews are conducting the review.

Any changes to the design of the "parent craft" would occur after contract award for the FRC-B. Following contract award, the Coast Guard will manage the FRC-B design (and any associated changes) through a series of design reviews. These design reviews will include participation of the Coast Guard technical authorities who will involve third-party independent entities for verification and validation as appropriate.

Question: Please provide the current schedule for the FRC-B, by major milestone and month.

ANSWER: The complex nature of a major acquisition such as the FRC-B does not lend itself to providing major milestones by month. As such, the major milestones beyond award for the design and construction of the lead cutter are being provided by quarter and fiscal years as specified in the Coast Guard Major System Acquisition Manual. The first milestone listed is the contract award; progress to date has been very good due to the number of offerors, the quality of the proposals and the Coast Guard's progress in evaluating the proposals.

- Contract Award for design and construction of the lead cutter – Q3FY08*
- Option award for Low Rate Initial Production – Q2FY09
- Option award for Full Rate Production – Q1FY10
- Lead Cutter Delivery – Q3FY10
- 12th Cutter Delivery – Q4FY12

* Based on the number of offerors and the fact that this is a major acquisition that includes a rigorous evaluation of complex technical proposals, the date may be at risk. The proposal evaluation progress is being monitored daily and any schedule change would be closely managed to limit impact on the anticipated award date to weeks, not months.

MARITIME PATROL AIRCRAFT

Question: This Committee, in the 2008 Appropriations, directed Coast Guard to study and report back on interim stop-gap measures that may be used to address the maritime patrol hour gap. The Coast Guard is substantially below the 44,000 air patrol hours that it said it needed in 1998, and is probably today only operating at about half the 61,600 air patrol hours it determined it needed in 2004. This is due to the old age and bad state of the current Falcon Jets. Other than speeding up production of the CASA's, which are the Falcons replacement, which is difficult to do while CASA is still in the developmental testing phase, what alternatives has Coast Guard explored?

ANSWER: The MPA gap is not framed by the age or condition of the HU-25. Rather, it is a reflection of the number of fixed wing assets in the Coast Guard inventory influencing the number of programmed flight hours available. The HU-25 is contributing the programmed amount of 800 flight hours per airframe, as are the C-130's. In fact, during 2007, the HU-25 flew 13,384 hours, which is only 263 hours, or 0.01% less than programmed targets.

The Coast Guard is continually examining options to accelerate closure of the MPA gap and is on track to deliver the required report on time. Our best strategy remains accelerating the HC-144A, which are planned to produce 1,200 hours per year.

Question: Last year Coast Guard told us that the warranty for the maritime patrol aircraft was for one year from the time of DD250 acceptance, which was December 2006 for airframes 1 through 6. In the 2008 appropriations, we provided $170 million for maritime patrol aircraft, but made $70 million of this unavailable until the Commandant certifies that the mission system pallet Development Test and Evaluation of the aircraft is complete. We have not yet received that certification, even though Coast Guard originally thought it would be completed in January of 2008. Staff then heard that the MPA was awaiting authority to operate with sensitive but unclassified information, which was expected on February 26th.

⇒ First, have you yet certified the MPA through development testing? If not, what are the issues with doing so and when do you now expect such certification?

ANSWER: Developmental Testing and Evaluation (DT&E) was completed on the HC-144A basic aircraft on December 1, 2006. The HC-144A aircraft is certified. The Coast Guard version of the CN-235-300M includes unique modifications that required Coast Guard determination of airworthiness. The FAA has also provided a separate certification for the basic CN-235-300 aircraft. The Coast Guard airworthiness certification for the HC-144A ensured the unique modifications on the basic aircraft required to perform Coast Guard missions have been carefully evaluated for safe operation in U.S. national airspace. The first three HC-144A aircraft have been delivered and are currently assigned to the Coast Guard Aviation Training Center in Mobile, AL.

The Coast Guard accepted delivery of the first Mission Systems Pallet (MSP) on March 10, 2008, upon completion of DT&E. The deliveries of the second and third MSPs are expected within 60 days. We will provide evidence of certification upon completion of internal review and approval of appropriate documentation.

⇒ Second, am I correct that the MPA warranty is was up in December 2007, even though the maritime patrol aircraft has not yet passed the development testing phase? If so, how many mission hours have these aircraft flown while under warranty?

ANSWER: Developmental Testing and Evaluation (DT&E) for the HC-144A aircraft was completed December 1, 2006. DT&E for the Mission System Pallet (MSP) was completed on March 10, 2008.

The warranties for the HC-144As and MSPs are still in effect. The warranty for HC-144A #1 and #2 is 1800 flight hours or 24 months following the acceptance of the aircraft. For aircraft #1, the warranty is in effect until December 2008. The warranty for aircraft #2 is in effect until January 2009. The third aircraft is warranted for 1300 flight hours or 15 months from the date of acceptance of the aircraft, September 2008. The 12 month warranties for MSPs #1 and #2 will be in effect until March 2009.
Total airframe hours for the HC-144A as of February 2008 are as follows:

Aircraft Number	Warranty Hours (contract)	Total Airframe Hours
1	1800	246
2	1800	285
3	1300	324

Question: Assuming certification and acceptable of the MPA, could Coast Guard accelerate the schedule for the MPA procurement? If so, how? Please provide the current schedule by month and date and any possible accelerated schedule.

ANSWER: The Coast Guard has the capacity to order four additional aircraft (#15 - #18) in fiscal year 2009. This would be in addition to the two aircraft (#13-14) already requested in the fiscal year 2009 budget.

Since the project is in stable production, it is likely that production could be accelerated. Assuming the contract vehicle was in place and the order was placed in January, 2009, the estimated first aircraft delivery would be April, 2010, with a delivery rate of one per month thereafter. The first estimated delivery of the Mission System Pallet would be approximately three months later.

Current HC-144A basic aircraft delivery schedule is based on contractual dates.

Aircraft Number	Contractual Delivery Dates (NLT)	Potential Accelerated Delivery Date[A]
4	February 2009	April 2008
5	March 2009	May 2008
6	May 2009	September 2008
7	July 2009	January 2009
8	September 2009	February 2009

Note A: The contractor has indicated the potential for aircraft production and delivery to be accelerated for delivery on these dates.

Contract negotiations are underway for aircraft #9 – 12. It is anticipated a contract will be awarded by June 2008.

C 130J COST OVERRUNS

Question: Congress provided Coast Guard six C-130J aircraft a number of years ago. These aircraft have not yet been missionized, so today they really can only be used for transportation. Coast Guard entered into a C-130J missionization contract a little over a year ago in order to limit missionization costs. I now understand that Coast Guard needs additional funding ($17 million, over a $117 million base) to install secret communications and crashworthiness crew seats. Is this true? I also understand that the total amount needed to complete missionization is estimated to be more than 10% of the original estimate. Is this true? If so, it looks like efforts to control costs here may not have worked. What are Coast Guard's current plans for C-130J missionization, please list by milestone and date?

ANSWER: The first missionized HC-130J was delivered to the Coast Guard on February 29, 2008. It is currently undergoing electromagnetic environmental effects (E3) testing at the Naval Air Systems Command (NAVAIR). The second missionized aircraft is undergoing final flight testing and should be delivered to the Coast Guard by the end of March 2008. A third aircraft has been modified completely and is undergoing system checks at the contractor facility in Greenville, SC. Planned delivery date for this aircraft is April 2008.

The contractor, Integrated Coast Guard Systems (ICGS), delivered a limitation of cost letter to the Coast Guard in September 2007, notifying the Coast Guard an additional $14.4 million would be required to complete missionization of all six HC-130Js. An independent government cost estimate completed in December 2007 estimated the cost to complete all six aircraft would be 10 to 20 percent above the original contracted cost. This estimate includes all missionization components, logistics, Secret Internet Protocol Router Network (SIPRNET) capabilities, and crashworthy observer seats. It also accounts for potential costs associated with breaks in production at the contractor's facility. The Department of Homeland Security (DHS) was notified of the additional estimated cost increase as well as the Coast Guard's efforts to develop a remediation plan to address the issue in November 2007. Congress will be advised once the remediation plan is approved.

An independent government cost estimate completed in December 2007, estimated the cost to completely missionize all six HC-130Js would be 10 to 20 percent above the original contracted cost of $117.95 million. This estimate includes all missionization components, logistics, Secret Internet Protocol Router Network (SIPRNET) capabilities, and crashworthy observer seats. It also accounts for potential costs associated with breaks in production at the contractor's facility. The amount to complete the missionization will be in a remediation plan and provided to Congress once the plan is approved.

Production for the first three HC-130J missionized aircraft is complete. Aircraft #1 has been delivered and accepted. Acceptance procedures for aircraft #2 and #3 are in progress. Delivery and/or completion dates for the HC-130J Missionization project are listed below.

Event	Actual Date
Firm Fixed Price Contract Modification to complete Aircraft #1-3	December 14, 2007
Developmental Test & Evaluation Complete	February 29, 2008
Delivery (DD-250) Aircraft #1	February 29, 2008
Request for Proposal to Missionize Aircraft #4	March 4, 2008
Event	**Planned Date**
Delivery (DD-250) Aircraft #2	March 2008
Electromagnetic Environmental Effects (E3) Testing Complete	April 2008
Delivery (DD-250) Aircraft #3	April 2008
Award Contract for Aircraft #4-6[A]	As Approved in Remediation Plan

Note A: The Request for Proposal to Integrated Coast Guard Systems stipulates the aircraft must be delivered no later than 12 months after contract award.

NATIONAL SECURITY CUTTER

Question: The National Security Cutter will ultimately replace all of the existing 378' cutter, the largest cutter the Coast Guard uses. The first National Security Cutter, the Bertholf, is now undergoing sea trials. Coast Guard is scheduled to formally take ownership of the cutter in a few months. What have the sea trials revealed, both good and bad?

ANSWER: Builders Trials (BT) were conducted from February 7-11, 2008. The Coast Guard was pleased with the overall performance of the vast majority of ship's systems, particularly the cutter's speed (it exceeded requirements) and maneuverability, the successful firing of the of the 57MM MK110 Gun Weapon System (first time from a U.S. warship), and the MK15 Close In Weapon System (CIWS). Although there has been good progress we are focusing on concerns regarding TEMPEST and Information Assurance, the small boat stern launch and recovery system, and closeout of outstanding Trial Cards.

Question: Has the Coast Guard purchased long lead material for the fourth National Security Cutter, as was planned for the spring of 2008? If not, why not and what is the current timetable?

ANSWER: The Coast Guard has not yet purchased long lead material for NSC-4. Before the Long Lead Time Material (LLTM) could be placed on contract, the Deepwater Alternatives Analysis had to be completed. The AA was completed in February 2008, the contracting effort is now underway and NSC #4's Long Lead Time Material is scheduled to be placed on contract in June 2008.

Question: What were the planned dates for acceptance trials of the NSC? What are the current dates?

ANSWER:: NSC #1 Acceptance Trials were previously scheduled to begin on February 11, 2008 and are now scheduled for April 7-11, 2008.

Question: What issues have arisen regarding the stern boat interface and launch on the NSC? What is Coast Guard doing to address these issues?

ANSWER:: The contractor has identified problems with the Long Range Interceptor (LRI) and the stern ramp skid interface, which include the capture mechanism for securing the LRI in the stern ramp. The contractor is in the process of correcting these deficiencies. Initial dockside testing of the Short Range Prosecutor (SRP) boat in the stern ramp has been successfully completed. Both the SRP and LRI are planned to be carried by the National Security Cutter.

The Coast Guard (Project Office, Technical Authority and Sponsor) continues to participate in technical interchange meetings to help the contractor identify appropriate solutions for these issues. We are committed to managing acquisition risk to the fullest extent possible.

Question: Will the NSC launch with one or two helicopters? Do the HH65s need to be modified to operate in higher sea states? If so, what modifications will occur and how will Coast Guard pay for them? Please assess the mission impact of launching the NSC with one helicopter.

ANSWER: Depending on mission requirements, the NSC may sail with zero, one or two helicopters. The Coast Guard can currently support 2,200 Days Deployed At Sea (DDAS) with counter-drug capable helicopters and approximately 1,000-1,200 DDAS with non-counter-drug capable helicopters. The Operational Commanders (i.e., Commander, Coast Guard Atlantic Area and Commander, Coast Guard Pacific Area) allocate these DDAS amongst all flight deck-equipped cutters under their operational control to execute all Coast Guard statutory missions. Sailing the NSC with two helicopters may result in other flight deck-equipped cutters sailing without a helicopter.

The Coast Guard is currently modifying an HH-65C to prototype the installation of the aircraft component of the Aircraft Ship Integrated Secure and Travers (ASIST) system to provide interoperability with the National Security Cutter's (NSC) flight deck ASIST recovery system. The probe will be installed on the underside of the aircraft, requiring some structural modifications to the airframe. Once the ASIST modification is made to the HH-65C, dynamic interface tests will be conducted to determine maximum roll and pitch limitations for operating the helicopter aboard the NSC. The HH-65C is also being outfitted with Aircraft Tracking System (ATS) sensors, which will be installed at various locations along the lower exterior of the aircraft.

The initial $7.5 million for the ASIST modification was provided with fiscal year 2007 funds reprogrammed from the NSC project to the HH-65C Conversion Project. This funding supports the development and testing of the ASIST system on the HH-65C. The prototype is expected to be complete by early 2010 for testing with the NSC.

Through modeling and simulation, the Coast Guard estimates that an NSC force package with only one helicopter will experience slight decreases in NSC migrant and counter-drug prosecutions (5-10%) and moderate decreases in NSC living marine resource prosecutions (15-20%).

Original simulations envisioned an NSC force package of one helicopter and two VUAVs. That construct would provide approximately 74,000 square nautical miles of surveillance per day while a force package

consisting of an NSC and one helicopter will provide approximately 35,000 square nautical miles of surveillance per day. A force package consisting of an NSC and two helicopters will provide 38,500 square nautical miles of surveillance per day and will provide slight increases across all NSC mission areas. While we are no longer pursuing the VUAV, we will develop similar modeling projections as other candidate UASs are examined.

UNMANNED AERIAL VEHICLE POSSIBILITIES

Question: The Deepwater Alternative Analysis that this Committee required of the Coast Guard and just received last week suggested that the Coast Guard consider a National Security Cutter without an unmanned aerial vehicle, given the risk in the UAV procurement. Of course, the first NSC will not have a UAV when it becomes operational. Given that a UAV could not be fielded until 2012, assuming all issues with it can be resolved, should Coast Guard consider eliminating the UAV from its asset list?

ANSWER: No, even though the original Deepwater Vertical Take Off and Landing Unmanned Air Vehicle (VTOL/VUAV) project was stopped, the Coast Guard's requirement for maritime surveillance capability is valid. For this reason, the Coast Guard requested $3.0M in the Fiscal Year 2009 budget to conduct the analyses to effectively and efficiently inform the resource decisions necessary to meet this requirement.

If appropriated, funding from the FY 2009 Unmanned Aircraft System (UAS) acquisition request would be executed in the following manner to perform pre-acquisition analysis phase activities:

- Supporting USCG missions with UASs,
- Conducting safety-based statistical analysis,
- Addressing FAA/ICAO maritime operational requirements for UASs,
- Analyzing air vehicle command and control and related data management approaches, and
- Analyzing data between on-scene assets, the Coast Guard's common operating picture, and other required linkages.

We can provide a briefing if you would like further information.

Question: Please describe the studies that Coast Guard plans to conduct regarding UAVs and the cost estimate for each.

ANSWER:: The FY 2009 Unmanned Aircraft System (UAS) budget request ($3.0M) will be executed in the following manner to perform pre-acquisition analysis phase activities:

- Supporting USCG missions with UASs;
- Conducting safety-based statistical analysis;
- Addressing Federal Aviation Administration (FAA) and International Civil Aviation Organization (ICAO) maritime operational requirements for UASs;
- Analyzing air vehicle command and control and related data management approaches; and
- Analyzing data between on-scene assets, the Coast Guard's Common Operating Picture (COP), and other required linkages.

The cost estimate is expected to be approximately $3.0M. Further analysis and detailed project development will verify if this single effort approach is appropriate or if the study should be segmented.

OFFSHORE PATROL CUTTER (OPC)

Question: Coast Guard plans to use $5.7 million for an OPC alternatives analysis. Who will conduct this analysis? Please provide the scope of work for such an analysis.

Answer: The study will be conducted by the Offshore Patrol Cutter (OPC) Project Office with the support of a yet to be determined third party entity who will be chosen based upon their experience in performing this type of analysis.

The scope of work for the alternatives analysis of the Offshore Patrol Cutter (OPC) will consist of the following tasks based on the requirements of the Coast Guard Major Systems Acquisition Manual.

1. Develop criteria for evaluating alternatives
2. Define alternatives (based on final operational requirements document requirements, market research and technology studies)
3. Select three or more alternatives for evaluation
4. Conduct long term supportability analysis
5. Prepare life cycle cost analysis for each alternative (include results of independent cost estimates)
6. Conduct cost/benefit analysis for each alternative
7. Evaluate alternatives based on criteria established
8. Identify the recommended alternative and document rationale
9. Write draft alternatives analysis document
10. Program Executive Officer (PEO) review and approve draft
11. Issue Version 1.0 of Alternatives Analysis

TRANSFER OF LORAN-C TO NPPD

Question: The Coast Guard operates 24 LORAN stations nationwide to help ships and planes determine their locations. It has been reported that 19 of these stations have been upgraded to eLORAN, is that correct, Admiral? How long has Coast Guard operated these LORAN stations? So, Coast Guard is certainly very familiar with the operational needs and requirements of LORAN stations. Given this familiarity, why does the budget propose moving operation of these stations to the National Programs and Protection Directorate, a newly formed DHS agency with no experience in LORAN? Given the Administration's past efforts to terminate the LORAN program, one might interpret this proposed move as just a different way to go about doing that.

ANWER: Not entirely. The principle difference between legacy Loran-C stations and stations capable of supporting an eLoran system is the ability to broadcast the Loran Data Channel (LDC). Of the 24 U.S. Loran stations, eight are presently transmitting and testing the LDC with prototype equipment. An additional 12 stations are LDC enabled, meaning the Loran transmitting equipment has been modernized so that it may accept LDC

inputs once the LDC equipment is purchased and installed. Four stations in Alaska still require extensive modernization and are not LDC enabled.

The United States Coast Guard has operated Loran for more than 50 years. The Coast Guard operated the Department of Defense LORAN-A system starting in 1943. In 1958, the LORAN-A system was placed under USCG control. By 1974 the decision was made to phase out LORAN-A and designate LORAN-C the primary navigation system for Alaska and the Coastal Confluence Zone of the United States. As such, LORAN-C was no longer an inherently military system.

The LORAN-C system was originally established as a long range maritime aid to navigation. However, over the years, maritime use of Loran has declined considerably, while its use by general aviation and components of the nation's infrastructure that require precise timing has grown. At the same time, the Global Positioning System (GPS) has become the nation's primary source for positioning, navigation and timing (PNT) for all transportation modes and especially for users of precise timing. There has been a national determination that enhanced Loran (eLORAN) is well suited to provide a complementary means of PNT for the GPS system and an appropriate back-up system in the event of a GPS outage. While LORAN-C is no longer needed for maritime navigation, the system is well suited to field eLORAN.

The Department of Homeland Security's (DHS) National Protection and Programs Directorate (NPPD) has broad responsibility for critical infrastructure protection. The budget proposal would transfer responsibility for administration of the LORAN program to the DHS-NPPD in order to consolidate responsibility for key infrastructure protection. DHS-NPPD would maintain and upgrade the system to eLORAN to serve as a means of mitigating a GPS outage. DHS is developing a plan for recapitalization and modernization of all LORAN facilities, including plans for upgrading equipment and systems to allow for eLORAN. DHS and the Administration strongly support a continued role for Coast Guard throughout the transition to eLORAN especially in the areas of development and testing support. Responsibility for administration and execution of this plan, along with its attendant multi-year investment strategy, would be managed by the NPPD.

C4ISR

Question: The Alternative Analysis that this Committee required of the Coast Guard and just received last week points out that the command and control system, or C4ISR, on the Fast Response Cutter (FRC), the replacement for the current 110' cutter, will be different from the command and control system on the National Security Cutter and that integration may be an issue. Why is Coast Guard planning for a different C4ISR system on the FRC? Why hasn't Coast Guard used components of the C4ISR system on the moth-balled 123' cutters? Since Coast Guard has taken over the integration role, how does Coast Guard plan to integrate these different systems?

ANSWER: The C4ISR system being fielded on the FRC-B represents the lowest risk C4ISR solution consistent with the overall FRC-B acquisition strategy of ensuring the delivery of at least 12 mission capable patrol boats as soon as possible. The use of the Shipboard Command and Control System (SCCS) as the C2 system for the FRC-B represents the lowest risk of connectivity issues with Commercial Off The Shelf (COTS) sensors and communication systems, as well as CG cutters and Command Centers, due to the CG's knowledge and experience in this area.

SCCS continues leveraging DOD's Global Command and Control System (GCCS) and is deployed on over 80 Coast Guard cutters. Its core C2 capability is installed in all Coast Guard Command Centers and several Vessel Traffic Service Centers and serves as the backbone of the CG's Common Operational Picture. Another important benefit of using SCCS is that it has repeatedly achieved its Certifications and Accreditations. Therefore, the risk

of integration on the FRC-B and interoperability with Coast Guard and other government assets is significantly reduced.

C4ISR components installed on the 123' cutters were acquired in 2003 and 2004 and are nearing the end of their commercial lifecycle. By the time the first Fast Response Cutter (FRC) is delivered in 2010, many of these components will no longer be supported by their manufacturers. Using 123' cutter C4ISR components would also have introduced an added degree of technical and contractual complexity and risk to the acquisition that would be inconsistent with the need to acquire additional mission capable patrol boat capabilities as quickly as possible.

Integration of the FRC-B will be accomplished through a coordinated effort between the Assistant Commandant for Command, Control, Communications, Computers & IT (CG-6), serving as the Coast Guard's C4ISR Technical Authority and the CG's Acquisition Directorate's Integrated C4ISR Program (CG-933). CG-6 and its Centers of Excellence have extensive experience acquiring and integrating command, control, communications, and sensor systems to meet Coast Guard mission requirements. With CG-933 as lead, the CG-6 Directorate will help ensure a reliable, effective and interoperable C4ISR capability is delivered with the FRC-B.

MANAGEMENT

Question: Please list all Coast Guard SES bonuses provided in 2007 by position, office, and bonus amount.

ANSWER: Listed below are all Coast Guard SES bonuses provided in fiscal year 2007 drawn from the payroll system.

Organization	Position Title	Bonus Amount[1]
Headquarters	Director for Civil Rights	$11,000
Headquarters	Director of National and International Standards	$9,000
Headquarters	Deputy Assistant Commandant for Engineering and Logistics	$13,000
Headquarters	Assistant Commandant for Intelligence	$76,356
National Pollution Funds Center	Director, National Pollution Funds Center	$76,440

[1] Includes Presidential rank awards

Question: Please list by office and pay grade level the number of non-SES employees who received a bonus or quality step increase (qsi) in 2007, the total bonus/qsi expenditures for the particular office and pay grade, and the total number of employees in the office and pay grade.

ANSWER: The following pages display Non-SES total awards paid, Non-SES total number of employees on board as of pay period ending 9/29/2007 and Non-SES QSI certified for payment in fiscal year 2007.

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
ACADEMY	00	78				78
	03			2	8	10
	04			11		11
	05			10	5	15
	06			13	3	16
	07			14	6	20
	08			1	7	8
	09			16	13	29
	10			1	14	15
	11			15		15
	12			13		13
	13			8		8
	15				1	1
ARSC	02			1		1
	05			2	2	4
	06			3	14	17
	07			34	12	46
	08			6	14	20
	09			30	26	56
	10			1	156	157
	11			37	46	83
	12			72	10	82
	13			21	1	22
	14			9		9
	15				4	4
ATC MOBILE	05			5		5
	06			2	1	3
	07			5	1	6
	08			1	2	3
	09			2		2
	11			4		4
	12			6		6
	13			3		3
AVTTCEN	07			1		1

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
AVTTCEN	09			3		3
	11			2		2
	12			1		1
	13			1		1
C2CEN	07			1		1
	09			6		6
	11			9		9
	12			25		25
	13			13		13
	14			1		1
CG HEARING OFFICE	07			1		1
	09			2		2
	11			3		3
	12			1		1
	14			1		1
CG ICC	08			1		1
	09			1		1
	12			5		5
	13			6		6
	14			1		1
	15			1		1
CG LSU WILDWOOD	03				1	1
	07			1	1	2
	09			2		2
	10			2		2
	11			5		5
	12			2		2
	13			3		3
CG NMLBS	11			1		1
CG NTL STRIKE FRC CTR	05			2		2
	08			1		1
	11			3		3
	12			2		2
	13			6		6

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
CG YARD	01				6	6
	02			1		1
	03			3	7	10
	04			2		2
	05			4	46	50
	06			1	6	7
	07			5	8	13
	08			2	105	107
	09			6	32	38
	10			1	149	150
	11			24	56	80
	12			21	14	35
	13			9	2	11
	14			4	1	5
	15			1	2	3
	16				3	3
	18				2	2
CGD1	04			6		6
	05			16		16
	06			16	1	17
	07			29	1	30
	08			4	5	9
	09			16	15	31
	10				20	20
	11			40	2	42
	12			38		38
	13			23	1	24
	14			4	1	5
CGD11	04			2		2
	05			5		5
	06			2		2
	07			21		21
	08			2	3	5
	09			1		1

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
CGD11	10				2	2
	11			25		25
	12			21		21
	13			12		12
	14			1		1
CGD13	04			2		2
	05			3		3
	06			7		7
	07			16		16
	08			1	4	5
	09			10	2	12
	10				1	1
	11			31		31
	12			26		26
	13			16		16
	14			1		1
CGD14	03			1		1
	05			2	1	3
	06			1		1
	07			11		11
	09			4	1	5
	11			11		11
	12			15		15
	13			6		6
CGD17	05			2	1	3
	06			3		3
	07			8		8
	08			1	1	2
	09			8		8
	10				2	2
	11			15		15
	12			19		19
	13			11		11
CGD5	05			3		3

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
CGD5	06			2		2
	07			11		11
	09			11		11
	10				3	3
	11			17		17
	12			12		12
	13			8		8
	14			2		2
CGD7	02			1		1
	04			5	3	8
	05			18	3	21
	06			13	3	16
	07			28	4	32
	08			2	8	10
	09			27	12	39
	10				31	31
	11			32		32
	12			41		41
	13			13		13
	14			2		2
CGD8	02				1	1
	04			1		1
	05			9		9
	06			18	1	19
	07			41		41
	08			2	2	4
	09			4	1	5
	10			1	10	11
	11			81	2	83
	12			74		74
	13			28	1	29
	14			2		2
CGD9	02				3	3
	05			3		3

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
CGD9	06			3		3
	07			14	1	15
	08			3	2	5
	09			2		2
	10				2	2
	11			24		24
	12			27		27
	13			12		12
	14			1		1
CGIS	06			1		1
	07			9		9
	12			28		28
	13			28		28
	14			7		7
CGPC	03			1		1
	05			4		4
	06			4		4
	07			15		15
	08			3		3
	09			3		3
	11			3		3
	12			6		6
	13			5		5
ELC	04			5		5
	05			4	1	5
	06			16	26	42
	07			19		19
	08			3	6	9
	09			37	1	38
	10			4	2	6
	11			59		59
	12			73		73
	13			53		53
	14			24		24

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
ELC	15			3		3
FINCEN	04			4		4
	05			11		11
	06			10		10
	07			144		144
	08			32		32
	09			20		20
	11			30		30
	12			72		72
	13			17		17
	14			7		7
	15			4		4
HEADQUARTERS	00	3				3
	01		1			1
	02			2		2
	03		6	2		8
	04			5		5
	05			28		28
	06			22		22
	07			44		44
	08			61		61
	09			77		77
	10			12		12
	11			54		54
	12			142		142
	13			422		422
	14			352		352
	15			143		143
INSTITUTE	04			1		1
	05			1		1
	07			2		2
	09			6		6
	11			2		2
	12			2		2

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
INSTITUTE	13			1		1
LANTAREA	03			1		1
	04			3		3
	05			2		2
	06			2		2
	07			4		4
	08			6	2	8
	09			9		9
	11			15		15
	12			30		30
	13			22		22
	14			8		8
	15			1		1
MLC ATLANTIC	01				1	1
	03			4	3	7
	04			16	8	24
	05			33	10	43
	06			47	9	56
	07			88	6	94
	08			15	35	50
	09			72	24	96
	10			1	163	164
	11			112	37	149
	12			231	7	238
	13			82	4	86
	14			18	2	20
	15			1	1	2
MLC PACIFIC	02				1	1
	03			3	1	4
	04			16	1	17
	05			16	9	25
	06			24	3	27
	07			77	13	90
	08			20	6	26

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
MLC PACIFIC	09			62	18	80
	10			4	48	52
	11			88	3	91
	12			157	2	159
	13			62	1	63
	14			17	1	18
	15			3		3
NAVCEN ALEX	08			1		1
	09			2		2
	12			2		2
	13			4		4
	14			3		3
NMC	03			1		1
	04			1		1
	05			17		17
	06			8		8
	07			17		17
	08			5		5
	09			35		35
	11			17		17
	12			12		12
	13			27		27
	14			9		9
	15			2		2
NPFC	03			1		1
	04			1		1
	05			1		1
	07			3		3
	08			1		1
	09			2		2
	11			5		5
	12			1		1
	13			38		38
	14			17		17

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
NPFC	15			9		9
OSC	03			1		1
	08			1		1
	09			1		1
	11			1		1
	12			1		1
	13			23		23
	14			5		5
	15			2		2
PACAREA	04			1		1
	06			1		1
	07			1		1
	08			3	1	4
	09			2		2
	10				2	2
	11			6		6
	12			16		16
	13			22		22
	14			5		5
	15			1		1
PSC	04			1		1
	05			14		14
	06			52		52
	07			34		34
	08			7		7
	09			14		14
	11			16		16
	12			33		33
	13			9		9
	14			3		3
	15			1		1
R D CENTER	06			2		2
	07			2		2
	08			1		1

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
R D CENTER	09			4		4
	11			2		2
	12			13		13
	13			30		30
	14			11		11
	15			1		1
SPECIAL MISSIONS TRGN CTR	11			2		2
	13			1		1
TISCOM	07			1		1
	08			1		1
	11			2		2
	12			4		4
	13			21		21
	14			12		12
	15			4		4
TRACEN CAPE MAY	03				3	3
	05			7	2	9
	06			2	1	3
	07			14		14
	08			2	4	6
	09			16	3	19
	10				11	11
	11			8	1	9
	12			7		7
	13			2		2
TRACEN PET	04			3	1	4
	05			6		6
	06			10	1	11
	07			7		7
	08			3	1	4
	09			7	5	12
	10			1	4	5
	11			8		8
	12			5		5

FY2007 CIVILIAN NON-SES TOTAL NUMBER OF EMPLOYEES - BY ORGANIZATION/PAY PLAN/GRADE

As of Pay period ending 9/29/2007

ORGANIZATION	GRADE	AD	AL	GS	WAGE GRADE	Grand Total
TRACEN PET	13			3		3
	14			1		1
TRACEN YKTN	04			1		1
	05			5		5
	06			5		5
	07			6		6
	08			1		1
	09			28		28
	11			28		28
	12			24		24
	13			7		7
	14			1		1
TRGN QUOTA MGMT	06			4		4
UDC	03				1	1
	04			1		1
	05			3	17	20
	07			3		3
	08			2		2
	09			1		1
Grand Total		**81**	**7**	**6,047**	**1,457**	**7,592**

U.S. Department of Homeland Security
United States Coast Guard

FY2007
Non-SES QSI Certified for Payment
By Organization and Grade

ORGANIZATION	5	6	7	8	9	10	11	12	13	14	15	TOTAL
CGD1	1		1		1		1	3	2			9
CGD5			2		1			1	1			5
CGD7		1		1	5		1	1	1			10
CGD8		2	1				2	4	5			14
CGD11			1				1	1	2			5
CGD17			1		1				2			4
LANTAREA								2	1	1		4
PACAREA				1					2			3
C2CEN								3				3
MLC ATLANTIC		3	2	1	7		7	12	4	1		37
MLC PACIFIC			3	1	6		3	11	2	2		28
FINCEN			3	4	3		1	5	3	1		20
ELC	1	1			2		3	4	4	2		17
NMC	1				1		1	1	3	2		9
ARSC			2		2		2	3	1	3		13
CGIS			1					2	1	1		5
OSC										1	1	2
TISCOM								1	1	1		3
PSC		3	2		1		2	2		1		11
ACADEMY			1		1		1	2				5
NPFC									2	2	1	5
TRACEN PET	1	1										2
TRACEN YKTN								5	1			6
TRACEN CAPE MAY			1		1			1				3
CGPC			1		1							2
CG YARD			1				2	1				4
R D CENTER								2	1	1		4
HEADQUARTERS		1		3	2		1	4	21	20	14	66
TOTAL	4	12	23	11	35		71	28	60	39	16	299

FY2007 CIVILIAN NON-SES TOTAL BONUSES EXPENDITURE - BY ORGANIZATION/PAY PLAN/GRADE

		AD		GS		SV		WAGE GRADE		Total EMPL	Total Amount
ORGANIZATION	GRADE	EMPL	Amount	EMPL	Amount	EMPL	Amount	EMPL	Amount		
ACADEMY	00	23	$29,785							23	$29,785
	03							8	$4,900	8	$4,900
	04			3	$1,860					3	$1,860
	05			9	$12,840			4	$2,060	13	$14,900
	06			12	$13,520			3	$2,325	15	$15,845
	07			14	$15,960			7	$3,695	21	$19,655
	08			1	$1,170			6	$4,805	7	$5,975
	09			11	$14,880			11	$11,550	22	$26,230
	10			1	$390			12	$10,055	13	$10,445
	11			10	$9,220					10	$9,220
	12			12	$12,760					12	$12,760
	13			4	$4,670					4	$4,670
	15							1	$1,420	1	$1,420
ARSC	02			1	$390					1	$390
	05			1	$200			3	$1,561	4	$1,761
	06			3	$2,642			12	$6,214	15	$8,856
	07			34	$27,562			12	$8,085	46	$35,647
	08			5	$5,985			17	$12,968	22	$18,953
	09			32	$21,729			28	$17,071	60	$38,800
	10			1	$1,171			165	$129,295	166	$130,466
	11			35	$38,744			40	$30,884	75	$69,628
	12			73	$72,927			10	$9,540	83	$82,467
	13			21	$21,961			1	$1,021	22	$22,982
	14			7	$16,800					7	$16,800
	15							4	$2,632	4	$2,632
ATC MOBILE	05			3	$2,143					3	$2,143
	06			2	$1,474			1	$737	3	$2,211
	07			5	$4,174			1	$803	6	$4,977
	08			1	$871			2	$1,742	3	$2,613
	09			1	$937					1	$937
	11			2	$2,357					2	$2,357
	12			6	$7,028					6	$7,028
	13			3	$3,965					3	$3,965
AVTTCEN	07			1	$1,206					1	$1,206
	09			2	$2,512					2	$2,512
	11			2	$2,412					2	$2,412
	13			1	$403					1	$403
C2CEN	09			4	$3,660					4	$3,660
	11			8	$8,585					8	$8,585
	12			20	$24,375					20	$24,375
	13			12	$16,546					12	$16,546
	14			1	$1,373					1	$1,373
CG HEARING OFFICE	07			1	$1,885					1	$1,885
	09			2	$3,770					2	$3,770
	11			2	$3,770					2	$3,770
	14			1	$1,885					1	$1,885
CG ICC	08			1	$390					1	$390
	12			4	$2,888					4	$2,888
	13			7	$6,566					7	$6,566
	14			1	$2,038					1	$2,038
	15			1	$2,460					1	$2,460
CG LSU WILDWOOD	07			1	$1,885			1	$1,885	2	$3,770
	09			1	$1,885					1	$1,885

FY2007 CIVILIAN NON-SES TOTAL BONUSES EXPENDITURE - BY ORGANIZATION/PAY PLAN/GRADE

		AD		GS		SV		WAGE GRADE		Total EMPL	Total Amount
ORGANIZATION	GRADE	EMPL	Amount	EMPL	Amount	EMPL	Amount	EMPL	Amount		
CG LSU WILDWOOD	10			2	$3,770					2	$3,770
	11			3	$7,589					3	$7,589
	13			1	$2,008					1	$2,008
CG NMLBS	11			1	$1,206					1	$1,206
CG NTL STRIKE FRC CTR	08			1	$924					1	$924
	11			3	$3,705					3	$3,705
	12			6	$5,958					6	$5,958
	13			6	$9,680					6	$9,680
	14			1	$1,000					1	$1,000
CG YARD	01			1	$943			1	$390	2	$1,333
	02			2	$875					2	$875
	03			3	$858			14	$5,493	17	$6,351
	04			1	$1,193					1	$1,193
	05			2	$2,186			48	$30,358	50	$32,544
	06			1	$943			7	$5,695	8	$6,638
	07			8	$10,596			6	$3,646	14	$14,244
	08			2	$2,636			104	$86,953	106	$89,589
	09			6	$5,162			33	$20,381	39	$25,543
	10			1	$943			153	$124,571	154	$125,514
	11			24	$22,852			58	$53,637	82	$76,489
	12			22	$17,299			16	$12,293	38	$29,592
	13			11	$14,524			2	$1,886	13	$16,410
	14			3	$2,829			1	$943	4	$3,772
	15			1	$943			2	$1,886	3	$2,829
	16							4	$3,772	4	$3,772
	18							1	$943	1	$943
CGD1	04			2	$1,950					2	$1,950
	05			9	$5,507					9	$5,507
	06			10	$8,365			1	$520	11	$8,885
	07			25	$23,055			1	$1,225	26	$24,280
	08			6	$5,125			5	$3,600	11	$8,725
	09			10	$9,740			15	$13,570	25	$23,310
	10							18	$14,427	18	$14,427
	11			35	$30,902			2	$2,200	37	$33,102
	12			27	$26,770					27	$26,770
	13			20	$18,680			1	$1,075	21	$19,755
	14			4	$4,095			1	$975	5	$5,070
CGD11	04			1	$1,284					1	$1,284
	05			3	$3,852					3	$3,852
	06			1	$1,284					1	$1,284
	07			15	$20,938					15	$20,938
	08			3	$3,988			2	$2,568	5	$6,556
	09			1	$1,284					1	$1,284
	10							1	$1,284	1	$1,284
	11			16	$20,944					16	$20,944
	12			16	$21,794					16	$21,794
	13			9	$9,388					9	$9,388
CGD13	04			2	$1,885					2	$1,885
	05			1	$1,040					1	$1,040
	06			2	$2,438					2	$2,438
	07			12	$14,230					12	$14,230
	08			1	$845			4	$5,018	5	$5,863
	09			9	$9,801			2	$3,438	11	$13,239

FY2007 CIVILIAN NON-SES TOTAL BONUSES EXPENDITURE - BY ORGANIZATION/PAY PLAN/GRADE

		AD		GS		SV		WAGE GRADE		Total EMPL	Total Amount
ORGANIZATION	GRADE	EMPL	Amount	EMPL	Amount	EMPL	Amount	EMPL	Amount		
CGD13	10							1	$2,595	1	$2,595
	11			30	$32,478					30	$32,478
	12			25	$25,681					25	$25,681
	13			13	$15,723					13	$15,723
	14			1	$1,398					1	$1,398
CGD14	05			1	$891			1	$1,151	2	$2,042
	07			9	$10,349					9	$10,349
	09			3	$3,453			1	$1,151	4	$4,604
	11			8	$8,888					8	$8,888
	12			12	$14,082					12	$14,082
	13			5	$5,955					5	$5,955
CGD17	05			1	$390			1	$390	2	$780
	06			2	$2,462					2	$2,462
	07			7	$7,232					7	$7,232
	08			1	$1,106			1	$1,106	2	$2,212
	09			9	$8,087					9	$8,087
	10							2	$2,462	2	$2,462
	11			10	$8,777					10	$8,777
	12			16	$16,264					16	$16,264
	13			8	$9,228					8	$9,228
CGD2	14			2	$2,418					2	$2,418
CGD3	09			1	$930					1	$930
CGD5	05			1	$585					1	$585
	06			2	$1,170					2	$1,170
	07			9	$8,065					9	$8,065
	08			1	$585					1	$585
	09			7	$5,945					7	$5,945
	10							3	$1,420	3	$1,420
	11			14	$11,970					14	$11,970
	12			12	$10,590					12	$10,590
	13			7	$9,220					7	$9,220
	14			2	$2,070					2	$2,070
CGD7	04			3	$2,916			1	$972	4	$3,888
	05			12	$11,582			2	$1,362	14	$12,944
	06			9	$8,276			3	$1,612	12	$9,888
	07			28	$28,684			2	$1,944	30	$30,628
	08			1	$972			8	$7,776	9	$8,748
	09			23	$20,839			13	$11,344	36	$32,183
	10							29	$26,636	29	$26,636
	11			25	$24,744					25	$24,744
	12			37	$39,066					37	$39,066
	13			13	$14,270					13	$14,270
	14			2	$1,622					2	$1,622
CGD8	05			4	$1,766					4	$1,766
	06			13	$10,397			1	$810	14	$11,207
	07			33	$28,041					33	$28,041
	08			2	$1,989			2	$1,261	4	$3,250
	09			4	$3,269			1	$1,113	5	$4,382
	10			1	$1,214			10	$11,331	11	$12,545
	11			58	$69,344			2	$1,923	60	$71,267
	12			66	$96,305					66	$96,305
	13			19	$30,548			1	$1,970	20	$32,518
	14			3	$5,769					3	$5,769

FY2007 CIVILIAN NON-SES TOTAL BONUSES EXPENDITURE - BY ORGANIZATION/PAY PLAN/GRADE

		AD		GS		SV		WAGE GRADE		Total EMPL	Total Amount
ORGANIZATION	GRADE	EMPL	Amount	EMPL	Amount	EMPL	Amount	EMPL	Amount		
CGD9	02							2	$1,096	2	$1,096
	05			1	$750					1	$750
	06			3	$1,949					3	$1,949
	07			14	$12,840			1	$759	15	$13,599
	08			2	$1,370			2	$2,354	4	$3,724
	09			2	$2,221					2	$2,221
	10							2	$2,465	2	$2,465
	11			19	$19,237					19	$19,237
	12			23	$32,997					23	$32,997
	13			10	$18,809					10	$18,809
CGIS	07			8	$6,500					8	$6,500
	12			28	$28,683					28	$28,683
	13			30	$41,395					30	$41,395
	14			8	$19,360					8	$19,360
CGPC	03			1	$650					1	$650
	05			5	$5,450					5	$5,450
	06			4	$5,200					4	$5,200
	07			17	$20,581					17	$20,581
	08			2	$2,600					2	$2,600
	09			2	$1,600					2	$1,600
	11			2	$2,181					2	$2,181
	12			5	$6,312					5	$6,312
	13			5	$6,393					5	$6,393
ELC	04			1	$1,300					1	$1,300
	05			2	$1,675			1	$2,461	3	$4,136
	06			17	$22,700			23	$32,622	40	$55,322
	07			11	$12,500					11	$12,500
	08			3	$3,943			5	$7,500	8	$11,443
	09			26	$33,200			1	$1,300	27	$34,500
	10			3	$4,400			1	$1,300	4	$5,700
	11			44	$57,488					44	$57,488
	12			67	$93,410					67	$93,410
	13			44	$71,050					44	$71,050
	14			21	$34,593					21	$34,593
	15			3	$7,383					3	$7,383
FINCEN	05			3	$2,730					3	$2,730
	06			5	$3,560					5	$3,560
	07			61	$58,163					61	$58,163
	08			24	$27,600					24	$27,600
	09			18	$23,065					18	$23,065
	11			26	$37,520					26	$37,520
	12			60	$96,928					60	$96,928
	13			13	$26,315					13	$26,315
	14			6	$17,030					6	$17,030
	15			3	$9,870					3	$9,870
HEADQUARTERS	01			1	$250					1	$250
	03			2	$1,036					2	$1,036
	04			6	$3,156					6	$3,156
	05			12	$7,045					12	$7,045
	06			13	$17,709					13	$17,709
	07			34	$37,403					34	$37,403
	08			50	$59,026					50	$59,026
	09			59	$85,786					59	$85,786

FY2007 CIVILIAN NON-SES TOTAL BONUSES EXPENDITURE - BY ORGANIZATION/PAY PLAN/GRADE

		AD		GS		SV		WAGE GRADE		Total EMPL	Total Amount
ORGANIZATION	GRADE	EMPL	Amount	EMPL	Amount	EMPL	Amount	EMPL	Amount		
HEADQUARTERS	10			13	$20,120	1	$1,206			14	$21,326
	11			47	$63,073					47	$63,073
	12			106	$160,143					106	$160,143
	13			312	$548,815	1	$3,600			313	$552,415
	14			271	$579,577					271	$579,577
	15			122	$305,409					122	$305,409
INSTITUTE	07			2	$1,609					2	$1,609
	09			7	$7,839					7	$7,839
	11			2	$1,609					2	$1,609
	12			2	$2,412					2	$2,412
	13			1	$1,206					1	$1,206
LANTAREA	04			3	$1,815					3	$1,815
	05			1	$135					1	$135
	06			2	$1,560					2	$1,560
	07			6	$4,910					6	$4,910
	08			7	$5,815			1	$780	8	$6,595
	09			5	$4,120					5	$4,120
	11			13	$11,790					13	$11,790
	12			27	$27,390					27	$27,390
	13			22	$25,470					22	$25,470
	14			8	$10,050					8	$10,050
	15			1	$1,040					1	$1,040
MLC ATLANTIC	01							1	$250	1	$250
	03			3	$2,814			3	$750	6	$3,564
	04			5	$4,847					5	$4,847
	05			16	$16,333			7	$5,553	23	$21,886
	06			41	$39,902			11	$8,831	52	$48,733
	07			65	$69,436			5	$3,687	70	$73,123
	08			12	$12,937			29	$28,569	41	$41,506
	09			63	$62,075			25	$21,618	88	$83,693
	10			1	$907			158	$159,220	159	$160,127
	11			107	$105,415			27	$27,490	134	$132,905
	12			212	$221,202			8	$9,252	220	$230,454
	13			82	$87,331			4	$5,528	86	$92,859
	14			19	$22,112			2	$1,814	21	$23,926
	15							1	$907	1	$907
MLC PACIFIC	03			1	$1,282					1	$1,282
	04			4	$5,226					4	$5,226
	05			11	$12,970			5	$6,410	16	$19,380
	06			13	$15,884					13	$15,884
	07			52	$72,545			8	$6,960	60	$79,505
	08			16	$20,976			5	$6,560	21	$27,536
	09			45	$57,934			12	$15,632	57	$73,566
	10			3	$3,646			40	$56,750	43	$60,396
	11			66	$93,985			3	$2,664	69	$96,649
	12			123	$178,415			2	$2,564	125	$180,979
	13			59	$105,135			1	$1,282	60	$106,417
	14			15	$23,882			1	$1,282	16	$25,164
	15			3	$4,059					3	$4,059
NAVCEN ALEX	09			2	$1,531					2	$1,531
	12			2	$2,219					2	$2,219
	13			5	$8,800					5	$8,800
	14			3	$5,198					3	$5,198

FY2007 CIVILIAN NON-SES TOTAL BONUSES EXPENDITURE - BY ORGANIZATION/PAY PLAN/GRADE

		AD		GS		SV		WAGE GRADE		Total EMPL	Total Amount
ORGANIZATION	GRADE	EMPL	Amount	EMPL	Amount	EMPL	Amount	EMPL	Amount		
NMC	04			1	$780					1	$780
	05			11	$14,755					11	$14,755
	06			6	$7,730					6	$7,730
	07			13	$16,075					13	$16,075
	08			5	$7,930			1	$2,461	6	$10,391
	09			25	$27,155					25	$27,155
	11			6	$9,950					6	$9,950
	12			8	$24,180					8	$24,180
	13			23	$41,460					23	$41,460
	14			6	$9,164					6	$9,164
	15			2	$6,630					2	$6,630
NPFC	03			2	$500					2	$500
	04			1	$650					1	$650
	05			2	$1,820					2	$1,820
	07			3	$2,580					3	$2,580
	09			3	$3,380					3	$3,380
	11			3	$3,770					3	$3,770
	12			3	$4,680					3	$4,680
	13			32	$56,160					32	$56,160
	14			13	$27,040					13	$27,040
	15			9	$24,960					9	$24,960
OSC	07			1	$2,274					1	$2,274
	08			1	$1,706					1	$1,706
	09			1	$1,136					1	$1,136
	11			1	$1,136					1	$1,136
	13			21	$34,670					21	$34,670
	14			4	$7,960					4	$7,960
PACAREA	04			1	$650					1	$650
	06			1	$1,284					1	$1,284
	07			1	$1,532					1	$1,532
	08			2	$2,060			1	$650	3	$2,710
	09			3	$2,968					3	$2,968
	10							2	$1,300	2	$1,300
	11			6	$6,204					6	$6,204
	12			15	$21,234					15	$21,234
	13			20	$28,082					20	$28,082
	14			5	$10,050					5	$10,050
	15			1	$1,560					1	$1,560
PSC	04			1	$1,690					1	$1,690
	06			20	$26,587					20	$26,587
	07			27	$37,418					27	$37,418
	08			6	$10,946					6	$10,946
	09			14	$20,013					14	$20,013
	11			8	$18,303					8	$18,303
	12			16	$23,153					16	$23,153
	13			8	$12,860					8	$12,860
	14			2	$5,070					2	$5,070
	15			1	$2,535					1	$2,535
R D CENTER	03			1	$2,600					1	$2,600
	06			1	$1,300					1	$1,300
	07			1	$1,300					1	$1,300
	08			1	$2,600					1	$2,600
	09			2	$1,950					2	$1,950

FY2007 CIVILIAN NON-SES TOTAL BONUSES EXPENDITURE - BY ORGANIZATION/PAY PLAN/GRADE

		AD		GS		SV		WAGE GRADE		Total EMPL	Total Amount
ORGANIZATION	GRADE	EMPL	Amount	EMPL	Amount	EMPL	Amount	EMPL	Amount		
R D CENTER	11			2	$2,600					2	$2,600
	12			9	$21,050					9	$21,050
	13			21	$45,000					21	$45,000
	14			11	$26,000					11	$26,000
	15			1	$2,600					1	$2,600
SPECIAL MISSIONS TRGN CTR	11			2	$2,412					2	$2,412
	12			1	$1,206					1	$1,206
TISCOM	08			1	$250					1	$250
	12			1	$2,560					1	$2,560
	13			17	$39,970					17	$39,970
	14			6	$18,162					6	$18,162
	15			3	$9,216					3	$9,216
TRACEN CAPE MAY	03							2	$1,392	2	$1,392
	05			6	$3,931			4	$1,587	10	$5,518
	06			3	$2,312			1	$819	4	$3,131
	07			9	$7,767					9	$7,767
	08			2	$2,542			2	$1,606	4	$4,148
	09			14	$11,925					14	$11,925
	10							8	$9,334	8	$9,334
	11			8	$11,294			1	$1,266	9	$12,560
	12			6	$8,668					6	$8,668
	13			2	$4,550					2	$4,550
TRACEN PET	04			1	$927			1	$390	2	$1,317
	05			5	$5,054					5	$5,054
	06			7	$7,110			1	$1,234	8	$8,344
	07			6	$6,576					6	$6,576
	08			3	$3,409			1	$1,230	4	$4,639
	09			6	$5,754			3	$2,101	9	$7,855
	10			1	$498			6	$3,225	7	$3,723
	11			7	$6,302					7	$6,302
	12			5	$7,914					5	$7,914
	13			3	$5,456					3	$5,456
	14			1	$1,346					1	$1,346
TRACEN YKTN	05			3	$1,950					3	$1,950
	06			4	$3,620					4	$3,620
	07			7	$6,606					7	$6,606
	08			2	$3,550					2	$3,550
	09			23	$18,266					23	$18,266
	11			28	$28,405					28	$28,405
	12			21	$24,436					21	$24,436
	13			6	$5,986					6	$5,986
	14			1	$650					1	$650
TRGN QUOTA MGMT	06			3	$2,815					3	$2,815
UDC	04			1	$403					1	$403
	05			2	$2,412			15	$11,666	17	$14,078

FY2007 CIVILIAN NON-SES TOTAL BONUSES EXPENDITURE - BY ORGANIZATION/PAY PLAN/GRADE

		AD		GS		SV		WAGE GRADE		Total EMPL	Total Amount
ORGANIZATION	GRADE	EMPL	Amount	EMPL	Amount	EMPL	Amount	EMPL	Amount		
UDC	07			2	$2,412					2	$2,412
	08			2	$806					2	$806
	09			1	$1,206					1	$1,206
Grand Total		**23**	**$29,785**	**4,817**	**$6,510,113**	**2**	**$4,806**	**1,383**	**$1,214,795**	**6,225**	**$7,759,498**

Question: Please provide a table showing how much is requested in the 2009 budget for bonuses for Coast Guard military officers, SES employees, and non-SES employees.

ANSWER: Please see the following table.

Non-SES Employees	$8,839,604
SES Employees	$197,880
Military Officer	$419,832
Total	**$9,457,316**

Question: Please provide a table that shows all funds expended by Coast Guard and all uses of Coast Guard aircraft, if fully reimbursed, for travel of DHS political employees in 2007. Include name of individuals traveling (list ALL non-Coast Guard individuals), purpose of travel, location(s) visited, and total cost.

ANSWER: Please see the following table.

Flt Hrs for Required Use flights carrying DHS from 10/01/2006 thru 12/30/2007 for CG01 and CG02

				Inside Govt Rate				Cost	Hours
CG01: Gulfstream V				$	4,207		Fiscal Year 2007	$1,017,212	280.0
CG02: Bombardier Challenger 604				$	3,639		Calendar Year 2007	$1,186,168	292.5
START	DAYS	Acft	VIP	LOCATION(S)		Hrs	PAX	POC	
10/11/2006	1	CG02	S2	New Orleans, LA		4.6	A. LUTZ C. LUNNER G. FORESMAN J. CHERRY L. COLLINS M. JACKSON	LCDR Collins	$16,739
10/16/2006	1	CG02	S1	Boston, MA		2.3	A. BLOOME C. ALLEN C. SANCHEZ D. HAMILTON J. WOOD M. CHERTOFF N. DAVIS R. BROWN R. KNOCKE	CAPT Blomme	$8,370
10/20/2006	3	CG02	S1	Napa, CA Travis AFB, CA		10.7	A. Blomme B. Glady G. Johnson M. Chertoff M. Chertoff R. Brown R. McKinley T. Halderman T. Rizza	CAPT Blomme	$38,937
10/27/2006	1	CG02	S1	New York, NY		1.6	A. BLOOME A. LUTZ BAHLER ELLIS G. JOHNSON GARCIA J. MYERS M. CHERTOFF M. SUCCI R. KNOCKE	CAPT Blomme	$5,822

10/31/2006	1	CG01	S1	Dallas, TX	5.6	BERGMAN, C. BLOMME, A. BROWN, R. CHERTOFF, M. DEGENER, J. HAMILTON, D. HOFFMAN, J. JOHNSON, G. MARTINEZ-FONTS, A. MCCOY, J.	CAPT Blomme	$23,559
11/10/2006	2	CG01	S1	Pascagoula, MS	4.0	BAHLER, B. BLOMME, A. BROWN, R. CHERTOFF CHERTOFF CHERTOFF CHERTOFF, M. GLADY, W. HOUSE, J KNOCKE, R. TRBOVICH, N.	CAPT Blomme	$16,828
11/15/2006	2	CG02	S1	Charlotte, NC Asheville, NC	2.8	A. Blomme A. Isles A. Lutz C. Bergman E. Garcia J. Myers M. Chertoff M. Succi N. Harnice R. Basham	CAPT Blomme	$10,189
12/8/2006	1	CG01	S1	Atlanta, GA	3.0	Bahler, B. Bergman, C. Blomme, A. Chertoff, M. Ellis, C. Garcia, E. Harnice, N. Lutz, A. Oconnor, D. Swain, B.	CAPT Blomme	$12,621
12/26/2006	1	CG02	S1	San Juan, PR	7.2	BLOOME, A. CHERTOFF CHERTOFF CHERTOFF CHERTOFF, M. HAMILTON LUTZ, A. MORAN SHELDON	CAPT Blomme	$26,201
12/31/2006	1	CG02	S1	San Juan, PR	6.9	BLOOME, A. CHERTOFF CHERTOFF CHERTOFF CHERTOFF, M. HAMILTON LUTZ, A. MORAN SHELDON	CAPT Blomme	$25,109

1/24/2007	4	CG01	S1	Zurich, Switzerland Berlin, Germany	19.5	BENEDETTO, F. BERGMAN, C. BLOOME, A. BROWN, R. CHERTOFF, M. FORESMAN, G. GARCIA, E. HAMILTON, D. SWEET, C.	CAPT Blomme	$82,037
2/17/2007	1	CG02	S1	Boston, MA	2.4	CHERTOFF HAMILTON HARNICE JOLLY M. CHERTOFF R. BROWN S. CHERTOFF	CAPT Blomme	$8,734
2/19/2007	1	CG02	S1	Boston, MA	2.2	CHERTOFF CHERTOFF HAMILTON HARNICE JOLLY M. CHERTOFF R. BROWN	CAPT Blomme	$8,006
2/22/2007	2	CG02	S1	Detroit, MI Ottawa, Canada	4.5	Adam Isles Al Martinez-Fonts Andy Blomme Art Lutz Benedetto Ed Garcia Hamilton M. Chertoff	CAPT Blomme	$16,376
3/6/2007	1	CG02	S1	Destin, FL	4.0	M. Chertoff P. Roe C. Bergman A. Blomme A. Lutz Hamilton J. Oldham Harness C. Ellis C. Allen	CAPT Blomme	$14,556
3/9/2007	1	CG02	S1	Birmingham, AL	3.3	M. Chertoff Senator Sessions D. Kent J. McCoy A. Blomme R. Brown G. Garcia Glady Noonan	CAPT Blomme	$12,009
3/22/2007	3	CG01	S1	Los Angeles, CA Seattle, WA Astoria, OR	12.9	M. Chertoff B. Bahler A. Blomme R. Brown C. Ellis B. Glady A. Isles K. Kraninger G. Noonan J. Thomas	CAPT Blomme	$54,270

3/29/2007	1	CG02	S1	Atlanta, GA	2.9	M. Chertoff J. Myers R. Knocke B. Swain A. Blomme A. Lutz D. Hamilton J. Juell M. Moore J. McCoy	CAPT Blomme	$10,553
4/3/2007	4	CG01	S1	Berlin, Germany London, UK	19.3	M. Chertoff C. Sweet C. Rosenzweig A. Blomme A. Lutz W. Glady D. Hamilton R. Brown F. Benedetto	CAPT Blomme	$81,195
4/8/2007	2	CG02	S1	Yuma, AZ	9.4	M. Chertoff A. Blomme C. Lunner J. Hoffman A. Lutz W. Glady S. Hines D. Mihalett J. Breckenridge C. Gaskell	CAPT Blomme	$34,207
4/10/2007	3	CG02	S2	Austin, TX San Pedro Sula, Honduras Tegucigalpa, Honduras	10.0	M. Jackson J. Myers J. Torres J. Norton L. Collins A. Lutz C. Robb J. Cherry T. Norris F. Benedetto W. Horstmann K. O'Reilly Ambassador Ford J. Mclerney T. Thomas	LCDR Collins	$36,390
4/30/2007	1	CG02	S1	Philadelphia, PA	1.4	M. Chertoff R. Brown H. Teufel E. Fox A. Blomme Mills Johnson W. Glady K. Ellis	CAPT Blomme	$5,095

5/4/2007	1	CG01	S1	Lexington, KY	2.7	M. Chertoff Mrs. Chertoff R. Blunt Mrs. Blunt R. Brown C. Robinson H. Rogers USSS USSS USSS	CAPT Blomme	$11,359
5/6/2007	1	CG01	S1	Lexington, KY	2.3	M. Chertoff Mrs. Chertoff R. Blunt Mrs. Blunt R. Brown C. Robinson H. Rogers USSS USSS USSS	CAPT Blomme	$9,676
5/11/2007	4	CG01	S1	Venice, Italy Baden Baden, Germany Brussels, Belgium	17.9	M. Chertoff Mrs. Chertoff Bendetto E. Fox W. Glady G. Coldebella Hamilton P. Rosenzweig R. Brown A. Blomme	CAPT Blomme	$75,305
5/30/2007	2	CG01	S1	Berlin, Germany	16.1	M. Chertoff A. Blomme R. Brown J. Ahern W. Glady Renedetto P. Rosenzweig Man, USSS	CAPT Blomme	$67,733
6/11/2007	1	CG01	S1	LaGuardia Airport, New York	2.0	M. Chertoff A. Blomme R. Brown E. Fox W. Glady W. Hannah R. Knocke E. Leckey J. McCoy J. Myers P. Roe J. Stieles	CAPT Blomme	$8,414
6/14/2007	1	CG01	S2	Miami, FL	4.7	M. Jackson L. Collins A. Lutz	LCDR Collins	$19,773

6/18/2007	1	CG02	S1	Raleigh, NC	1.6	M. Chertoff B. Bennet Benney A. Blomme E. Fox W. Glady H. Johnson A. Lutz Morgan P. Roe	CAPT Blomme	$5,822
6/22/2007	1	CG01	S1	Charleston, SC	2.4	M. Chertoff A. Blomme R. Brown J. DeMint L. Graham W. Hannah R. Hoback A. Lutz N. Morgan L. Morris	CAPT Blomme	$10,097
6/24/2007	1	CG02	S1	Ithaca, NY	1.7	M. Chertoff Mrs. Chertoff D. Hamilton W. Hines A. Lutz	CAPT Blomme	$6,186
6/25/2007	1	CG02	S1	Buffalo, NY	2.1	M. Chertoff A. Blomme A. Isles A. Lutz D. Hamilton E. Fox G. Porter Hoback J. Norton P. Rosenzweig	CAPT Blomme	$7,642
6/27/2007	1	CG01	S1	Biloxi, MS	4.2	M. Chertoff Benney A. Blomme R. Fox D. Lloyd A. Lutz J. McCoy Mills N. Morgan A. Petera Roe	CAPT Blomme	$17,669
6/28/2007	1	CG01	S1	Scranton, PA Drop Off	1.6	M. Chertoff Mrs. Chertoff A. Lutz W. Hannah W. Hines L. Keehner N. Morgan	CAPT Blomme	$6,731
6/29/2007	1	CG01	S1	Scranton, PA Pick Up	1.6	M. Chertoff A. Lutz N. Morgan W. Hannah W. Hines	CAPT Blomme	$6,731

6/30/2007	1	CG01	S1	Scranton, PA Drop Off	1.9	M. Chertoff A. Lutz N. Morgan W. Hannah W. Hines	CAPT Blomme	$7,993
7/7/2007	1	CG01	S1	Westhampton, NY Pick Up	2.4	M. Chertoff Mrs. Chertoff D. Hamilton Mills R. Brown Stieler	CAPT Blomme	$10,097
7/9/2007	2	CG02	S1	Chicago, IL Detroit, MI	4.0	M. Chertoff A. Blomme Johnson K. Wheelbarger Mihaler R. Brown R. Knocke W. Glady	CAPT Blomme	$14,556
7/19/2007	4	CG01	S1	March AFB Los Angeles, CA Scranton, PA	10.9	M. Chertoff A. Blomme A. Boyd A. McDonald J. McKoy J. Riera R. Brown R. Knocke W. Glady	CAPT Blomme	$45,856
7/28/2007	1	CG01	S1	Scranton, PA Drop Off	1.3	M. Chertoff Mrs. Chertoff R. Brown D. Hamilton Jolly Mahaler	CAPT Blomme	$5,469
8/2/2007	1	CG01	S1	Scranton, PA Pick Up	1.4	M. Chertoff D. Hamilton Jolly Mahaler	CAPT Blomme	$5,890
8/7/2007	1	CG02	S1	Columbia, SC	2.2	M. Chertoff A. Blomme R. Brown E. Fox D. Kent Lotspeich Morgan North Rierra K. Wheelbarger	CAPT Blomme	$8,006
8/8/2007	1	CG01	S1	Boston, MA Air Station Cape Cod, MA	3.1	M. Chertoff A. Blomme C. Ellis R. Knocke D. Locke D. Lloyd A. Lutz A. Petera C. Sweet USSS USSS	CAPT Blomme	$13,042

8/19/2007	3	CG01	S1	Waco, TX Ottawa, Canada	8.3	S. Baker A. Blomme W. Glady D. Hamilton Kerrick Kurz A. Lutz Stockwell M. Chertoff Gutierrez J. McCoy Valencia Ward	CAPT Blomme	$34,918
8/23/2007	1	CG01	S1	Findlay, OH Rochester, MN	4.4	M. Chertoff A. Blomme W. Booher D. Hamilton Hatley R. Knocke A. Lutz R. Paulison P. Roe Witherington	CAPT Blomme	$18,511
8/28/2007	1	CG01	S1	Mobile, AL	4.3	M. Chertoff A. Blomme A. Petera Adams D. Hamilton M. Rainville P. Roe R. Brown R. Knocke Sullivan	CAPT Blomme	$18,090
9/8/2007	1	CG02	S1	Groton, CT	2.0	M. Chertoff T. Allen A. Fisher A. Lutz B. Morgan M. Batchelder M. Chertoff M. Peters P. Chertoff T. Peters T. Wissinger	CAPT Blomme	$7,278
9/20/2007	1	CG02	S1	Pellston, MI Philadelphia, PA	3.8	M. Chertoff A. Blomme C. Caldwell C. Dierker Liau Meyer D. Hamilton P. Roe R. Knocke	CAPT Blomme	$13,828

9/26/2007	1	CG02	S1	Montreal, Canada Burlington, VT	3.5	M. Chertoff A. Blomme R. Brown Caltablano Fox W. Glady D. Hamilton A. Isles K. Krannger B. Matty H. Teufel	CAPT Blomme	$12,737
10/15/2007	1	CG01	S1	New Orleans, LA	4.4	BLOMME, A. 06 BROWN, ROSE CIV CALDWELL, CIV CASH, ED CIV CHERTOFF, M S1 GLADY, BILL CIV MONTGOMERY, KATY CIV MORGAN CIV TYRREL CIV	CAPT Blomme	$18,511
10/17/2007	2	CG01	S1	Columbia, MO Portland, OR	10.1	BLOMME, A 06 CHERTOFF, M S1 HAMILTON SA IVERSON SA KNOCK, R CIV LUTZ, A CIV MACDONALD SA MAHER, J CIV SWEET, C CIV	CAPT Blomme	$42,813
10/23/2007	2	CG02	S1	San Diego, CA Los Angeles, CA	10.6	BETTENHAUSEN, M. DIV BLOMME, A 06 BOOHER, W CIV BROWN, R CIV CHERTOFF, M. S1 EVERSON, M CIV GLADDY, B CIV KNOCKE, R CIV MENSTER, C CIV PAULSON, D CIV REDDINGTON, B CIV	CAPT Blomme	$38,852
11/9/2007	5	CG01	S1	Halifax, NS Amman, Jordan London, UK	28.5	ISLES, A. CIV BLOMME, C. 06 LLOYD, D. 07 BENDETTO, F. CIV SCHWIEN, F. CIV FOX, J. CIV STEPHENS, L. CIV CHERTOFF, M. S1 MORGAN, N. CIV BROWN, R. CIV WARRICK, T. CIV GLADY, W. CIV	CAPT Blomme	$122,240

11/28/2007	5	CG01	S1	Dublin, Ireland Berlin, German Shannon, Ireland	17.8	ISLES, A. CIV LEVY, A., CIV BLOMME, C. 06 CHERTOFF, M. S1 CHERTOFF, M. DEPENDENT MORGAN, N. CIV ROSENZWEIG, P. BROWN, R., CIV MCCARTHY, T. CIV GLADY, W. CIV KNOCKE, W. CIV	CAPT Blomme	$76,528
12/21/2007	3	CG02	S2	SanDiego, CA Long Beach, CA Tuscon, AZ	10.6	BROWN, R. CIV COLLINS, L. 04 KRANINGER, K. CIV KRAUSE, S CIV SCHNEIDER, P. CIV USSS CIV WHITE, B CIV	LCDR Collins	$38,733
12/25/2007	1	CG02	S1	North Eleuthra, Bahamas	4.3	BLOMME, A 06 LAYTHAN, A. CIV GLADY, B. CIV CHERTOFF, child CHERTOFF, child CHERTOFF, spouse SAVAGE, J. CIV CHERTOFF, M. S1 BROWN, R. CIV	CAPT Blomme	$15,658
Total:	94				341.2			$1,370,544

Question: Please list the number, by office and pay grade level, of all Coast Guard employees hired non-competitively in fiscal years 2002, 2003, 2004, 2005, 2006, and 2007.

ANSWER: Listed in the tables on the following tables is the number, by office and pay grade level, of all Coast Guard employees hired non-competitively in fiscal years 2005, 2006, and 2007.

We changed our payroll provider in Aug of 2005, so we do not have data readily available for 2002-2005. The best data available is provided.

Fiscal Year 2007	**GS**																
Pay Grade	**0**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**Total**
1ST CG DISTRICT, BOSTON, MA					1	6	3	3		3	1	6	4	3	1	1	32
CG DISTRICT, PORTSMOUTH VA	1					2		2		6		1					12
CG DISTRICT, MIAMI, FL					4	3	2	3		2	1	4	3	1			23
8TH CG DISTRICT, NEW ORLEANS,			1			5	4	7				11	4	2			34
9TH CG DISTRICT, CLEVELAND, OH			1			1		2				2	1	1			8
11TH CG DISTRICT, ALAMEDA, CA						2	3	5				6	2	3			21
13TH CG DISTRICT, SEATTLE, WA				1	1			2		1		1	2				8
14TH CG DISTRICT, HONOLULU, HI						1	1	2		1			3				8

17TH CG DISTRICT, JUNEAU, AK								1	1	1		2	4		1		10
ATLANTIC AREA, PORTSMOUTH, VA					1	1			1	3		4		3	1		14
PACIFIC AREA, ALAMEDA, CA												1		1			2
UNIFORM DISTRIBUTION CTR, WOOD	1			1	1	1											4
CG CMD & CTRL ENGR CTR, PORTSM					1			1				3	2	1			8
MLC ATLANTIC, NORFOLK, VA	1	1		4	27	18	8	9	3	12	4	27	16	3			133
MLC PACIFIC, ALAMEDA, CA				1	6	2	8	13	1	3	3	10	6	2	1		56
FINANCE CENTER, CHESAPEAKE, VA					4	6	5	6	1				4				26
ENGINEERING LOGISTICS CENTER,					5		2	2		2	1	4	1	5	2		24
NATIONAL MARITIME CTR, MARTINS						1		3				2		2	2		10
AR&SC, ELIZABETH CITY, NC			1			3	3	5	3	4	6	7	8	2			42
HEADQUARTERS, WASHINGTON, DC								1					4	2			7
OPS SYSTEMS CENTER, MARTINSBUR				1									1	2			4
TELECOM & INFO SYS CMD, ALEXAN													1	4			5
PSC, TOPEKA, KS						3	3	2					2				10
INTELLIGENCE COORDINATION CENT										1			1				2
NSFCC, ELIZABETH CITY, NC						2								2			4
ACADEMY, NEW LONDON, CT	28			5	15			1	1	4		1					55
CG HEARING OFFICE, ARLINGTON,										1		1					2
USCG INSTITUTE, OKLAHOMA CITY,					1							1					2
NAT POLLUTION FUNDS CTR, ARLIN					1	1		1									3
TRAINING CENTER, PETALUMA, CA				1	1		2				1	1					6
TRAINING CENTER, YORKTOWN, VA		1					1			3			1		1		7
AVIATION TRAINING CENTER, MOBI												2	1				3
TRAINING CENTER, CAPE MAY, NJ				1	1			1		1							4
AVIA TECH TRN CTR, ELIZABETH										1							1
CG PERSONNEL COMMAND, ARLINGTO					1		1	3					2				7
YARD, BALTIMORE, MD		8	1	9	3	1	1					1	1		2		27
RESEARCH & DEVELOPMENT CTR, GR					1												1
HEADQUARTERS, WASHINGTON, DC	4	1	3	9	11	20	7	6	4	10		6	23	54	45	14	217
Total	**35**	**11**	**7**	**33**	**86**	**79**	**54**	**81**	**15**	**59**	**17**	**104**	**97**	**93**	**56**	**15**	**842**
Fiscal Year 2006																	
1ST CG DISTRICT, BOSTON, MA					3	3	1	4	1	1		6	3	2	1		25
5TH CG DISTRICT, PORTSMOUTH VA						1						1	1	1			4
7TH CG DISTRICT, MIAMI, FL					1		2	2		3		6	2				16
8TH CG DISTRICT, NEW ORLEANS,					2	2	2	2				22	7	2			39
9TH CG DISTRICT, CLEVELAND, OH			1					3				8	3	1			16
11TH CG DISTRICT, ALAMEDA, CA				1	4	2		1	2			4	1	2			17
13TH CG DISTRICT, SEATTLE, WA					2			2	1	4		2	4				15
14TH CG DISTRICT, HONOLULU, HI						1	1	2				1		3			8
17TH CG DISTRICT, JUNEAU, AK					1	1	1	2		1		4	4				14
ATLANTIC AREA, PORTSMOUTH, VA					3	1		1	1	2		3	1				12
PACIFIC AREA, ALAMEDA, CA							1		2	1			3				7
UNIFORM DISTRIBUTION CTR, WOOD					3					1							4
CG CMD & CTRL ENGR CTR, PORTSM												3	3	1			7
MLC ATLANTIC, NORFOLK, VA		1		2	19	16	12	8	5	10	14	7	11	5	1		111
MLC PACIFIC, ALAMEDA, CA				2	8	5	7	18	1	6	4	11	12	3	1	1	79
FINANCE CENTER, CHESAPEAKE, VA					2	5	8	13		4			7				39
ENGINEERING LOGISTICS CENTER,					2	1	6	3		3	2	5	2	1			25
NATIONAL MARITIME CTR, MARTINS						5								1			6
AR&SC, ELIZABETH CITY, NC			1			6	3	7	7	1	13	7	6	1			52
HEADQUARTERS, WASHINGTON, DC						1	1										2

OPS SYSTEMS CENTER, MARTINSBUR									1	1				1			3
TELECOM & INFO SYS CMD, ALEXAN														2			2
NAVIGATION CENTER, ALEXANDRIA,									1								1
PSC, TOPEKA, KS						4	14					1	2	1			22
INTELLIGENCE COORDINATION CENT													1				1
LORAN SUPPORT UNIT, WILDWOOD,														1			1
NSFCC, ELIZABETH CITY, NC						1											1
ACADEMY, NEW LONDON, CT	18				3	3	2	4		1		1	2				34
USCG INSTITUTE, OKLAHOMA CITY,										1		1	1				3
NAT POLLUTION FUNDS CTR, ARLIN					3	3		2		1			1	1			11
TRAINING CENTER, PETALUMA, CA					1		3			4	1						9
TRAINING CENTER, YORKTOWN, VA		1					1	1		3		3					9
AVIATION TRAINING CENTER, MOBI						1								1			2
TRAINING CENTER, CAPE MAY, NJ				2		3		1									6
YARD, BALTIMORE, MD						1		2		1			1				5
RESEARCH & DEVELOPMENT CTR, GR		10	1	10	3	1		1				2	1	1			30
HEADQUARTERS, WASHINGTON, DC				1				2		1							4
HEADQUARTERS, WASHINGTON, DC	4		4	9	13	12	4	5	5	12		12	27	35	31	12	185
Total	**22**	**12**	**7**	**27**	**73**	**79**	**69**	**86**	**27**	**62**	**34**	**110**	**106**	**66**	**34**	**13**	**827**
Fiscal Year 2005 (beginning 8/21/2005)																	
1ST CG DISTRICT, BOSTON, MA					1							1	2				4
7TH CG DISTRICT, MIAMI, FL													1				1
8TH CG DISTRICT, NEW ORLEANS,							1					7	1	1			10
9TH CG DISTRICT, CLEVELAND, OH			1					1			1		1				4
11TH CG DISTRICT, ALAMEDA, CA										1		3					4
13TH CG DISTRICT, SEATTLE, WA						1				1		1					3
14TH CG DISTRICT, HONOLULU, HI												1		1			2
ATLANTIC AREA, PORTSMOUTH, VA					1					2		1	1	1			6
PACIFIC AREA, ALAMEDA, CA													1				1
MLC ATLANTIC, NORFOLK, VA						1		1		2		3	3				10
MLC PACIFIC, ALAMEDA, CA			1			1				2		1					5
FINANCE CENTER, CHESAPEAKE, VA					1		3	4					1				9
ENGINEERING LOGISTICS CENTER,						1		1						2			4
NATIONAL MARITIME CTR, MARTINS						2											2
AR&SC, ELIZABETH CITY, NC						1				3	2	1					7
PSC, TOPEKA, KS							3					1					4
ACADEMY, NEW LONDON, CT	7				1							1	1				10
USCG INSTITUTE, OKLAHOMA CITY,														1			1
NAT POLLUTION FUNDS CTR, ARLIN					1												1
TRAINING CENTER, YORKTOWN, VA										3							3
RESEARCH & DEVELOPMENT CTR, GR				12		3											15
HEADQUARTERS, WASHINGTON, DC			1					1									2
HEADQUARTERS, WASHINGTON, DC					1	1	1		2	2		2	2	7	4	3	25
Total	**7**	**0**	**3**	**12**	**6**	**11**	**8**	**8**	**2**	**16**	**3**	**23**	**14**	**13**	**4**	**3**	**133**

Question: Please list the total cost of all military bonuses, by type, obligated in fiscal years 2005, 2006, and 2007.

ANSWER: The information requested is shown in the following table.

TYPE OF BONUS	FY2005	FY2006	FY2007
Selective Re-enlistment Bonus (SRB)	$26,512,471	$27,695,078	$53,228,419
Special Enlistment Program	6,000		
A School/Striker Incentive Program	5,000		
Enlisted Bonus (Non Prior Service)	1,961,560	2,428,105	1,853,172
Enlisted Bonus (Prior Service)	286,887	400,971	373,849
Enlisted Bonus for College Credit	575,568	1,617,332	2,854,222
Non-Rate Enlisted Incentive Program	2,411,312	3,429,279	2,869,819
Career Status Bonus	6,804,550	8,765,283	6,218,533
Critical Skills Retention-Non Combat	9,236		
ACCP	186,000	84,000	
TOTAL	**$38,758,584**	**$44,420,048**	**$67,398,014**

Question: Provide the total amount requested for Coast Guard legislative affairs office in fiscal year 2009.

ANSWER: The total amount requested for Coast Guard Legislative Affairs activities is $2,124,493, which includes personnel costs.

CONTRACTS

Question: Please provide for the record a list of sole source contracts executed by Coast Guard in 2007. Organize by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and reason for sole-source.

ANSWER: Because of its size, the response required for this question is provided separately.

Question: Please provide for the record a list of all contracts over $5 million in total value executed by Coast Guard in 2007. Organize by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and contract type (e.g., firmed fixed price, etc.).

ANSWER: Please see the following table.

Criteria limited to Mod 0 of Awards, IDCs, and BPAs with "Base and All Options Value" greater than or equal to $5 Million.
Contracting Agency ID: 7008

USCG FY07 Contracts over $5 Million in Total Value

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
VECTOR CSP LIMITED LIABILITY COMPANY	ENGINEERING SUPPORT	$197,324	$6,052,100	$6,052,100	10/01/2006	10/30/2007	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$0	$3,081,217	$5,303,803	10/04/2006	12/14/2006	FIXED PRICE
ROCKWELL COLLINS, INC	FSE/PROGRAM MANAGEMENT	$31,698	$1,395,129	$30,000,000	10/05/2006	07/31/2007	FIXED PRICE
NO DATA FROM D AND B	PBH AVIONICS FLIGHT HOURS	$3,185,463	$25,562,875	$35,000,000	10/05/2006	10/31/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$62,573	$3,710,959	$6,458,462	10/06/2006	04/29/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$262	$3,381,435	$7,039,005	10/13/2006	04/12/2007	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$0	$3,081,217	$5,303,803	10/16/2006	12/27/2006	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$137,873	$16,706,631	$16,706,631	10/17/2006	03/09/2008	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$33,256	$3,081,217	$5,303,803	10/18/2006	01/07/2007	FIXED PRICE
RAYTHEON COMPANY	APS 137 COMPONENTS	$196,779	$3,594,337	$6,246,186	10/18/2006	12/17/2006	FIXED PRICE
ROCKWELL COLLINS, INC	HARDWARE FOR AUF INITIATIVE	$2,614,912	$23,811,253	$30,000,000	10/19/2006	12/30/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INC	ATF3 ENGINE REPAIR	$0	$90,741,556	$90,741,556	10/20/2006	05/25/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$6,170	$16,706,631	$16,706,631	10/20/2006	09/16/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$263,469	$3,102,877	$15,902,503	10/20/2006	02/02/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$53,221	$3,381,435	$7,039,005	10/20/2006	01/26/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$90	$2,844,968	$8,534,905	10/23/2006	05/30/2007	FIXED PRICE
MTC TECHNOLOGIES INCORPORATED (0875)	FLIGHT DATA ACQUISITION UNITS	$2,763,784	$2,763,784	$8,428,454	10/24/2006	11/23/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$1,277	$16,706,631	$16,706,631	10/25/2006	07/23/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$57,117	$3,102,877	$15,902,503	10/25/2006	02/14/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$101,592	$31,597,307	$31,597,307	10/27/2006	02/26/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$10,578	$3,381,435	$7,039,005	10/27/2006	10/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$11,612	$16,706,631	$16,706,631	10/30/2006	11/23/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$0	$3,585,690	$9,569,954	10/31/2006	12/18/2006	FIXED PRICE
H AND G MARINE SERVICE INCORPORATED	MANUFACTURING AND DELIVERY OF FOAM-FILLED UNLIGHTED STEEL RIVER BUOYS.	$0		$16,597,395	11/01/2006		ORDER DEPENDENT (IDV ALLOWS PRICING ARRANGEMENT TO BE DETERMINED SEPARATELY FOR EACH ORDER)
ROCKWELL COLLINS, INC	HARDWARE FOR AUF INITIATIVE	$28,641	$23,811,253	$30,000,000	11/01/2006	01/05/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INC	ATF3 ENGINE REPAIR	$0	$90,741,556	$90,741,556	11/01/2006	05/06/2007	FIXED PRICE
VECTOR CSP LIMITED LIABILITY COMPANY	ENGINEERING SUPPORT	$2,040,183	$6,052,100	$6,052,100	11/01/2006	10/30/2007	FIXED PRICE
ROLLS ROYCE DEFENSE ENERGY INCORPORATED	POWER BY THE HOUR	$1,755,540	$3,596,154	$50,000,000	11/01/2006	10/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$29,002	$16,706,631	$16,706,631	11/03/2006	11/28/2007	FIXED PRICE

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$23,481	$3,381,435	$7,039,005	11/07/2006	04/09/2008	FIXED PRICE
OLMSTED INSTRUMENT COMPANY	OVERHAUL OF AIRSPEED INDICATORS	$3,625	$2,348,069	$6,246,186	11/07/2006	02/11/2007	FIXED PRICE
LISTER CHAIN AND FORGE INCORPORATED	LARGE CHAIN 5 YEAR PROCUREMENT REQUEST	$0		$15,620,978	11/08/2006		FIXED PRICE
PARSONS BRINCKERHOFF INC	A/E SERVICES	$29,943	$12,500,000	$12,500,000	11/08/2006	12/30/2006	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$8,496	$16,706,631	$16,706,631	11/09/2006	06/07/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$1,304	$16,706,631	$16,706,631	11/13/2006	09/09/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$24,283	$3,102,877	$15,902,503	11/13/2006	02/04/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$299,360	$3,585,690	$9,569,954	11/15/2006	01/30/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$142,020	$3,710,959	$6,458,462	11/16/2006	12/20/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$19,398	$16,706,631	$16,706,631	11/17/2006	09/14/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INC	ATF3 ENGINE REPAIR	$1,548,898	$90,741,556	$90,741,556	11/20/2006	07/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$105,472	$16,706,631	$16,706,631	11/20/2006	03/14/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$60,282	$3,381,435	$7,039,005	11/20/2006	05/27/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$174	$2,844,968	$8,534,905	11/20/2006	07/27/2007	FIXED PRICE
LITTON SYSTEMS INCORPORATED	CONTROLLER COMMUNICATION	$229,570	$9,654,426	$9,654,426	11/20/2006	04/19/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$0	$31,597,307	$31,597,307	11/21/2006	03/23/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$49,109	$3,102,877	$15,902,503	11/21/2006	02/14/2007	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	BLADE ROTARY RUDDER	$203,888	$15,478,455	$15,478,455	11/27/2006	04/07/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$1,979	$16,706,631	$16,706,631	11/28/2006	11/23/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$178,500	$31,597,307	$31,597,307	11/28/2006	02/27/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$80,580	$31,597,307	$31,597,307	11/28/2006	02/28/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$30,539	$3,381,435	$7,039,005	11/29/2006	12/25/2007	FIXED PRICE
LITTON SYSTEMS INCORPORATED	CONTROLLER COMMUNICATION	$44,346	$9,654,426	$9,654,426	11/29/2006	04/19/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$630,972	$31,597,307	$31,597,307	11/30/2006	03/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$96,621	$16,706,631	$16,706,631	12/01/2006	03/24/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$6,867	$2,844,968	$8,534,905	12/01/2006	08/30/2007	FIXED PRICE
CW RESOURCES INCORPORATED	JANITORIAL SERVICES	$1,684,000	$1,684,000	$9,767,198	12/01/2006	09/30/2011	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$5,235	$3,381,435	$7,039,005	12/04/2006	07/31/2007	FIXED PRICE
CACI INCORPORATED FEDERAL	TECHNICAL & MANAGEMENT SUPPORT SERVICES FOR THE USCG OFFICE OF COUNTE-TERRORISM AND SPECIAL MISSIONS.	$7,164,061	$7,164,061	$7,164,061	12/05/2006	12/04/2007	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$1,050	$2,844,968	$8,534,905	12/05/2006	10/05/2007	FIXED PRICE
GOVERNMENT SERVICES INTEGRATED PROCESS TEAM LIMITED LIABILITY COMPANY	PLANNING A/E SERVICES	$142,333	$12,500,000	$12,500,000	12/05/2006	06/05/2007	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$69,905	$3,081,217	$5,303,803	12/06/2006	03/17/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$47,213	$16,706,631	$16,706,631	12/06/2006	03/21/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$18,979	$3,381,435	$7,039,005	12/06/2006	04/29/2008	FIXED PRICE
LITTON SYSTEMS INCORPORATED	CONTROLLER COMMUNICATION	$10,846	$9,654,426	$9,654,426	12/06/2006	04/24/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$4,123	$16,706,631	$16,706,631	12/07/2006	09/19/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$250,294	$3,710,959	$6,458,462	12/07/2006	06/16/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$191,487	$3,102,877	$15,902,503	12/07/2006	03/31/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$16,085	$3,381,435	$7,039,005	12/07/2006	03/02/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$181,989	$16,706,631	$16,706,631	12/08/2006	03/20/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$920,743	$16,706,631	$16,706,631	12/11/2006	03/23/2008	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$0	$3,081,217	$5,303,803	12/12/2006	03/04/2007	FIXED PRICE
SELEX SENSORS AND AIRBORNE SYSTEMS LIMITED (0000)	SURFACE SEARCH RADAR SYSTEM FOR USCG C130 AIRCRAFT	$155,500	$23,927,559	$73,194,059	12/12/2006	08/14/2007	FIXED PRICE

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
SELEX SENSORS AND AIRBORNE SYSTEMS LIMITED (0000)	SURFACE SEARCH RADAR SYSTEM FOR USCG C130 AIRCRAFT	$109,000	$23,927,559	$73,194,059	12/12/2006	06/30/2007	FIXED PRICE
SELEX SENSORS AND AIRBORNE SYSTEMS LIMITED (0000)	SURFACE SEARCH RADAR SYSTEM FOR USCG C130 AIRCRAFT	$29,808	$23,927,559	$73,194,059	12/12/2006	07/14/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$14,784	$3,102,877	$15,902,503	12/12/2006	03/12/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$90,512	$3,381,435	$7,039,005	12/12/2006	06/04/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$27,369	$3,102,877	$15,902,503	12/13/2006	05/01/2007	FIXED PRICE
ENSR CORPORATION	ENV. A/E SERVICES	$17,112	$12,500,000	$12,500,000	12/13/2006	04/14/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$95,730	$16,706,631	$16,706,631	12/18/2006	11/13/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$69,214	$31,597,307	$31,597,307	12/18/2006	03/19/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$4,200	$16,706,631	$16,706,631	12/19/2006	10/15/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$1,784	$3,381,435	$7,039,005	12/19/2006	01/30/2008	FIXED PRICE
ENSR CORPORATION	ENVIRONMENTAL SAMPLING AND ANALYSIS	$17,426	$12,500,000	$12,500,000	12/19/2006	09/30/2007	FIXED PRICE
MARINETTE MARINE CORPORATION	CLIN 3001 3 MO CLIN 1003 HULLS 45607-45612	$12,927,850	$12,927,850	$12,927,850	12/20/2006	07/01/2008	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$71,295	$3,102,877	$15,902,503	12/20/2006	03/21/2007	FIXED PRICE
ROCKWELL COLLINS, INC	HARDWARE FOR AUF INITIATIVE	$338,943	$23,811,253	$30,000,000	12/21/2006	10/30/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$52,234	$3,102,877	$15,902,503	12/21/2006	04/05/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$5,340	$3,381,435	$7,039,005	12/21/2006	07/29/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INC	ATF3 ENGINE REPAIR	$757,788	$90,741,556	$90,741,556	12/27/2006	08/08/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$71,000	$16,706,631	$16,706,631	12/27/2006	04/18/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$1,903	$2,844,968	$8,534,905	12/27/2006	07/25/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$7,410	$16,706,631	$16,706,631	12/28/2006	08/25/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$10,361	$7,039,005	$7,039,005	12/28/2006	09/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$149,680	$3,585,690	$9,569,954	12/29/2006	03/30/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$250,294	$3,710,959	$6,458,462	12/29/2006	07/09/2007	FIXED PRICE
LITTON SYSTEMS INCORPORATED	CONTROLLER COMMUNICATION	$341,538	$9,654,426	$9,654,426	12/29/2006	05/25/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$34,875	$3,585,690	$9,569,954	01/04/2007	03/22/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$536,724	$31,597,307	$31,597,307	01/04/2007	05/19/2007	FIXED PRICE
MICHAEL BAKER JR INCORPORATED	PLANNING PROPOSAL	$134,614	$12,500,000	$12,500,000	01/04/2007	05/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$18,676	$16,706,631	$16,706,631	01/06/2007	04/02/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$152,550	$3,710,959	$6,458,462	01/08/2007	08/15/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$11,451	$7,039,005	$7,039,005	01/08/2007	12/04/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$0		$14,086,830	01/08/2007		FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$199,741	$6,264,818	$15,902,503	01/09/2007	05/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$30,371	$16,706,631	$16,706,631	01/10/2007	12/06/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$466,956	$31,597,307	$31,597,307	01/11/2007	04/14/2007	FIXED PRICE
INTEGRATED COAST GUARD SYSTEMS	THIS AMENDMENT IS TO PRICE OUT HOW THE PR WILL MOVE FORWARD. THE REMAINDER OF AVAILABLE FY06 FUNDS ($1,064,942) WILL BE EXHAUSTED TOWARD THIS EFFORT, WITH $6,933,244 OF FY07 MONIES USED TO FUND THE REMAINDER OF THE CLIN. COTR - JERONE GALLOWAY 571-218-3368	$15,722,424	$15,722,424	$15,722,424	01/12/2007	10/11/2007	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$15,444	$7,039,005	$7,039,005	01/12/2007	05/06/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	FUSELAGE	$17,570,000	$17,570,000	$17,570,000	01/16/2007	09/30/2007	FIXED PRICE

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$1,075	$16,706,631	$16,706,631	01/16/2007	11/12/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$6,717	$7,039,005	$7,039,005	01/23/2007	09/20/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$0	$7,039,005	$7,039,005	01/25/2007	04/29/2007	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$69,503	$3,081,217	$5,303,803	01/26/2007	04/14/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$30,952	$16,706,631	$16,706,631	01/26/2007	05/21/2008	FIXED PRICE
FLIR SYSTEMS INCORPORATED (8501)	EO/IR SENSOR SYSTEM AND SUPPORT BY THE HOUR REPAIR AND LOGISTIC SUPPORT	$0		$37,429,581	01/26/2007		FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$149,680	$3,585,690	$9,569,954	01/29/2007	04/14/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$993,684	$31,597,307	$31,597,307	01/29/2007	04/29/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$12,301	$7,039,005	$7,039,005	01/30/2007	12/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$33,316	$2,844,968	$8,534,905	01/30/2007	12/26/2007	FIXED PRICE
FLIR SYSTEMS INCORPORATED (8501)	EO/IR SENSOR SYSTEM AND SUPPORT BY THE HOUR REPAIR AND LOGISTIC SUPPORT	$2,185,089	$2,185,089	$37,429,581	01/30/2007	10/31/2007	FIXED PRICE
TESORO CORPORATION	DESIGN AND CONSTRUCTION SERVICES FOR THE REPLACEMENT OF STATION GULFPORT, GULFPORT, MS	$15,338,808	$15,338,808	$15,338,808	01/31/2007	10/19/2008	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
INTEGRATED COAST GUARD SYSTEMS	NEW DTO MPA A/C 4 & 5	$69,782,275	$69,782,275	$69,782,275	02/01/2007	05/31/2009	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
ROCKWELL COLLINS, INC	HARDWARE FOR AUF INITIATIVE	$13,500	$23,811,253	$30,000,000	02/01/2007	12/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$27,106	$16,706,631	$16,706,631	02/01/2007	12/28/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$32,748	$3,710,959	$6,458,462	02/01/2007	08/29/2007	FIXED PRICE
OLMSTED INSTRUMENT COMPANY	OVERHAUL OF AIRSPEED INDICATORS	$3,624	$2,348,069	$6,246,186	02/01/2007	04/22/2007	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	SUSTAINING ENGINEERING AND INVENTORY LOGISTICS MANAGEMENT	$1,074,579	$1,491,000	$7,130,660	02/01/2007	03/03/2007	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	SUSTAINING ENGINEERING AND INVENTORY LOGISTICS MANAGEMENT	$1,426,132		$7,130,660	02/01/2007		FIXED PRICE
LITTON SYSTEMS INCORPORATED	CONTROLLER COMMUNICATION	$38,305	$9,654,426	$9,654,426	02/02/2007	06/01/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INC	ATF3 ENGINE REPAIR	$757,788	$90,741,556	$90,741,556	02/05/2007	09/17/2007	FIXED PRICE
WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	$485,273	$3,304,000	$5,151,000	02/06/2007	07/27/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$8,968	$16,706,631	$16,706,631	02/06/2007	03/02/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$128,223	$6,264,818	$15,902,503	02/06/2007	05/06/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$16,575	$7,039,005	$7,039,005	02/06/2007	05/02/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$174	$2,844,968	$8,534,905	02/06/2007	10/04/2007	FIXED PRICE
MOOG INCORPORATED	REPAIR OF YAW, PITCH, AND ROLL SERVOS	$55,073	$10,000,000	$10,000,000	02/06/2007	07/13/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$179,710	$16,706,631	$16,706,631	02/08/2007	06/02/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$21,321	$6,264,818	$15,902,503	02/08/2007	05/31/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$153,875	$7,039,005	$7,039,005	02/08/2007	08/02/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$91,729	$2,844,968	$8,534,905	02/08/2007	10/06/2007	FIXED PRICE
ST FRANCIS ELECTRIC	D51 ALAMEDA SHORE TIES	$6,848,100	$6,848,100	$6,848,100	02/08/2007	07/31/2008	FIXED PRICE
TETRA TECH INC	REMOVAL ACTION, CERCLA SITE #4	$272,962	$12,500,000	$12,500,000	02/08/2007	02/01/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	BLADE ROTARY RUDDER	$508,174	$15,478,455	$15,478,455	02/09/2007	06/09/2007	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$71,170	$27,627,940	$27,627,940	02/09/2007	07/30/2007	FIXED PRICE
UNIVERSAL MARINE SERVICES INCORPORATED	MANUFACTURE AND DELIVER STEEL OCEAN BUOYS	$0		$22,917,959	02/12/2007		FIXED PRICE WITH ECONOMIC PRICE ADJUSTMENT

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
HONEYWELL INTERNATIONAL INC	ATF3 ENGINE REPAIR	$783,617	$90,741,556	$90,741,556	02/12/2007	10/24/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$83,679	$16,706,631	$16,706,631	02/12/2007	02/07/2008	FIXED PRICE
LEADS CORPORATION THE	IDIQ LEADS CORPORATION BOSS	$0		$23,766,777	02/13/2007		LABOR HOURS
SIKORSKY AIRCRAFT CORPORATION	SUSTAINING ENGINEERING AND INVENTORY LOGISTICS MANAGEMENT	$1,500	$1,491,000	$7,130,660	02/13/2007	03/29/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$154,771	$7,039,005	$7,039,005	02/15/2007	06/09/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$481,196	$27,627,940	$27,627,940	02/15/2007	10/30/2007	FIXED PRICE
TETRA TECH INC	REMDIAL ACTIONI PLAN, SITE 7	$170,031	$12,500,000	$12,500,000	02/15/2007	02/01/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$32,472	$16,706,631	$16,706,631	02/16/2007	05/12/2008	FIXED PRICE
RAYTHEON COMPANY	APS 137 COMPONENTS	$114,064	$3,594,337	$6,246,186	02/16/2007	05/17/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$101,592	$31,597,307	$31,597,307	02/16/2007	07/01/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$306,102	$31,597,307	$31,597,307	02/16/2007	06/19/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$6,800	$31,597,307	$31,597,307	02/16/2007	06/20/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$165,908	$16,706,631	$16,706,631	02/21/2007	06/17/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$119,535	$3,710,959	$6,458,462	02/21/2007	11/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$0	$3,585,690	$9,569,954	02/22/2007	05/23/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$33,570	$6,264,818	$15,902,503	02/22/2007	05/27/2007	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$44,288	$4,174,817	$5,303,803	02/23/2007	05/10/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$13,215	$16,706,631	$16,706,631	02/23/2007	02/18/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$123,398	$7,039,005	$7,039,005	02/23/2007	07/23/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INC	ATF3 ENGINE REPAIR	$763,375	$90,741,556	$90,741,556	02/26/2007	11/04/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$916,049	$7,921,711	$14,086,830	02/26/2007	11/08/2007	FIXED PRICE
TOWER INSPECTION INCORPORATED	FY07 TOWER REPAIRS	$182,314	$12,500,000	$12,500,000	02/26/2007	08/15/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$413	$16,706,631	$16,706,631	02/27/2007	11/24/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$42,715	$8,073,220	$25,382,723	02/27/2007	01/25/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$8,073,220		$25,382,723	02/27/2007		FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$18,590	$2,844,968	$8,534,905	02/28/2007	11/25/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$3,686,644	$8,073,220	$25,382,723	02/28/2007	12/19/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$29,667	$8,073,220	$25,382,723	02/28/2007	10/22/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$1,746,736	$7,039,005	$7,039,005	03/01/2007	12/27/2008	FIXED PRICE
JAY BRANT GENERAL CONTRACTORS LIMITED LIABILITY COMPANY	STEAM SYSTEM REPAIRS, PHASE V	$6,380,097	$6,380,097	$6,380,097	03/01/2007	09/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$218,586	$2,844,968	$8,534,905	03/02/2007	01/26/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$115,867	$8,073,220	$25,382,723	03/02/2007	06/28/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$147,014	$16,706,631	$16,706,631	03/06/2007	04/27/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$119,941	$8,073,220	$25,382,723	03/06/2007	01/02/2008	FIXED PRICE
NO DATA FROM D AND B	PBH AVIONICS FLIGHT HOURS	$1,720	$25,562,875	$35,000,000	03/07/2007	07/15/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$29,760	$31,597,307	$31,597,307	03/07/2007	08/14/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$402,832	$31,597,307	$31,597,307	03/07/2007	09/20/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$87,721	$8,073,220	$25,382,723	03/07/2007	02/01/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$731,373	$8,073,220	$25,382,723	03/08/2007	12/31/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$19,072	$7,039,005	$7,039,005	03/09/2007	03/03/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$118	$8,073,220	$25,382,723	03/09/2007	12/05/2007	FIXED PRICE
G & M ARCADIS	ENV. A/E SERVICES	$49,516	$12,500,000	$12,500,000	03/09/2007	09/10/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$9,148	$8,073,220	$25,382,723	03/13/2007	02/07/2008	FIXED PRICE

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$19,736	$4,174,817	$5,303,803	03/14/2007	05/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$711	$16,706,631	$16,706,631	03/14/2007	11/09/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$9,510	$7,039,005	$7,039,005	03/14/2007	01/15/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$246	$2,844,968	$8,534,905	03/14/2007	10/10/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$7,042	$8,073,220	$25,382,723	03/14/2007	03/08/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$34,784	$6,264,818	$15,902,503	03/15/2007	06/14/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$127,759	$6,264,818	$15,902,503	03/15/2007	06/14/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$197,954	$8,073,220	$25,382,723	03/15/2007	01/03/2009	FIXED PRICE
COBHAM HOLDINGS INCORPORATED	MULTI-BAND AIRCRAFT TRANSCEIVER SYSTEM (RT-5000)	$21,818,070		$21,818,070	03/15/2007		FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$30,909	$16,706,631	$16,706,631	03/16/2007	07/20/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$1,327	$2,844,968	$8,534,905	03/16/2007	04/09/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$26,965	$8,073,220	$25,382,723	03/16/2007	07/09/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$52,133	$16,706,631	$16,706,631	03/19/2007	02/13/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$27,384	$6,264,818	$15,902,503	03/19/2007	07/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$480,774	$8,073,220	$25,382,723	03/19/2007	01/07/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$53,780	$16,706,631	$16,706,631	03/20/2007	01/14/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$29,671	$7,039,005	$7,039,005	03/20/2007	03/14/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$455,488	$27,627,940	$27,627,940	03/20/2007	10/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$12,684	$8,073,220	$25,382,723	03/20/2007	02/13/2008	FIXED PRICE
STV INCORPORATED	SPACE STUDY	$158,700	$12,500,000	$12,500,000	03/20/2007	10/23/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$155,520	$3,585,690	$9,569,954	03/21/2007	06/20/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$71,193	$8,073,220	$25,382,723	03/21/2007	03/15/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$57,426	$3,710,959	$6,458,462	03/22/2007	12/23/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$4,650	$8,073,220	$25,382,723	03/26/2007	12/21/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$10,164	$3,710,959	$6,458,462	03/28/2007	09/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$108,724	$7,039,005	$7,039,005	03/28/2007	08/23/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$39,316	$16,706,631	$16,706,631	03/29/2007	01/23/2008	FIXED PRICE
TETRA TECH INC	ENV. A/E SERVICES	$13,900	$12,500,000	$12,500,000	03/29/2007	05/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$1,570	$16,706,631	$16,706,631	04/02/2007	12/27/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$68,442	$2,844,968	$8,534,905	04/02/2007	02/27/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$3,746	$8,073,220	$25,382,723	04/02/2007	02/27/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$7,280	$7,039,005	$7,039,005	04/03/2007	02/27/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$2,855	$8,073,220	$25,382,723	04/03/2007	12/29/2007	FIXED PRICE
G & M ARCADIS	GROUNDWATER MONITORING	$22,856	$12,500,000	$12,500,000	04/06/2007	12/31/2007	FIXED PRICE
G & M ARCADIS	GROUNDWATER MONITORING	$58,468	$12,500,000	$12,500,000	04/06/2007	04/30/2008	FIXED PRICE
G & M ARCADIS	GROUNDWATER MONITORING	$30,020	$12,500,000	$12,500,000	04/06/2007	12/31/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$27,328	$16,706,631	$16,706,631	04/09/2007	06/03/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$168,672	$7,921,711	$14,086,830	04/09/2007	10/31/2007	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$82,773	$27,627,940	$27,627,940	04/10/2007	08/31/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$2,272	$16,706,631	$16,706,631	04/12/2007	12/08/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$461	$8,073,220	$25,382,723	04/12/2007	01/09/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$6,515	$2,844,968	$8,534,905	04/13/2007	11/09/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$2,742	$8,073,220	$25,382,723	04/13/2007	03/08/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$56,623	$16,706,631	$16,706,631	04/16/2007	04/30/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$43,262	$6,264,818	$15,902,503	04/16/2007	07/29/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$3,094	$16,706,631	$16,706,631	04/17/2007	01/12/2008	FIXED PRICE

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$3,126	$7,039,005	$7,039,005	04/17/2007	03/22/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$15,727	$7,039,005	$7,039,005	04/17/2007	04/21/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$2,425	$8,073,220	$25,382,723	04/17/2007	01/12/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$33,255	$6,264,818	$15,902,503	04/18/2007	07/29/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$2,212	$16,706,631	$16,706,631	04/23/2007	12/20/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$0	$3,585,690	$9,569,954	04/24/2007	07/08/2007	FIXED PRICE
OLMSTED INSTRUMENT COMPANY	OVERHAUL OF AIRSPEED INDICATORS	$3,625	$2,348,069	$6,246,186	04/24/2007	07/25/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$4,189	$16,706,631	$16,706,631	04/25/2007	01/20/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$40,940	$6,264,818	$15,902,503	04/25/2007	08/04/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$10,926	$7,039,005	$7,039,005	04/25/2007	02/19/2008	FIXED PRICE
TETRA TECH INC	ENV. A/E SERVICES	$42,939	$12,500,000	$12,500,000	04/25/2007	03/15/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$324,180	$27,627,940	$27,627,940	04/26/2007	10/31/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$2,210	$16,706,631	$16,706,631	04/30/2007	02/24/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$102,181	$7,921,711	$14,086,830	04/30/2007	01/11/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$78,479	$3,710,959	$6,458,462	05/01/2007	04/23/2008	FIXED PRICE
RAYTHEON COMPANY	APS 137 COMPONENTS	$0	$3,594,337	$6,246,186	05/02/2007	08/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$2,083	$7,039,005	$7,039,005	05/02/2007	05/25/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$34,030	$27,627,940	$27,627,940	05/02/2007	10/31/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$1,879	$3,710,959	$6,458,462	05/03/2007	09/02/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$57,002	$7,921,711	$14,086,830	05/03/2007	12/05/2007	FIXED PRICE
TETRA TECH INC	ENV. A/E SERVICES	$297,520	$12,500,000	$12,500,000	05/03/2007	05/05/2008	FIXED PRICE
TETRA TECH INC	ENV A/E SERVICES	$285,476	$12,500,000	$12,500,000	05/03/2007	05/05/2008	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$50,563	$31,597,307	$31,597,307	05/07/2007	10/15/2007	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7889)	HH65 COMPONENT REWORK	$102,024	$4,174,817	$5,303,803	05/08/2007	07/18/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$174	$2,844,968	$8,534,905	05/08/2007	12/27/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$7,404	$8,073,220	$25,382,723	05/08/2007	03/03/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$3,141	$16,706,631	$16,706,631	05/09/2007	03/06/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$1,050	$2,844,968	$8,534,905	05/09/2007	03/05/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$1,888	$7,039,005	$7,039,005	05/10/2007	12/16/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$3,396	$2,844,968	$8,534,905	05/10/2007	02/06/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$12,768	$8,073,220	$25,382,723	05/10/2007	04/04/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$9,869	$16,706,631	$16,706,631	05/11/2007	06/07/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$155,520	$3,585,690	$9,569,954	05/14/2007	08/12/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$26,009	$16,706,631	$16,706,631	05/16/2007	04/10/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$218,297	$16,706,631	$16,706,631	05/16/2007	10/07/2008	FIXED PRICE
RAYTHEON COMPANY	APS 137 COMPONENTS	$365,716	$3,594,337	$6,246,186	05/16/2007	08/14/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$953,392	$31,597,307	$31,597,307	05/16/2007	09/14/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$7,243	$16,706,631	$16,706,631	05/17/2007	12/13/2007	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$323,371	$27,627,940	$27,627,940	05/17/2007	12/01/2007	FIXED PRICE
MWH AMERICAS INC	WELL CLOSURE	$35,578	$12,500,000	$12,500,000	05/17/2007	11/01/2007	FIXED PRICE
G & M ARCADIS	GROUNDWATER MONITORING	$25,238	$12,500,000	$12,500,000	05/17/2007	12/30/2007	FIXED PRICE
G & M ARCADIS	GROUNDWATER MONITORING	$24,335	$12,500,000	$12,500,000	05/17/2007	12/30/2007	FIXED PRICE
TETRA TECH INC	GROUNDWATER MONITORING	$71,559	$12,500,000	$12,500,000	05/17/2007	04/30/2008	FIXED PRICE
TETRA TECH INC	GROUNDWATER MONITORING	$32,166	$12,500,000	$12,500,000	05/17/2007	04/30/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$52,327	$2,844,968	$8,534,905	05/18/2007	06/11/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INC	ATF3 ENGINE REPAIR	$769,546	$90,741,556	$90,741,556	05/21/2007	12/31/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$13,683	$16,706,631	$16,706,631	05/22/2007	04/16/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$2,962	$8,073,220	$25,382,723	05/22/2007	03/20/2008	FIXED PRICE

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$15,520	$8,073,220	$25,382,723	05/22/2007	04/16/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$11,172	$7,039,005	$7,039,005	05/23/2007	08/22/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$1,242	$8,073,220	$25,382,723	05/23/2007	04/18/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$26,379	$6,264,818	$15,902,503	05/24/2007	09/14/2007	FIXED PRICE
OLMSTED INSTRUMENT COMPANY	OVERHAUL OF AIRSPEED INDICATORS	$5,436	$2,348,069	$6,246,186	05/24/2007	08/31/2007	FIXED PRICE
ROLLS ROYCE DEFENSE ENERGY INCORPORATED	POWER BY THE HOUR	$922,648	$3,598,154	$50,000,000	05/25/2007	12/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$3,493	$8,073,220	$25,382,723	05/25/2007	02/21/2008	FIXED PRICE
G & M ARCADIS	GROUNDWATER MONITORING	$11,616,700	$12,500,000	$12,500,000	05/25/2007	04/01/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$4,995	$16,706,631	$16,706,631	05/29/2007	04/24/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$15,507	$7,039,005	$7,039,005	05/29/2007	07/02/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$1,787	$16,706,631	$16,706,631	05/30/2007	02/24/2008	FIXED PRICE
LITTON SYSTEMS INCORPORATED	REWORK RECEIVER TRANSMITTER	$45,915	$9,654,426	$9,654,426	05/30/2007	09/19/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$16,872	$6,264,818	$15,902,503	05/31/2007	09/29/2007	FIXED PRICE
SILVER SHIPS INCORPORATED	SPC-SW	$0		$25,773,148	06/01/2007		FIXED PRICE
GRAVOIS ALUMINUM BOATS LIMITED LIABILITY COMPANY	SPC-SW	$0		$21,154,910	06/01/2007		FIXED PRICE
SAFE BOATS INTERNATIONAL LIMITED LIABILITY COMPANY	SPECIAL PURPOSE CRAFT - SHALLOW WATER PLATFORM AND ASSOCIATED SUPPORT CLINS	$0		$28,088,854	06/01/2007		FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$1,476	$16,706,631	$16,706,631	06/01/2007	05/27/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$1,147	$2,844,968	$8,534,905	06/01/2007	12/28/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$8,757	$8,073,220	$25,382,723	06/01/2007	03/27/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$293,598	$3,710,959	$6,458,462	06/04/2007	12/13/2007	FIXED PRICE
ROCKWELL COLLINS, INC	HARDWARE FOR AUF INITIATIVE	$2,593,975	$23,811,253	$30,000,000	06/05/2007	08/31/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	SUSTAINING ENGINEERING AND INVENTORY LOGISTICS MANAGEMENT	$3,542	$1,491,000	$7,130,660	06/05/2007	07/25/2007	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$0	$27,627,940	$27,627,940	06/06/2007	10/31/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$18,462	$16,706,631	$16,706,631	06/07/2007	05/03/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$9,435	$8,073,220	$25,382,723	06/07/2007	04/02/2008	FIXED PRICE
MWH AMERICAS INC	ADDITIONAL CLOSURE REQUIREMENTS	$17,640	$17,640	$12,500,000	06/08/2007	06/09/2008	FIXED PRICE
MICHAEL BAKER JR INCORPORATED	A/E	$109,734	$109,734	$50,000,000	06/09/2007	10/07/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$9,363	$16,706,631	$16,706,631	06/11/2007	08/06/2008	FIXED PRICE
SPAR AEROSPACE LIMITED (0000)	PSI-BASELINE REPAIR PHASE TC-70	$2,153,850	$18,000,000	$18,000,000	06/11/2007	01/09/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$0	$6,264,818	$15,902,503	06/11/2007	09/06/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$2,434	$2,844,968	$8,534,905	06/11/2007	01/09/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$118,259	$8,073,220	$25,382,723	06/11/2007	01/01/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARE PARTS FOR HH-65A AIRCRAFT	$41,240	$16,706,631	$16,706,631	06/12/2007	08/07/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$136,769	$6,264,818	$15,902,503	06/12/2007	10/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$19,191	$7,039,005	$7,039,005	06/12/2007	07/16/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$3,214	$2,844,968	$8,534,905	06/12/2007	02/07/2008	FIXED PRICE
TETRA TECH INC	SITE CLOSURE	$248,881	$12,500,000	$12,500,000	06/12/2007	05/31/2009	FIXED PRICE
ENSR CORPORATION	UST MONITORING AND MAINTENANCE	$59,850	$12,500,000	$12,500,000	06/12/2007	05/31/2008	FIXED PRICE
RAYTHEON COMPANY	APS 137 COMPONENTS	$373,711	$3,594,337	$6,246,186	06/13/2007	09/11/2007	FIXED PRICE
STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	$603,652	$4,799,303	$12,314,493	06/13/2007	09/27/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$84,480	$31,597,307	$31,597,307	06/13/2007	10/15/2007	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$287,652	$27,627,940	$27,627,940	06/13/2007	12/01/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$2,461	$7,921,711	$14,086,830	06/14/2007	12/16/2007	FIXED PRICE
GENERAL DYNAMICS DECISION SYST	SCLIN 0007AC: SECTION NORTHERN CALIFORNIA	$9,703,712	$9,703,712	$9,703,712	06/15/2007	10/30/2010	COMBINATION (APPLIES TO AWARDS WHERE TWO OR MORE OF THE ABOVE APPLY)

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
GENERAL DYNAMICS DECISION SYST	SCLIN 0007AD SECTION SOUTHERN CALIFORNIA	$7,361,179	$7,361,179	$7,361,179	06/15/2007	06/29/2010	COMBINATION (APPLIES TO AWARDS WHERE TWO OR MORE OF THE ABOVE APPLY)
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$14,845	$8,073,220	$25,382,723	06/15/2007	05/11/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$35,675	$3,710,959	$6,458,462	06/18/2007	03/15/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$311,040	$3,585,690	$9,569,954	06/19/2007	09/16/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$399	$2,844,968	$8,534,905	06/19/2007	01/16/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$189,910	$7,921,711	$14,086,830	06/19/2007	02/26/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$5,501	$8,073,220	$25,382,723	06/19/2007	03/15/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$0	$6,264,818	$15,902,503	06/20/2007	09/01/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$3,313	$2,844,968	$8,534,905	06/20/2007	07/16/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$2,682	$8,073,220	$25,382,723	06/20/2007	05/15/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$21,116	$8,073,220	$25,382,723	06/20/2007	07/16/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$69,169	$7,039,005	$7,039,005	06/21/2007	01/27/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$47	$2,844,968	$8,534,905	06/21/2007	01/17/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	SUSTAINING ENGINEERING AND INVENTORY LOGISTICS MANAGEMENT	$56,748	$1,491,000	$7,130,660	06/22/2007	07/22/2007	FIXED PRICE
INTEGRATED COAST GUARD SYSTEMS	PR FOR INITIAL FUNDING FOR AWARD TERM CLINS 0101AA/0101AB/0101AC. THE TOTAL AMOUNT OF FUNDING ON THIS PR IS $10,950,600 DISTRIBUTED AMONG THE CLINS AS FOLLOWS: 0101AA $2,973,500 0101AB $3,500,000 0101AC $4,477,500. THESE CLINS WILL BE INCREMENTALLY FUNDED. THIS FIRST INCREMENT WILL USE FY07 FUNDING.	$10,950,600	$53,117,284	$53,117,284	06/25/2007	12/31/2008	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$8,024	$2,844,968	$8,534,905	06/26/2007	04/23/2008	FIXED PRICE
OLMSTED INSTRUMENT COMPANY	OVERHAUL OF AIRSPEED INDICATORS	$0	$2,348,069	$6,246,186	06/26/2007	09/19/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$2,456	$8,073,220	$25,382,723	06/26/2007	05/21/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$201,140	$8,073,220	$25,382,723	06/26/2007	01/16/2009	FIXED PRICE
WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	$917,000	$3,304,000	$5,151,000	06/27/2007	07/30/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$45,343	$7,039,005	$7,039,005	06/27/2007	07/05/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$40,500	$6,264,818	$15,902,503	06/28/2007	09/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$713	$8,073,220	$25,382,723	06/28/2007	03/23/2008	FIXED PRICE
GENERAL DYNAMICS ONE SOURCE LIMITED LIABILITY COMPANY	TECHNICAL AND PROGRAM MANAGEMENT SUPPORT SERVICES THROUGH THE EAGLE PROGRAM.	$767,325	$767,325	$10,852,868	06/29/2007	10/31/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$123,805	$3,710,959	$6,458,462	06/29/2007	03/29/2008	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$0	$4,174,817	$5,303,803	07/10/2007	09/20/2007	FIXED PRICE
VECTOR CSP LIMITED LIABILITY COMPANY	ENGINEERING SUPPORT	$30,836	$6,052,100	$6,052,100	07/10/2007	10/30/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$724,756	$7,921,711	$14,086,830	07/13/2007	03/03/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	SUSTAINING ENGINEERING AND INVENTORY LOGISTICS MANAGEMENT	$900	$1,491,000	$7,130,660	07/16/2007	08/19/2007	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$609,336	$27,627,940	$27,627,940	07/18/2007	12/30/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$12,305	$7,921,711	$14,086,830	07/18/2007	01/10/2008	FIXED PRICE
ROCKWELL COLLINS, INC	HARDWARE FOR AUF INITIATIVE	$63,207	$23,811,253	$30,000,000	07/23/2007	10/30/2007	FIXED PRICE
ROCKWELL COLLINS INCORPORATED	RT 1851 COMPONENTS	$6,282,380	$6,282,380	$6,282,380	07/23/2007	10/30/2007	FIXED PRICE

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$712,676	$31,597,307	$31,597,307	07/24/2007	11/14/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$992,355	$8,073,220	$25,382,723	07/24/2007	09/17/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$0	$7,921,711	$14,086,830	07/25/2007	04/02/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$2,002	$7,039,005	$7,039,005	07/26/2007	03/22/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$83,673	$2,844,968	$8,534,905	07/26/2007	06/20/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	SUSTAINING ENGINEERING AND INVENTORY LOGISTICS MANAGEMENT	$98,502	$1,491,000	$7,130,660	07/26/2007	12/29/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$756	$2,844,968	$8,534,905	07/28/2007	03/26/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$26,415	$8,073,220	$25,382,723	07/28/2007	08/23/2008	FIXED PRICE
STV INCORPORATED	SPACE STUDY-	$13,794	$12,500,000	$12,500,000	08/01/2007	09/06/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$55,701	$6,264,818	$15,902,503	08/02/2007	11/10/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$67,822	$7,039,005	$7,039,005	08/02/2007	07/28/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$17,605	$7,039,005	$7,039,005	08/02/2007	11/25/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$25,468	$8,073,220	$25,382,723	08/02/2007	11/26/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$326,653	$8,073,220	$25,382,723	08/03/2007	11/26/2008	FIXED PRICE
MWH AMERICAS INC	CLOSE WELLS	$15,364	$12,500,000	$12,500,000	08/03/2007	07/31/2008	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$355,815	$31,597,307	$31,597,307	08/06/2007	11/19/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$49,960	$2,844,968	$8,534,905	08/06/2007	04/02/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$161,424	$7,039,005	$7,039,005	08/07/2007	02/07/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$29,886	$2,844,968	$8,534,905	08/07/2007	07/02/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$674,793	$27,627,940	$27,627,940	08/07/2007	01/30/2008	FIXED PRICE
INTEGRATED COAST GUARD SYSTEMS	NSC 3 PRODUCTION AND DEPLOYMENT ASSOCIATED CLIN: 0030CD	$337,373,603	$337,373,603	$337,373,603	08/08/2007	07/31/2011	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$60,718	$3,710,959	$6,458,462	08/08/2007	01/26/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$43,740	$8,073,220	$25,382,723	08/08/2007	08/02/2008	FIXED PRICE
ROCKWELL COLLINS INCORPORATED	PURCHASE OF ROCKWELL COLLINS URG-III RADIOS.	$0	$3,404,762	$8,455,428	08/09/2007	08/08/2010	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$99,051	$4,174,817	$5,303,803	08/09/2007	10/19/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$99,705	$6,264,818	$15,902,503	08/09/2007	11/25/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$18,238	$7,039,005	$7,039,005	08/09/2007	09/12/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$896,732	$8,073,220	$25,382,723	08/09/2007	07/01/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$48,681	$8,073,220	$25,382,723	08/09/2007	08/04/2008	FIXED PRICE
SAFE BOATS INTERNATIONAL LIMITED LIABILITY COMPANY	SPC-NEAR SHORE LIFEBOAT CONTRACT	$0		$8,350,346	08/10/2007		FIXED PRICE
WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	$5,445	$3,304,000	$5,151,000	08/14/2007	09/20/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	TECH REP PAYMENT	$8,792	$5,760,485	$9,734,193	08/14/2007	10/30/2007	FIXED PRICE
STG INCORPORATED	SERVICE TO PROVIDE HELPDESK SUPPORT SERVICES TO THE US COAST GUARD'S OPERATIONS SYSTEMS CENTER LOCATED IN KEARNEYSVILLE, WV.	$298,896	$298,896	$9,526,328	08/15/2007	08/31/2012	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
ROCKWELL COLLINS, INC	HARDWARE FOR AUF INITIATIVE	$61,678	$23,811,253	$30,000,000	08/15/2007	03/21/2008	FIXED PRICE
TIMCO AVIATION SERVICES INCORPORATED	REPAIR PHASE PSI-B CGNR 1701	$2,108,584	$15,000,000	$15,000,000	08/15/2007	02/20/2008	FIXED PRICE
COBHAM HOLDINGS INCORPORATED	MULTI-BAND AIRCRAFT TRANSCEIVER SYSTEM (RT-5000)	$6,029,300	$8,968,340	$21,818,070	08/15/2007	03/15/2008	FIXED PRICE
COBHAM HOLDINGS INCORPORATED	MULTI-BAND AIRCRAFT TRANSCEIVER SYSTEM (RT-5000)	$2,700	$8,968,340	$21,818,070	08/15/2007	03/15/2008	FIXED PRICE

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
GLOBAL COMPUTER ENTERPRISE INCORPORATED	FEDERAL FINANCIAL INFORMATION TECHNOLOGY (IT) SYSTEM AND SOFTWARE DEVELOPMENT, TECHNICAL MAINTENANCE, PROJECT MANAGEMENT, TECHNICAL ANALYSIS/ASSISTANCE, TRAINING, ADMINISTRATION, SOFTWARE MAINTENANCE, TROUBLE SHOOTING AND CORRECTING SOFTWARE BUGS, DEVELOPING AND INSTALLING NEW SYSTEM COMPONENTS, CONFIGURATION MANAGEMENT, MIGRATION, USER SUPPORT, AND DATABASE ADMINISTRATION SUPPORT FOR USCG AS WELL AS DHS AND ITS COMPONENT AGENCY ENTITY'S FINANCIAL AND MIXED IT SYSTEMS.	$8,959,590	$8,959,590	$8,959,590	08/16/2007	03/31/2008	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$384,370	$31,597,307	$31,597,307	08/17/2007	01/14/2008	FIXED PRICE
LITTON SYSTEMS INCORPORATED	REWORK OPTOELECTRO DISPLAY	$91,107	$9,654,426	$9,654,426	08/17/2007	12/20/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$625,325	$7,921,711	$14,086,830	08/17/2007	04/27/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$44,060	$6,264,818	$15,902,503	08/20/2007	11/21/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$8,988	$7,039,005	$7,039,005	08/21/2007	05/27/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$1,225	$2,844,968	$8,534,905	08/21/2007	11/13/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$8,818	$8,073,220	$25,382,723	08/21/2007	11/13/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$24,885	$6,264,818	$15,902,503	08/22/2007	11/29/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$35,102	$2,844,968	$8,534,905	08/22/2007	11/14/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$813,141	$8,073,220	$25,382,723	08/22/2007	11/14/2008	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$33,800	$4,174,817	$5,303,803	08/23/2007	10/31/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$303,264	$3,585,690	$9,569,954	08/23/2007	12/06/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$168,738	$3,710,959	$8,458,462	08/23/2007	09/02/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$97,061	$6,264,818	$15,902,503	08/23/2007	11/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$960,140	$7,039,005	$7,039,005	08/23/2007	03/24/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$2,725	$8,073,220	$25,382,723	08/23/2007	07/18/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$55,573	$8,073,220	$25,382,723	08/29/2007	08/22/2008	FIXED PRICE
STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	$478,765	$4,799,303	$12,314,493	08/29/2007	12/15/2007	FIXED PRICE
SPAR AEROSPACE LIMITED (0000)	PSI-BASELINE REPAIR PHASE TC-70	$2,757,375	$18,000,000	$18,000,000	08/29/2007	10/01/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$84,512	$6,264,818	$15,902,503	08/29/2007	12/26/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$171,530	$8,073,220	$25,382,723	08/29/2007	04/23/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	PURCHASE GREEN AIRFRAME COMPLETION KITS USED ON CG HH65 AIRCRAFT	$16,108,392	$16,108,392	$16,108,392	08/29/2007	01/26/2008	FIXED PRICE
MICHAEL BAKER JR INCORPORATED	PLANNING PROPOSAL	$97,996	$12,500,000	$12,500,000	08/29/2007	03/28/2008	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$12,692	$31,597,307	$31,597,307	08/30/2007	01/14/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$128,257	$7,039,005	$7,039,005	08/30/2007	12/02/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES FOR HH65 HELICOPTER	$2,049,615	$3,534,190	$22,243,667	08/30/2007	02/21/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES FOR HH65 HELICOPTER	$3,534,190		$22,243,667	08/30/2007		FIXED PRICE
SAFE BOATS INTERNATIONAL	RB-S: LT JOHNSON WILL PROVIDE ALL SHIPPING/DELIVERY INFO TO KO. CG CAPITALIZED PROPERTY	$6,448,950	$6,448,950	$6,448,950	08/31/2007	05/31/2013	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
SIKORSKY AIRCRAFT CORPORATION	OVERHAUL OF GEARBOXES	$1,137,813	$27,627,940	$27,627,940	08/31/2007	04/14/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$36,869	$8,073,220	$25,382,723	08/31/2007	12/24/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$22,249	$8,073,220	$25,382,723	08/31/2007	12/24/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES FOR HH65 HELICOPTER	$148,232	$3,534,190	$22,243,667	08/31/2007	01/22/2009	FIXED PRICE

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES FOR HH65 HELICOPTER	$7,050	$3,534,190	$22,243,667	08/31/2007	03/24/2009	FIXED PRICE
G & M ARCADIS	CERCLA INVESTIGATION	$175,779	$12,500,000	$12,500,000	08/31/2007	09/30/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$97,136	$3,710,959	$6,458,462	09/04/2007	06/16/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$111,290	$6,264,818	$15,902,503	09/04/2007	12/30/2007	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$68,001	$6,264,818	$15,902,503	09/04/2007	12/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$18,669	$2,844,968	$8,534,905	09/04/2007	07/30/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$38,039	$8,073,220	$25,382,723	09/04/2007	05/31/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$277,368	$8,073,220	$25,382,723	09/04/2007	10/29/2008	FIXED PRICE
SAGEM AVIONICS INCORPORATED (7859)	HH65 COMPONENT REWORK	$48,076	$4,174,817	$5,303,803	09/05/2007	11/19/2007	FIXED PRICE
STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	$34,350	$4,799,303	$12,314,493	09/05/2007	12/20/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$0	$31,597,307	$31,597,307	09/05/2007	12/09/2007	FIXED PRICE
GE ENGINE SERVICES INCORPORATED	REWORK OF ENGINE COMPONENTS	$984,566	$31,597,307	$31,597,307	09/05/2007	01/19/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$2,707	$2,844,968	$8,534,905	09/05/2007	04/02/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	OVERHAUL OF ATF 3-6 ENGINE	$3,340,599	$9,101,026	$64,000,000	09/05/2007	04/16/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	PURCHASE GREEN AIRFRAME COMPLETION KITS USED ON CG HH65 AIRCRAFT	$4,027,098	$16,108,392	$16,108,392	09/05/2007	03/03/2008	FIXED PRICE
WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	$526,711	$3,304,000	$5,151,000	09/06/2007	07/30/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$102,710	$3,710,959	$6,458,462	09/06/2007	05/16/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$77,167	$6,264,818	$15,902,503	09/06/2007	01/04/2008	FIXED PRICE
HAWKER PACIFIC AEROSPACE	DELIVERY ORDER	$29,296	$6,264,818	$15,902,503	09/06/2007	01/04/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$2,107	$2,844,968	$8,534,905	09/06/2007	04/20/2008	FIXED PRICE
COMMAND DECISIONS SYSTEMS AND SOLUTIONS INCORPORATED	CONTRACTOR SHALL PROVIDE TECHNICAL SERVICES IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF CONTRACT NO. HSCG38-06-D-500024	$155,770	$155,770	$8,715,274	09/06/2007	10/10/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$1,271,752	$8,073,220	$25,382,723	09/06/2007	12/14/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES FOR HH65 HELICOPTER	$664,608	$3,534,190	$22,243,667	09/06/2007	01/13/2009	FIXED PRICE
FLIR SYSTEMS INCORPORATED (8501)	EO/IR SENSOR SYSTEM AND SUPPORT BY THE HOUR REPAIR AND LOGISTIC SUPPORT	$1,155,279	$2,185,089	$37,429,581	09/06/2007	12/30/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$68,778	$3,710,959	$6,458,462	09/07/2007	04/15/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$259,054	$3,710,959	$6,458,462	09/07/2007	03/31/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$36,934	$7,039,005	$7,039,005	09/07/2007	12/07/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$187,028	$2,844,968	$8,534,905	09/07/2007	05/04/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$308	$2,844,968	$8,534,905	09/07/2007	05/04/2008	FIXED PRICE
OLMSTED INSTRUMENT COMPANY	OVERHAUL OF AIRSPEED INDICATORS	$3,625	$2,348,069	$6,246,186	09/07/2007	12/09/2007	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$250,372	$7,921,711	$14,086,830	09/07/2007	05/18/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	OVERHAUL OF ATF 3-6 ENGINE	$816,215	$9,101,026	$64,000,000	09/07/2007	04/18/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$1,105,410	$8,073,220	$25,382,723	09/07/2007	12/31/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$426	$8,073,220	$25,382,723	09/07/2007	06/04/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES FOR HH65 HELICOPTER	$157,105	$3,534,190	$22,243,667	09/07/2007	07/03/2008	FIXED PRICE
COBHAM HOLDINGS INCORPORATED	MULTI-BAND AIRCRAFT TRANSCEIVER SYSTEM (RT-5000)	$99,060	$8,968,340	$21,818,070	09/07/2007	03/28/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650) 994	REPAIR AND OVERHAUL OF ATF 3-6 ENGINE COMPONENTS	$278,798	$7,921,711	$14,086,830	09/11/2007	06/01/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	OVERHAUL OF ATF 3-6 ENGINE	$791,248	$9,101,026	$64,000,000	09/11/2007	04/22/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$882	$2,844,968	$8,534,905	09/12/2007	07/09/2008	FIXED PRICE
SIKORSKY AIRCRAFT CORPORATION	BLADE ROTARY RUDDER	$93,080	$15,478,455	$15,478,455	09/12/2007	01/14/2008	FIXED PRICE
LITTON SYSTEMS INCORPORATED	REWORK AVIONICS COMPONENTS	$715,139	$9,654,426	$9,654,426	09/12/2007	01/09/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$19,172	$8,073,220	$25,382,723	09/12/2007	08/07/2008	FIXED PRICE

Vendor Name	Description of Requirement	Action Obligation	Base and Exercised Options Value	Base and All Options Value	Effective Date	Completion Date	Type of Contract
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES FOR HH65 HELICOPTER	$189,444	$3,534,190	$22,243,667	09/12/2007	02/04/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES FOR HH65 HELICOPTER	$168,064	$3,534,190	$22,243,667	09/12/2007	07/04/2009	FIXED PRICE
WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	$65,565	$3,304,000	$5,151,000	09/13/2007	07/30/2008	FIXED PRICE
RAYTHEON COMPANY	APS 137 COMPONENTS	$335,685	$3,594,337	$6,246,186	09/13/2007	01/09/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$372,417	$7,039,005	$7,039,005	09/13/2007	08/13/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH65 SPARES	$5,467	$7,039,005	$7,039,005	09/13/2007	10/17/2008	FIXED PRICE
MTC TECHNOLOGIES INCORPORATED (0875)	FLIGHT DATA ACQUISITION UNITS	$1,744,309	$2,763,784	$8,428,454	09/13/2007	04/30/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$350,386	$8,073,220	$25,382,723	09/13/2007	08/06/2009	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	REWORK MAIN ROTOR BLADES USED ON HH65 AIRCRAFT	$41,140	$3,585,690	$9,569,954	09/14/2007	11/28/2007	FIXED PRICE
SPAR AEROSPACE LIMITED (0000)	UNUSUAL ENGINEERING SUPPORT	$6,033	$18,000,000	$18,000,000	09/14/2007	10/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	HH-65 SPARES	$19,163	$2,844,968	$8,534,905	09/14/2007	07/10/2008	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$20,494	$8,073,220	$25,382,723	09/14/2007	09/10/2008	FIXED PRICE
FLIR SYSTEMS INCORPORATED (8501)	EO/IR SENSOR SYSTEM AND SUPPORT BY THE HOUR REPAIR AND LOGISTIC SUPPORT	$0	$2,185,089	$37,429,581	09/14/2007	11/17/2007	FIXED PRICE
VECTOR CSP LIMITED LIABILITY COMPANY	ENGINEERING SUPPORT	$287,747	$6,052,100	$6,052,100	09/17/2007	11/30/2007	FIXED PRICE
AMERICAN EUROCOPTER LIMITED LIABILITY COMPANY	SPARES	$46,771	$8,073,220	$25,382,723	09/19/2007	09/10/2009	FIXED PRICE
WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	$940,700	$3,304,000	$5,151,000	09/20/2007	01/30/2008	FIXED PRICE
HONEYWELL INTERNATIONAL INCORPORATED (0650)	ATF-3 ENGINE SPARES BUY	$50,819	$3,710,959	$6,458,462	09/21/2007	05/26/2008	FIXED PRICE
NATIONAL ACADEMY OF SCIENCES	THE PURPOSE OF THIS REQUIREMENT IS TO PROVIDE THE COAST GUARD ARCHITECTURE CONTRACTOR SUPPORT SERVICES.	$1,158,094	$1,158,094	$12,721,900	09/24/2007	09/23/2012	OTHER (APPLIES TO AWARDS WHERE NONE OF THE ABOVE APPLY)
ST NET APPTIS FIRSTSOURCE JOINT VENTURE	THE PURPOSE OF THIS MASTER DELIVERY ORDER (MDO) THROUGH THE DEPARTMENT OF HOMELAND SECURITY (DHS) FIRSTSOURCE CONTRACT IS TO PROVIDE THE ENTIRE UNITED STATES COAST GUARD (USCG) (WHICH IS THE HEADQUARTERS AND ITS FIELD UNITS) WITH COAST GUARD STANDARD WORKSTATION (CGSW) EQUIPMENT TO INCLUDE (1) STANDARD WORKSTATIONS AND PERIPHERALS AND (2) STANDARD SERVERS AND PERIPHERALS. THIS MDO WILL PROVIDE THE ABILITY TO PROCURE COMPUTERS AND MONITORS THAT WILL MEET THE SPECIFICATIONS AND COMPATIBILITY REQUIREMENTS OF THE USCG.	$8,199,755	$8,199,755	$103,221,938	09/27/2007	03/27/2012	FIXED PRICE
E F JOHNSON COMPANY	ESTABLISH REQUIREMENTS CONTRACT FOR VHF AES-ENABLED HANDHELD RADIOS.	$0		$16,150,000	09/27/2007		FIXED PRICE
EAGLE TECHNOLOGIES, INC	GUARD SERVICES	$0	$658,978	$6,992,311	10/01/2007	09/30/2008	FIXED PRICE
AUTOMATION TECHNOLOGIES INCORPORATED	BARRACKS MANAGEMENT SERVICES	$0		$5,041,463	10/01/2007		FIXED PRICE
	Totals	**$14,902,054**	**$104,727,802**	**$389,862,767**			

Question: Please provide for the record a list of all Coast Guard contracts, grants and other transactions where work is performed outside of the United States. Organize by contractor, purpose, dollar award, full performance value, contract start date, and contract end date.

ANSWER: Please see the following table.

	A	B	C	D	E	F	G	H	I
1	Criteria limited to contracts where "Primary Place of Performace" field is other than "US", "US VIRGIN ISLANDS", "PUERTO RICO", or "AMERICAN SAMOA"								
2	Contracting Agency ID: 7008								
3	Vendor Name	Description of Requirement	Principal Place of Performan	Action Obligation	Base and Exercised Options	Base and All Options Value	Date Signed	Effective Date	Completion Date
4	EON COMMUNICATIONS CORPORATION	SLP BABY BOARDS AND ANALOG LINE CARDS	MO	$4,626	$4,626	$4,626	10/05/2006	10/05/2006	11/04/2006
5	MISCELLANEOUS FOREIGN CONTRACTORS		PE	$13,350	$13,350	$13,350	10/05/2006	10/05/2006	11/04/2006
6	RESTAURANTE EL ESCUDO SOCIEDAD	PORT SERVICE IN EL SALVIDOR - COMMISSARY PRODUCTS (FRUITS AND VEGETABLES)	ES	$0	$0	$0	10/10/2006	10/10/2006	10/10/2006
7	SPAR AEROSPACE LIMITED (0000)	ON-SITE ENGINEERING SERVICES	CA	$19,157	$19,157	$19,157	10/16/2006	10/16/2006	10/07/2007
8	MISCELLANEOUS FOREIGN CONTRACTORS	PORT CALL	PE	$45,773	$45,773	$45,773	10/17/2006	10/17/2006	11/16/2006
9	WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	CA	$5,651	$215,818	$369,520	10/18/2006	10/18/2006	11/29/2006
10	FRANKLIN COVEY CLIENT SALES IN	FRANKLIN COVEY 7 HABITS MATERIALS UNDER GSA CONTRACT - DIRECT SHIP TO USCG ACTIVITIES FAR EAST UNIT 5073 YAKOTA AIR BASE, BLDG #714, ROOM 140 FUSSA-SHI, TOKYO 197-0001 JAPAN 011-81-425-52-2511 X56405 FAX (81) 42-551-5571	JA	$3,743	$3,743	$3,743	10/19/2006	10/19/2006	10/27/2006
11	MISCELLANEOUS FOREIGN CONTRACTORS	MGO FUEL AND THE DELIVERY CHARGE FOR 13 TRUCKS.	CS	$274,820	$274,820	$274,820	10/20/2006	10/20/2006	10/20/2006
12	SPAR AEROSPACE LIMITED (0000)	PSI-BASELINE REPAIR PHASE CGNR 1502	CA	$3,149,000	$3,149,000	$3,149,000	10/24/2006	10/24/2006	03/13/2007
13	MISCELLANEOUS FOREIGN CONTRACTORS	HUSBANDING AGENT FEES	MX	$4,591	$4,591	$4,591	10/24/2006	10/23/2006	10/23/2006
14	STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	CN	$0	$0	$0	10/26/2006	10/26/2006	03/10/2007
15	MISCELLANEOUS FOREIGN CONTRACTORS	HUSBANDING AGENT FEES	GT	$10,567	$10,567	$10,567	10/26/2006	10/26/2006	10/26/2006
16	MISCELLANEOUS FOREIGN CONTRACTORS	HUSBANDING AGENT FEES PUERTO QUETZAL, GT	GT	$12,370	$12,370	$12,370	10/26/2006	10/26/2006	10/26/2006
17	SMITHS AEROSPACE GLOUCESTER LIMITED (0000)	PROP RE-GREASE PARTS	UK	$6,586	$6,586	$6,586	10/26/2006	10/26/2006	12/30/2006
18	MISCELLANEOUS FOREIGN CONTRACTORS		GT	$2,948	$2,948	$2,948	10/27/2006	10/27/2006	11/26/2006
19	MISCELLANEOUS FOREIGN CONTRACTORS	FOOD STORES	GT	$4,799	$4,799	$4,799	10/27/2006	10/27/2006	10/27/2006
20	MISCELLANEOUS FOREIGN CONTRACTORS	HUSBANDING AGENT FEES FOR MANZANILLO, MX FOR OCT. 24-26	MX	$5,195	$5,195	$5,195	10/27/2006	10/27/2006	10/27/2006
21	MISCELLANEOUS FOREIGN CONTRACTORS	PROVISIONS, CALLAO PERU	PE	$4,286	$4,286	$4,286	10/27/2006	09/29/2006	09/29/2006
22	METOCEAN DATA SYSTEMS LIMITED (0000)	RADIO TRANSMITTING BUOY	CA	$190,000	$190,000	$0	11/01/2006	11/01/2006	01/08/2007
23	WELIN LAMBIE LIMITED	FILTER	UK	$1,358	$1,358	$1,358	11/01/2006	11/01/2006	12/27/2006
24	LIESE LUMBER COMPANY	PLY WOOD FOR DAY BOARDS	MO	$8,021	$8,021	$8,021	11/06/2006	11/06/2006	12/06/2006
25	MISCELLANEOUS FOREIGN CONTRACTORS	MGO PUERTO VALLARTA, MEXICO	MX	$20,325	$20,325	$20,325	11/07/2006	11/07/2006	12/07/2006
26	STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	CN	$51,214	$51,214	$51,214	11/08/2006	11/08/2006	02/21/2007
27	WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	CA	$5,194	$215,818	$369,520	11/09/2006	11/09/2006	12/17/2006
28	MISCELLANEOUS FOREIGN CONTRACTORS	SUBSISTENCE FROM GOLFITO, COSTA RICA	CS	$4,290	$4,290	$4,290	11/11/2006	11/11/2006	12/11/2006
29	MISCELLANEOUS FOREIGN CONTRACTORS	M.G.O. FROM GOLFITO, COSTA RICA	CS	$37,700	$37,700	$37,700	11/11/2006	11/11/2006	12/11/2006
30	MISCELLANEOUS FOREIGN CONTRACTORS		CS	$900	$900	$900	11/11/2006	11/11/2006	12/11/2006
31	MISCELLANEOUS FOREIGN CONTRACTORS		CS	$450	$450	$450	11/11/2006	11/11/2006	12/11/2006
32	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES FOR GOLFITO, COSTA RICA	CS	$22,289	$22,289	$22,289	11/13/2006	11/13/2006	12/13/2006
33	INDAL TECHNOLOGIES INCORPORATED	USCG DEEPWATER NATION SECURITY CUTTER AVIATION HELO ASSIST TRAVERSING TRAINING COURSES.	CA	$132,450	$132,450	$250,500	11/14/2006	11/14/2006	11/30/2007
34	GLENDALE INTERNATIONAL CORPORATION (0000)		CN	$3,595	$3,595	$3,595	11/14/2006	11/14/2006	04/14/2007
35	FAIREY HYDRAULICS LTD	TALON SYSTEMS	UK	$312,878	$1,651,738	$2,939,586	11/15/2006	11/15/2006	11/09/2007
36	MISCELLANEOUS FOREIGN CONTRACTORS	PERSONNEL TRANSFER TO SAN JUAN INTERNATIONAL AIRPORT (COSTA RICA)	CS	$1,610	$1,610	$1,610	11/20/2006	11/20/2006	12/20/2006
37	ST AEROSPACE SYSTEMS PTE LIMITED (7515)	U/VHF REC/XMITTER	SN	$26,652	$442,157	$442,157	11/21/2006	11/21/2006	04/19/2007
38	MISCELLANEOUS FOREIGN CONTRACTORS	PORT OPERATIONS SERVICES RENDERED TO HEALY FOR PORT CALL	CA	$29,578	$29,578	$29,578	11/22/2006	11/22/2006	12/22/2006
39	MISCELLANEOUS FOREIGN CONTRACTORS	FOOD AT PUERTO QUETZAL, GUATEMALA	GT	$2,341	$2,341	$2,341	11/22/2006	11/22/2006	12/22/2006
40	EXXONMOBIL OIL CORPORATION (1570)	MGO FUEL	GT	$49,400	$49,400	$49,400	11/22/2006	11/22/2006	12/22/2006
41	MISCELLANEOUS FOREIGN CONTRACTORS	FUEL TRANSPORTATION, PUERTO QUETZAL, GUATEMALA	GT	$2,200	$2,200	$2,200	11/22/2006	11/22/2006	12/22/2006
42	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES FOR PUERTO QUETZAL, GUATEMALA	GT	$4,548	$4,548	$4,548	11/22/2006	11/22/2006	12/22/2006
43	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES, PRINCE RUPERT, BC	CA	$15,905	$15,905	$15,905	11/28/2006	10/05/2006	12/28/2006
44	MISCELLANEOUS FOREIGN CONTRACTORS	SAILOR OF THE QUARTER AWARD SAVINGS BOND ET3 PHILLIP HAYES FOURTH QUARTER FY06	MO	$100	$100	$100	11/29/2006	11/29/2006	12/29/2006
45	OUTBOARDSTANDS INCORPORATED	THE PURPOSE OF THIS PR IS TO PURCHASE MAINTENANCE ENGINE STANDS FOR THE YEMEN COAST GUARD 2-STROKES MERCURY ENGINES.	YM	$4,189	$4,189	$4,189	11/29/2006	11/29/2006	12/29/2006
46	MISCELLANEOUS FOREIGN CONTRACTORS		ES	$2,796	$2,796	$2,796	11/30/2006	11/30/2006	12/30/2006
47	WORLD FUEL SERVICES EUROPE LIMITED	FUEL,	UK	$174,605	$174,605	$174,605	11/30/2006	10/13/2006	12/30/2006
48	MISCELLANEOUS FOREIGN CONTRACTORS		CS	$167,296	$167,296	$167,296	12/01/2006	12/01/2006	12/30/2006
49	ICS PETROLEUM LIMITED (0000)		MX	$20,553	$20,553	$20,553	12/01/2006	10/16/2006	10/16/2006
50	MISCELLANEOUS FOREIGN CONTRACTORS		CS	$15,532	$15,532	$15,532	12/02/2006	12/02/2006	01/01/2007

	A	B	C	D	E	F	G	H	I
1	Criteria limited to contracts where "Primary Place of Performace" field is other than "US", "US VIRGIN ISLANDS", "PUERTO RICO", or "AMERICAN SAMOA"								
2	Contracting Agency ID: 7008								
3	Vendor Name	Description of Requirement	Principal Place of Performan	Action Obligation	Base and Exercised Options	Base and All Options Value	Date Signed	Effective Date	Completion Date
4	MISCELLANEOUS FOREIGN CONTRACTORS		ES	$2,589	$2,589	$2,589	12/02/2006	12/02/2006	01/01/2007
5	INCHCAPE SHIPPING SERVICES, S	PORT SERVICES FOR PANAMA CITY, PANAMA	PM	$0	$0	$0	12/02/2006	12/02/2006	12/03/2006
6	MISCELLANEOUS FOREIGN CONTRACTORS		PM	$46,450	$46,450	$46,450	12/02/2006	12/02/2006	01/01/2007
7	PROPPER INTERNATIONAL SALES, I	FOUL WEATHER GEAR FOR IND AND RESERVISTS. AFC30/INDMAA	MO	$6,637	$6,637	$6,637	12/04/2006	12/04/2006	01/03/2007
8	MISCELLANEOUS FOREIGN CONTRACTORS	UNIFORM ISSUE FOR CHAPLIN RYAN	MO	$716	$716	$716	12/04/2006	12/04/2006	01/03/2007
9	APPLETON MARINE INCORPORATED	APPLETON SWING DRIVE REPLACEMENT 70215/KANAWHA/31	MO	$16,743	$16,743	$16,743	12/04/2006	12/04/2006	01/03/2007
10	MISCELLANEOUS FOREIGN CONTRACTORS	ALLIED EXSTENTION CYLINDER ALLIED SWING DRIVE ASSEMBLY ITEMS ARE SOLE SOURCE 70096/CHEYENNE/31	MO	$23,060	$23,060	$23,060	12/04/2006	12/04/2006	01/03/2007
11	SAINT GOBAIN SULLY (0000)	HH65 WINDOW SPARES	FR	$5,140	$2,244,575	$3,829,065	12/05/2006	12/05/2006	05/05/2007
12	MISCELLANEOUS FOREIGN CONTRACTORS	CLEAN AND CAULK EXPANSION JOINT IN MENS HEAD AT SHOWERS. 70096/CHEYENNE/31	MO	$380	$380	$380	12/05/2006	12/05/2006	01/04/2007
13	MISCELLANEOUS FOREIGN CONTRACTORS		PE	$8,415	$8,415	$8,415	12/05/2006	12/05/2006	01/04/2007
14	SOUTHERN WIRE CORPORATION	SOLICITATION	CH	$11,115	$11,115	$11,115	12/06/2006	12/06/2006	03/09/2007
15	GRANITE FLUID POWER MACHINING AND FABRICATION INCORPORATED	APPLETON JIB CYLINDER (YMD-4473) 70195/CHENA/31	MN	$27,151	$27,151	$27,151	12/06/2006	12/06/2006	01/05/2007
16	PAFER INVESTMENT CORP	SOLE SOURCE QUOTE NUMBER 013006YM	MO	$54,942	$54,942	$54,942	12/06/2006	12/06/2006	01/05/2007
17	PAFER INVESTMENT CORP	SOLE SOURCE QUOTE NUMBER 013006YM-1	MO	$5,628	$5,628	$5,628	12/06/2006	12/06/2006	01/05/2007
18	TEXACO CARIBBEAN INCORPORATED (0000)		ES	$64,525	$64,525	$64,525	12/07/2006	12/07/2006	01/06/2007
19	PERKINELMER OPTOELECTRONICS	PHOTO RESISTORS/DAYLIGHT CONTROLS	CA	$2,785	$2,785	$2,785	12/08/2006	12/08/2006	06/07/2007
20	PERKINELMER OPTOELECTRONICS	PHOTORESISTORS/DAYLIGHT CONTROLS	CA	$15,778	$15,778	$15,778	12/08/2006	12/08/2006	07/18/2007
21	MISCELLANEOUS FOREIGN CONTRACTORS	CEILING TILES, NEW WALL, PAINT, NEW CARPET.	BA	$21,222	$21,222	$21,222	12/09/2006	12/09/2006	01/08/2007
22	BECLAWAT MANUFACTURING INCORPORATED	WINDOW, MARINE	CA	$24,576	$24,576	$24,576	12/11/2006	12/11/2006	03/12/2007
23	SAFE BOATS INTERNATIONAL LIMITED LIABILITY COMPANY	THE PURPOSE OF THIS PR IS FUND SBI LODGING AND TRAVEL COST TO ADEN, YEMEN FOR TRAINING ON THE 42' FAST RESPONSE BOATS.	YM	$10,326	$10,326	$10,326	12/11/2006	12/11/2006	01/15/2007
24	MISCELLANEOUS FOREIGN CONTRACTORS	REMODEL ROOM 201	BA	$11,937	$11,937	$11,937	12/13/2006	12/13/2006	01/12/2007
25	MISCELLANEOUS FOREIGN CONTRACTORS	VIDMARS	BA	$19,537	$19,537	$19,537	12/13/2006	12/13/2006	01/12/2007
26	OFFSHORE SYSTEMS LIMITED (9125)	KEYBOARD	CA	$1,629	$1,629	$1,629	12/13/2006	12/13/2006	03/12/2007
27	MISCELLANEOUS FOREIGN CONTRACTORS	DISPOSAL OF USED ANTI-FREEZE, USED OIL DRUMS, & WATER/BILGE SLOP. HAZMAT/L5	MO	$220	$220	$220	12/18/2006	12/18/2006	01/17/2007
28	MISCELLANEOUS FOREIGN CONTRACTORS	HUSBANDING AGENT OPERATIONAL DUTY	PM	$25,230	$25,230	$25,230	12/18/2006	12/18/2006	01/17/2007
29	MISCELLANEOUS FOREIGN CONTRACTORS	THE CONTRACTOR SHALL PROVIDE THE FOLLOWING EQUIPMENT, PERSONNEL, VESSELS AND/OR SERVICES TO CONDUCT RESPONSE EFFORTS AS DIRECTED BY THE FEDERAL ON-SCENE COORDINATOR IN SUPPORT OF FPN #SO7012: MITIGATION OF POLLUTION THREAT AS DIRECTED BY FEDERAL ON SCENE COORDINATOR FROM F/V STANLEY W/ 50 GALLONS DIESEL ON BOARD. PROVIDE 1 RESPONSE VESSEL W/ 3 PERSONNEL FOR RECOVERY OF FUEL, VESSEL SURVEY, AND PLUG VESSEL FUEL VENTS. PERIOD OF PERFORMANCE IS APPROX. 18DEC06 TERMS AND CONDITIONS OF THE BASIC ORDERING AGREEMENT (BLOCK 2) APPLY. CONTRACTOR SHALL NOT EXCEED THE CEILING PRICE OF THIS TASK ORDER WITHOUT THE APPROVAL OF THE FOSC. THIS ACTION IS NECESSARY TO MITIGATE THE THREAT TO THE ENVIRONMENT POSED BY: F/V STANLEY	WA	$2,500	$2,500	$2,500	12/18/2006	12/18/2006	01/17/2007
30	SAINT GOBAIN SULLY (0000)	HH65 WINDOW SPARES	FR	$28,900	$2,244,575	$3,829,065	12/20/2006	12/20/2006	05/20/2007
31	WELIN LAMBIE LIMITED	DUAL POINT DAVIT SYSTEM	UK	$403,589	$403,589	$403,589	12/26/2006	12/26/2006	06/15/2007
32	WELIN LAMBIE LIMITED	DUAL POINT DAVIT SYSTEM	UK	$403,589	$403,589	$403,589	12/26/2006	12/26/2006	07/15/2007
33	WELIN LAMBIE LIMITED	DUAL POINT DAVIT SYSTEM	UK	$403,589	$403,589	$403,589	12/26/2006	12/26/2006	08/15/2007
34	WELIN LAMBIE LIMITED	DUAL POINT DAVIT SYSTEM	UK	$403,589	$403,589	$403,589	12/26/2006	12/26/2006	09/15/2007
35	WELIN LAMBIE LIMITED	DUAL POINT DAVIT SYSTEM	UK	$403,589	$403,589	$403,589	12/26/2006	12/26/2006	10/15/2007
36	WELIN LAMBIE LIMITED	DUAL POINT DAVIT SYSTEM	UK	$403,859	$403,859	$403,859	12/26/2006	12/26/2006	11/15/2007
37	ST AEROSPACE SYSTEMS PTE LIMITED (7515)	U/VHF REC/XMITTER	SN	$7,880	$442,157	$442,157	12/29/2006	12/29/2006	03/30/2007
38	SURVIVAL SYSTEMS LIMITED	PURCHASE OF WINDOW LIGHT STRING	CN	$76,667	$76,667	$76,667	01/03/2007	01/03/2007	04/29/2007
39	LUMINESCENT SYSTEMS CANADA INCORPORATED	SPARES	CN	$880	$880	$880	01/04/2007	01/04/2007	03/06/2007
40	MISCELLANEOUS FOREIGN CONTRACTORS	CELL PHONE RENTAL IN BELEZE FOR DILIGENCE.	BH	$74	$74	$74	01/05/2007	01/05/2007	02/04/2007
41	MISCELLANEOUS FOREIGN CONTRACTORS	PIOLOT SERVICE, BOOM SERVICE, AND PORT SERVICES CHARGES FOR DILIGENCE IN BELIEZE 12/11/2006.	BH	$2,530	$2,530	$2,530	01/05/2007	01/05/2007	02/04/2007
42	MISCELLANEOUS FOREIGN CONTRACTORS	TRASH AND SEWAGE REMOVAL	BH	$2,150	$2,150	$2,150	01/05/2007	01/05/2007	02/04/2007
43	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES FOR DILIGENCE IN CARTAGENA, COLUMBIA 12/31 THRU 01/02/2007.	CO	$5,585	$5,585	$5,585	01/05/2007	01/02/2007	02/04/2007
44	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES PANAMA FOR DILIGENCE PORT CALL 01/04/2007 THRU 01/05/2007.	PM	$3,340	$3,340	$3,340	01/05/2007	01/04/2007	02/04/2007
45	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES FOR USCGC DILIGENCE IN BELIEZE.	BH	$700	$700	$700	01/06/2007	01/06/2007	02/05/2007
46	MISCELLANEOUS FOREIGN CONTRACTORS	AGENT FEE'S FOR DILIGENCE PORT CALL BELIEZE.	BH	$700	$700	$700	01/06/2007	01/06/2007	02/05/2007

	A	B	C	D	E	F	G	H	I
1	Criteria limited to contracts where "Primary Place of Performace" field is other than "US", "US VIRGIN ISLANDS", "PUERTO RICO", or "AMERICAN SAMOA"								
2	Contracting Agency ID: 7008								
3	Vendor Name	Description of Requirement	Principal Place of Performan	Action Obligation	Base and Exercised Options	Base and All Options Value	Date Signed	Effective Date	Completion Date
4	FREEPORT OIL COMPANY LIMITED	FUEL FOR CGC SHRIKE	BP	$2,367	$2,367	$2,367	01/08/2007	01/08/2007	02/07/2007
5	SURVIVAL SYSTEMS LIMITED	LIGHT TUBE ASSY	CN	$5,032	$5,032	$5,032	01/17/2007	01/17/2007	04/04/2007
6	WELIN LAMBIE LIMITED	WIRE ROPE	UK	$12,582	$12,582	$12,582	01/19/2007	01/19/2007	03/15/2007
7	MISCELLANEOUS FOREIGN CONTRACTORS	SOLAR PANEL/ LIGHT MOUNTS. 10128/D8 COASTAL DAYBOARDS/65	MO	$2,299	$2,299	$2,299	01/23/2007	01/23/2007	02/22/2007
8	MISCELLANEOUS FOREIGN CONTRACTORS	FUEL IN GOLFITO, COSTA RICA	CS	$270,900	$270,900	$270,900	01/25/2007	01/25/2007	02/24/2007
9	MISCELLANEOUS FOREIGN CONTRACTORS	FUEL IN GOLFTO, COSTA RICA	CS	$23,086	$23,086	$23,086	01/27/2007	01/27/2007	02/26/2007
10	OFFSHORE SYSTEMS LIMITED (9125)	VME, CCA	CA	$1,400	$1,400	$1,400	01/31/2007	01/31/2007	03/16/2007
11	MISCELLANEOUS FOREIGN CONTRACTORS	HD244 PORT COST FOR MARTINIQUE	GP	$5,928	$5,928	$5,928	02/01/2007	02/01/2007	03/03/2007
12	SARCO HYDRAULICS INCORPORATED	OVERHAUL BARGE AIR CAPSTAN 70097/MUSKINGUM/31	MO	$7,100	$7,100	$7,100	02/01/2007	02/01/2007	03/03/2007
13	MISCELLANEOUS FOREIGN CONTRACTORS	FABRICATE HOSE ASSEMBLY SET 70097/MUSKINGUM/31	MO	$2,426	$2,426	$2,426	02/01/2007	02/01/2007	03/03/2007
14	HANDLING SYSTEMS INCORPORATED	OVERHAUL SHAW BOX (ELECTRIC HOIST) 70097/MUSKINGUM/31	MO	$2,490	$2,490	$2,490	02/01/2007	02/01/2007	03/03/2007
15	TRI STATE EQUIPMENT COMPANY INCORPORATED (3444)	OVERHAUL INGERSOLL-RAND PNUEMATIC WINCHES 70097/MUSKINGUM/31	MO	$7,410	$7,410	$7,410	02/01/2007	02/01/2007	03/03/2007
16	MISCELLANEOUS FOREIGN CONTRACTORS	FOR 41' AND 47' PROPELLERS.	CA	$2,450	$2,450	$2,450	02/02/2007	02/02/2007	03/04/2007
17	STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	CN	$507,995	$507,995	$507,995	02/02/2007	02/02/2007	06/17/2007
18	MISCELLANEOUS FOREIGN CONTRACTORS	HD245 FUEL FOR CUTTER	GP	$88,698	$88,698	$88,698	02/02/2007	02/01/2007	03/04/2007
19	BLASTCO INCORPORATED (4017)	PRESERVE KB20-10-50 APPLETON CRANE, SPUDS AND BOAT DAVIT 70097/MUSKINGUM/31	MO	$12,510	$12,510	$12,510	02/02/2007	02/02/2007	03/04/2007
20	ST AEROSPACE SYSTEMS PTE LIMITED (7515)	U/VHF REC/XMITTER	SN	$4,212	$442,157	$442,157	02/02/2007	02/02/2007	06/01/2007
21	MISCELLANEOUS FOREIGN CONTRACTORS.		MO	$200	$200	$200	02/05/2007	02/05/2007	03/07/2007
22	WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	CA	$485,273	$3,304,000	$5,151,000	02/06/2007	02/06/2007	07/27/2007
23	INCHCAPE SHIPPING SERVICES (0000)	HUSBANDING AGENT SERVICES FOR PAITA, PERU	PE	$28,545	$28,545	$28,545	02/09/2007	02/09/2007	03/11/2007
24	INCHCAPE SHIPPING SERVICES SA (0000)	HUSBANDING AGENT SERVICES FOR TALARA, PERU	PE	$13,350	$13,350	$13,350	02/09/2007	02/09/2007	03/11/2007
25	MISCELLANEOUS FOREIGN CONTRACTORS	FUEL FOR BARBADOS	BB	$92,499	$92,499	$92,499	02/13/2007	02/09/2007	03/15/2007
26	MAC TAGGART SCOTT AND COMPANY LIMITED	REPAIR HYDRAULIC MOTORS	UK	$67,494	$67,494	$67,494	02/13/2007	02/13/2007	06/21/2008
27	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES FOR MANZANILLO, MEXICO	MX	$0	$0	$0	02/15/2007	02/15/2007	02/19/2007
28	EADS CONSTRUCCIONES AERONAUTICAS SA	SHIPPING OF ENGINE PARTS	SP	$12,495	$12,495	$12,495	02/15/2007	02/15/2007	02/15/2007
29	HONDA MARINE	HONDA 4-STROKE MARINE ENGINE: QTY 44 FOR BMC KEITH ALEXANDER	JA	$103,135	$103,135	$103,135	02/16/2007	02/16/2007	04/16/2007
30	MISCELLANEOUS FOREIGN CONTRACTORS	FOOD IN MANZANILLO	MX	$1,734	$1,734	$1,734	02/16/2007	01/20/2007	03/18/2007
31	WELIN LAMBIE LIMITED	REPAIR OF DAMAGED DUAL POINT DAVIT SYSTEM CAUSED WHILE IN GOVERNMENT CONTROL.	UK	$47,214	$47,214	$47,214	02/16/2007	02/16/2007	07/16/2007
32	OFFSHORE SYSTEMS LTD	CIRCUIT CARD ASSEMBLY	CA	$200	$200	$200	02/22/2007	02/22/2007	03/23/2007
33	MISCELLANEOUS FOREIGN CONTRACTORS		KR	$15,163	$15,163	$15,163	02/23/2007	02/23/2007	03/25/2007
34	WELIN LAMBIE LIMITED	FILTER	UK	$3,260	$3,260	$3,260	02/23/2007	02/23/2007	04/06/2007
35	MISCELLANEOUS FOREIGN CONTRACTORS	UNPAID FUEL PURCHASE CHRISTMAS ISLAND	KR	$19,403	$19,403	$19,403	02/26/2007	03/06/2007	03/06/2007
36	UNISTAR-SPARCO COMPUTERS, INC.	UPS FOR 60T	MX	$8,307	$8,307	$8,307	02/26/2007	02/26/2007	03/16/2007
37	INCHCAPE SHIPPING SERVICES	PORT SERVICES FOR COTONOU, BENIN	BN	$78,933	$78,933	$78,933	02/27/2007	03/01/2007	03/29/2007
38	INCHCAPE SHIPPING SERVICES	PORT SERVICES FOR CAPE VERDE ISLANDS.	CV	$19,481	$19,481	$19,481	02/27/2007	04/02/2007	04/12/2007
39	INCHCAPE SHIPPING SERVICES	PORT SERVICES FOR SEKONKI, GHANA	GH	$54,715	$54,715	$54,715	02/27/2007	02/27/2007	03/29/2007
40	BP PRODUCTS NORTH AMERICA INCORPORATED (0313)	CUTTER FUEL WHILE IN CURACAO	NT	$45,448	$45,448	$45,448	02/27/2007	02/27/2007	03/29/2007
41	MISCELLANEOUS FOREIGN CONTRACTORS	HD293 FUEL MGO FOR CGC DALLAS	NT	$84,916	$84,916	$84,916	02/27/2007	02/27/2007	03/29/2007
42	INCHCAPE SHIPPING SERVICES	PORT SERVICES FOR FREETOWN, SIERRA LEONE.	SL	$115,935	$115,935	$115,935	02/27/2007	03/23/2007	03/29/2007
43	MISCELLANEOUS FOREIGN CONTRACTORS	PORT COST CURACAO	VI	$6,939	$6,939	$6,939	02/27/2007	02/21/2007	02/26/2007
44	MISCELLANEOUS FOREIGN CONTRACTORS	JET A1 FUEL FOR CG AIRCRAFT NO. 1701 ON FEB. 28, 2007 AT KIRIBATI	KR	$18,971	$18,971	$18,971	03/01/2007	03/01/2007	03/01/2007
45	MISCELLANEOUS FOREIGN CONTRACTORS	JET A1 FUEL FOR CG AIRCRAFT 1701 ON MAR 1, 2007	KR	$5,361	$5,361	$5,361	03/01/2007	03/01/2007	03/01/2007
46	MISCELLANEOUS FOREIGN CONTRACTORS	PORT COST FOR BONAIRE	VI	$3,866	$3,866	$3,866	03/01/2007	03/01/2007	03/31/2007
47	NORTHROP GRUMMAN SPACE & MISSION SYSTEMS CORP.	TASK ORDER AGAINST DTCG23-06-A-MPA000 POC - ANDREW KEEN (703) 803-5132	SA	$78,121	$78,121	$0	03/02/2007	03/02/2007	04/30/2007
48	WELIN LAMBIE LIMITED	FILTERS	GB	$4,320	$4,320	$4,320	03/05/2007	03/05/2007	04/06/2007
49	LIGHT WAVE OPTIONS MARINE NAVIGATION SERVICES LIMITED (0000)	SABIK LANTERN ORDER FOR SOLAR PROJECT FY-07	CA	$79,729	$79,729	$79,729	03/07/2007	03/07/2007	04/06/2007
50	MISCELLANEOUS FOREIGN CONTRACTORS	HOSES FOR CIMIRRON ENGINE OVERHUAL 70107/MDE OVERHAUL/31	MO	$3,253	$3,253	$3,253	03/07/2007	03/07/2007	04/06/2007

	A	B	C	D	E	F	G	H	I
1	Criteria limited to contracts where "Primary Place of Performance" field is other than "US", "US VIRGIN ISLANDS", "PUERTO RICO", or "AMERICAN SAMOA"								
2	Contracting Agency ID: 7008								
3	Vendor Name	Description of Requirement	Principal Place of Performan	Action Obligation	Base And Exercised Options	Base and All Options Value	Date Signed	Effective Date	Completion Date
4	METOCEAN DATA SYSTEMS LIMITED (0000)	RADIO TRANSMITTING BUOY	CA	$190,000	$190,000	$0	03/12/2007	03/12/2007	05/14/2007
5	MISCELLANEOUS FOREIGN CONTRACTORS	WATER DELIVERY DURING MID PATROL BREAK IN NASSAU	BF	$305	$305	$305	03/13/2007	03/13/2007	03/13/2007
6	MISCELLANEOUS FOREIGN CONTRACTORS	REMOVAL OF SEWAGE WHILE ON MID PATROL BREAK IN NASSAU	BF	$800	$800	$800	03/13/2007	03/13/2007	03/13/2007
7	MISCELLANEOUS FOREIGN CONTRACTORS	THE PURPOSE OF THIS AMENDMENT IS TO REDIRECT PR TO HSC FOR PROCUREMENT. THIS IS A SOLE SOURCE PR SUBMITTED TO PURCHASE MERCURY TECHNICAL MANUALS IN ARABIC FOR THE YEMEN COAST GUARD FROM MARINE POWER EUROPE, INC, BELGIUM. STATEMENT FOR JUSTIFICATION IS LOCATED IN THE DOCUMENT REMARKS TAB OF PR.	BE	$3,210	$3,210	$3,210	03/15/2007	03/15/2007	04/14/2007
8	OFFSHORE SYSTEMS LIMITED (9125)	VME, NISU OSL CCA	CA	$400	$400	$400	03/19/2007	03/19/2007	04/30/2007
9	MISCELLANEOUS FOREIGN CONTRACTORS	MARINE GAS OIL (MGO) FUEL	DR	$232,493	$232,493	$232,493	03/19/2007	03/19/2007	04/18/2007
10	EMS TECHNOLOGIES CANADA LIMITED (0	PR IS REQUIRED FOR AN ONSITE TECHNICAL ASSIST FROM EMS TECHNOLOGIES IN DEVELOPING SUPPORT PROCESSES FOR THE SMALL CUTTER CONNECTIVITY PROJECT.	CA	$2,500	$2,500	$2,500	03/20/2007	03/20/2007	04/19/2007
11	MISCELLANEOUS FOREIGN CONTRACTORS	TELEPHONE SERVICE	NL	$1,345	$1,345	$1,345	03/20/2007	03/20/2007	04/19/2007
12	MISCELLANEOUS FOREIGN CONTRACTORS	SUBSCRIPTION RENEWAL FOR DNV	NO	$327	$327	$327	03/20/2007	03/20/2007	04/19/2007
13	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES FOR THE EDISTO	MX	$3,480	$3,480	$3,480	03/21/2007	03/21/2007	04/20/2007
14	LAUBE IMAGING PRODUCTS INCORPORATED	PRINTER FOR COOP, NEEDED IN PLACE FOR EXERCISE NLT 7 MAY 07. SFO	MO	$4,500	$4,500	$4,500	03/22/2007	03/22/2007	04/21/2007
15	WELIN LAMBIE LIMITED	OPEN, INSPECT, REPORT DUAL POINT DAVIT SYSTEM	UK	$47,500	$47,500	$47,500	03/22/2007	03/22/2007	05/31/2007
16	MISCELLANEOUS FOREIGN CONTRACTORS	PAXMAN LUBE OIL AND WATER TEMP GAUGES	UK	$11,775	$11,775	$11,775	03/22/2007	03/22/2007	04/21/2007
17	GLOBAL DIVING AND SALVAGE INCORPORATED	THE CONTRACTOR SHALL PROVIDE THE FOLLOWING EQUIPMENT, PERSONNEL, VESSELS AND/OR SERVICES TO CONDUCT RESPONSE EFFORTS AS DIRECTED BY THE FEDERAL ON-SCENE COORDINATOR IN SUPPORT OF FPN#507031: (1) RESPONSE VEHICLE, (1) DIVING PLATFORM, (5) RESPONSE PERSONNEL, BOOM AND SORBENTS ASSOCIATED WITH FUEL RECOVERY PERIOD OF PERFORMANCE IS 23MAR07 TERMS AND CONDITIONS OF THE BASIC ORDERING AGREEMENT (BLOCK 2) APPLY. CONTRACTOR SHALL NOT EXCEED THE CEILING PRICE OF THIS TASK ORDER WITHOUT THE APPROVAL OF THE FOSC. THIS ACTION IS NECESSARY TO MITIGATE THE THREAT TO THE ENVIRONMENT POSED BY, FILLICY BAY SINKING VESSEL.	WA	$7,000	$7,000	$7,000	03/23/2007	03/23/2007	04/22/2007
18	RESTAURANTE EL ESCUDO SOCIEDAD	PORT SERVICES/ACAJUTLA, E.S.	ES	$2,656	$2,656	$2,656	03/24/2007	03/23/2007	04/23/2007
19	RESTAURANTE EL ESCUDO SOCIEDAD	FOOD STORES-COMMISSARY ITEMS PURCHASED IN GUATEMALA	GT	$6,077	$6,077	$6,077	03/24/2007	03/23/2007	04/23/2007
20	ILISA SERVICIOS EDUCATIVOS SA	ILISA - SPANISH TRAINING - CG-21/ LT M. BARRY	CS	$17,910	$17,910	$17,910	03/26/2007	03/26/2007	04/25/2007
21	SAINT GOBAIN SULLY (0000)	HH65 WINDOW SPARES	FR	$8,500	$2,244,575	$3,829,065	03/26/2007	03/26/2007	08/23/2007
22	CARMANAH TECHNOLOGIES INC	CARMANAH MODEL 702-5 LED SELF CONTAINED RED LANTERNS, CARMANAH MODEL 702-5 LED SELF CONTAINED GREEN LANTERNS, AND CLAMP ON BIRD SPIKES POC: MIMI DRABIT PHONE: 250-380-0052 FAX: 250-380-0062	CA	$13,503	$13,503	$13,503	03/27/2007	03/27/2007	04/13/2007
23	IBW TECHNOLOGIES LIMITED	CLIN 0040 GAS MONITOR W/DATALOGGING P/N MC-XWHM-B-NA-00 (BLACK) DELIVERY ORDER PLACED UNDER IDIQ # DTCG23-03-D-PKB126 DELIVER TO: SKCS CATHY DEGRACE MLCPAC (MDL) COAST GUARD ISLAND, BLDG 54D ALAMEDA, CA 94501	CA	$502,892	$502,892	$502,892	03/29/2007	03/29/2007	04/29/2007
24	GE ROLLS ROYCE FIGHTER ENGINE TEAM LIMITED LIABILITY COMPANY	TRAINING	UK	$8,100	$8,100	$8,100	03/29/2007	03/29/2007	04/28/2007
25	OFFSHORE SYSTEMS LIMITED (9125)		CA	$200	$200	$200	03/30/2007	03/30/2007	03/30/2007
26	STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	CN	$9,198	$507,995	$507,995	04/02/2007	04/02/2007	07/15/2007
27	INTERNATIONAL GLOBAL SYSTEMS	LTO3 TAPES NEEDED FOR NEW 6000 BACKUP SERVERS. ADDITIONALLY, THESE TAPES WILL BE UTILIZED TO BACKUP THE 8TH FLOOR COOP. MEMORY FOR ESU HELP DESK MACHINES AND NEW ENGINEERING WS. THIS PR COMBINES 21072573GG104 AND 21072573GG105 WHICH WERE BOTH PREVIOUSLY APPROVED. BOTH WERE FROM THE SAME VENDORS. TO ALLEVIATE ANY DISPARITY WE COMBINED AND ARE FORWARDING TO ISC FOR PURCHASE.	MO	$4,651	$4,651	$4,651	04/02/2007	05/02/2007	05/02/2007
28	EXXONMOBIL SALES AND SUPPLY	MGO IN PORT QUETZAL, GU	GT	$25,401	$25,401	$25,401	04/03/2007	04/03/2007	05/03/2007
29	MISCELLANEOUS FOREIGN CONTRACTORS	FOOD STORES, E.S.	GT	$6,077	$6,077	$6,077	04/04/2007	04/04/2007	05/04/2007
30	TEXACO CARIBBEAN INCORPORATED (0000)	CUTTER FUEL,E.S.	ES	$109,131	$109,131	$109,131	04/06/2007	03/23/2007	03/23/2007
31	TEXACO CARIBBEAN INCORPORATED (0000)	FUEL: BSF ACAJUTLA, ES, 3/28/07	ES	$164,250	$164,250	$164,250	04/06/2007	04/06/2007	05/06/2007
32	INCHCAPE SHIPPING SERVICES SA (0000)	FUEL: PVST SALAVERRY, PERU, 2/13/07	PE	$172,389	$172,389	$172,389	04/06/2007	04/06/2007	05/06/2007
33	MCMURDO LIMITED	FAST FIND PLUS 406MHZ PLBS AND BATTERIES	UK	$9,375	$9,375	$9,375	04/10/2007	04/10/2007	05/10/2007
34	SURVIVAL SYSTEMS LIMITED	PURCHASE OF LIGHT STRING ASSEMBLY	CN	$17,634	$17,634	$17,634	04/11/2007	04/11/2007	06/09/2007
35	HUNT RONDA L	DUSTOUT USCG AIR STATION UNIT 5304 ARNOLD TYPE 3A	MA	$140	$140	$140	04/13/2007	04/13/2007	04/13/2007
36	MARCON INTERNATIONAL (USA) INCORPORATED	FUEL METERING PUMPS	GM	$31,601	$31,601	$31,601	04/16/2007	04/16/2007	07/31/2007
37	STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	CN	$450,852	$507,995	$507,995	04/17/2007	04/17/2007	07/31/2007
38	NAV AIDS LIMITED (0000)		CN	$6,826	$6,826	$6,826	04/17/2007	04/17/2007	07/05/2007
39	MISCELLANEOUS FOREIGN CONTRACTORS	FOOD/COSTA RICA	CS	$31,707	$31,707	$31,707	04/17/2007	04/14/2007	05/17/2007
40	MISCELLANEOUS FOREIGN CONTRACTORS	MGO IN GOLFITO	GT	$37,950	$37,950	$37,950	04/17/2007	04/17/2007	05/17/2007
41	UNITED SITE SERVICES OF CALIFORNIA INCORPORATED	ADA WHEELCHAIR ACCESSIBLE PORTABLE TOILET ACCOUT NUMBER CAN-10752	CA	$186	$186	$0	04/18/2007	04/18/2007	04/18/2007
42	STANDARD AERO LIMITED (0000)	PROCURE SHIPPING CONTAINERS FOR ASSETS ON CONTRACT HSCG38-05-D-H60008	CN	$4,458	$4,458	$4,458	04/18/2007	04/18/2007	05/20/2007
43	CMC ELECTRONICS INCORPORATED (0000)	REWORK OF INTERFACE SHIPSET IAW OEM SPECS. VERSION 5 SOFTWARE TO BE INSTALLED, ATS TRACKED. FOB IS ORIGIN P/N 100-002284-000, NSN 7025-21-913-9317	CN	$24,000	$24,000	$24,000	04/20/2007	04/20/2007	07/18/2007
44	TEXACO CARIBBEAN INCORPORATED (0000)	FUEL-EL SALVADOR	ES	$113,889	$113,889	$113,889	04/20/2007	04/19/2007	04/19/2007
45	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES-EL SALVADOR 2	ES	$2,402	$2,402	$2,402	04/21/2007	04/19/2007	04/19/2007
46	GOVERNMENT OF CANADA (0000)	ENGINEERING STUDY	CA	$70,000	$70,000	$70,000	04/24/2007	04/24/2007	10/31/2008
47	MISCELLANEOUS FOREIGN CONTRACTORS	FOOD STORES-ES	ES	$13,138	$13,138	$13,138	04/24/2007	04/24/2007	05/24/2007

	A	B	C	D	E	F	G	H	I
1	Criteria limited to contracts where "Primary Place of Performace" field is other than "US", "US VIRGIN ISLANDS", "PUERTO RICO", or "AMERICAN SAMOA"								
2	Contracting Agency ID: 7008								
3	Vendor Name	Description of Requirement	Principal Place of Performan	Action Obligation	Base and Exercised Options	Base and All Options Value	Date Signed	Effective Date	Completion Date
4	STICHTING MARITIEM RESEARCH INSTITUUT NEDERLAND	MEMBERSHIP IN CRNAV	NL	$58,950	$58,950	$58,950	04/24/2007	04/24/2007	12/31/2007
5	BW TECHNOLOGIES LIMITED	GAS ALERT MICRO'S (CBR EQUIPMENT) GAS MONITOR WITH DATALOGGING	CA	$568,425	$568,425	$568,425	04/25/2007	04/25/2007	05/24/2007
6	MISCELLANEOUS FOREIGN CONTRACTORS.	CHAIN SWIVEL KIT	CA	$630	$630	$630	04/27/2007	04/27/2007	05/27/2007
7	SURVIVAL SYSTEMS LIMITED	BRACKE PLATE	CN	$780	$780	$780	04/27/2007	04/27/2007	06/29/2007
8	FUNDICIONES RICE SA	PROPELLER	MX	$1,216	$1,216	$1,216	05/03/2007	05/03/2007	08/01/2007
9	MISCELLANEOUS FOREIGN CONTRACTORS	FUEL DELIVERY-PERU	PE	$4,673	$4,673	$4,673	05/07/2007	05/03/2007	06/06/2007
10	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES-PERU	PE	$47,281	$47,281	$47,281	05/07/2007	05/03/2007	06/06/2007
11	WELIN LAMBIE LIMITED	MODIFIED BLOCK ASSEMBLIES FOR WELIN LAMBIE DUAL POINT DAVITS	UK	$27,660	$27,660	$27,660	05/08/2007	05/08/2007	06/18/2007
12	MISCELLANEOUS FOREIGN CONTRACTORS	FUEL	CS	$102,600	$102,600	$102,600	05/09/2007	04/04/2007	06/08/2007
13	MISCELLANEOUS FOREIGN CONTRACTORS	PRICE IS REALLY ABOUT $2.3735 PER GALLON BUT WE DON'T HAVE THAT MANY DECIMAL PLACES	ES	$64,260	$64,260	$64,260	05/09/2007	04/13/2007	06/08/2007
14	CARMANAH TECHNOLOGIES INC	LED LANTERNS	CA	$8,924	$8,924	$8,924	05/15/2007	05/15/2007	06/14/2007
15	WORLD FUEL SERVICES AMERICAS INCORPORATED	FUEL	CS	$78,400	$78,400	$78,400	05/15/2007	08/05/2005	08/08/2005
16	SAINT GOBAIN SULLY (0000)	HH65 WINDOW SPARES	FR	$8,940	$2,244,575	$3,829,065	05/16/2007	05/16/2007	10/13/2007
17	FUNDICIONES RICE SA	PURCHASE RH & LH PROPELLERS	MX	$89,896	$89,896	$89,896	05/16/2007	05/16/2007	05/16/2008
18	MISCELLANEOUS FOREIGN CONTRACTORS		ES	$11,814	$11,814	$11,814	05/17/2007	05/17/2007	06/16/2007
19	MISCELLANEOUS FOREIGN CONTRACTORS		ES	$1,209	$1,209	$1,209	05/17/2007	05/17/2007	06/16/2007
20	CARMANAH TECHNOLOGIES INC	CARMANAHS ONE FOR CHARLESTON SC, ONE FOR ANT JAX, AND 3 FOR US.	CA	$5,011	$5,011	$5,011	05/18/2007	05/18/2007	06/17/2007
21	BW TECHNOLOGIES LIMITED	CONTRACT: DTCG23-03-D-PKB126 SINGLE GAS OXYGEN METERS (GAS ALERT CLIPS) GAS ANALYZERS (GASALERTMICROCLIP). VAST MAJOR OF THE FUNDING IS PROVIDED BY CG-3PCV. POC: LCDR THOMAS OLENCHOCK; CG-1134, PHONE: 475-5216	CA	$106,825	$106,825	$106,825	05/21/2007	05/21/2007	06/21/2007
22	INCHCAPE SHIPPING SERVICES SA (0000)	PORT SERVICES-PANAMA FRESH FRUITS AND VEGETABLES; COMMISSARY ITEMS	PM	$29,432	$29,432	$29,432	05/22/2007	05/22/2007	06/21/2007
23	AXIOMATIC TECHNOLOGIES CORPORATION	CONVERTER	CA	$1,590	$1,590	$1,590	05/23/2007	05/23/2007	06/01/2007
24	STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	CN	$62,479	$507,995	$507,995	05/23/2007	05/23/2007	09/06/2007
25	INCHCAPE SHIPPING SERVICES SA (0000)	FOOD-PANAMA	PM	$20,624	$20,624	$20,624	05/28/2007	05/19/2007	06/25/2007
26	AXIOMATIC TECHNOLOGIES CORPORATION	CONVERTERS	CA	$532	$532	$532	05/30/2007	05/30/2007	05/30/2007
27	BW TECHNOLOGIES LIMITED	REPLACEMENT SENSORS FOR CBR EQUIPMENT (GAMICS)	CA	$13,410	$13,410	$13,410	06/04/2007	06/04/2007	07/07/2007
28	BW TECHNOLOGIES LIMITED	REPLACEMENT SENSORS FOR THE GAMICS	CA	$38,379	$38,379	$38,379	06/04/2007	06/04/2007	07/07/2007
29	FAIRFIELD AND SONS LIMITED	ROSETTA STONE LANGUAGE SET PURCHASE	JA	$3,519	$3,519	$3,519	06/07/2007	06/07/2007	07/06/2007
30	ANTEON CORPORATION	INTERNATIONAL SHIP AND PORT FACILITY SECURITY TRAINING	JA	$21,297	$21,297	$21,297	06/08/2007	06/08/2007	07/08/2007
31	SPAR AEROSPACE LIMITED (0000)	PSI-BASELINE REPAIR PHASE TC-70	CA	$2,153,850	$18,000,000	$18,000,000	06/11/2007	06/11/2007	01/09/2008
32	GLENDALE INTERNATIONAL CORPORATION (0000)		CN	$1,095	$1,095	$1,095	06/11/2007	06/11/2007	09/19/2007
33	AKER ARCTIC TECHNOLOGY OY	ENGINEERING STUDY FOR ICEBREAKER	FI	$72,300	$72,300	$72,300	06/12/2007	06/12/2007	09/30/2008
34	STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	CN	$603,652	$4,799,303	$12,314,493	06/13/2007	06/13/2007	09/27/2007
35	FUNDICIONES RICE SA	110' PROPELLER REPAR	MX	$1,216	$1,216	$1,216	06/18/2007	06/18/2007	09/30/2007
36	FUNDICIONES RICE SA	110' PROPELLER	MX	$1,216	$1,216	$1,216	06/18/2007	06/18/2007	09/30/2007
37	MISCELLANEOUS FOREIGN CONTRACTORS	HD544 PORT COST FOR CURACAO	NT	$9,619	$9,619	$9,619	06/18/2007	06/15/2007	06/15/2007
38	INCHCAPE SHIPPING SERVICES, S	PANAMA CANAL TRANSIT AND PORT SERVICES FOR BALBOA PANAMA JUNE 7-10, 2007	PM	$35,362	$35,362	$35,362	06/18/2007	06/18/2007	07/18/2007
39	INCHCAPE SHIPPING SERVICES SA (0000)	FOOD	PM	$21,825	$21,825	$21,825	06/18/2007	06/18/2007	07/18/2007
40	MISCELLANEOUS FOREIGN CONTRACTORS	MGO FUEL FOR DALLAS	NT	$54,800	$54,800	$54,800	06/19/2007	06/15/2007	07/19/2007
41	SAINT GOBAIN SULLY (0000)	HH65 WINDOW SPARES	FR	$3,240	$2,244,575	$3,829,065	06/20/2007	06/20/2007	11/17/2007
42	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES CANADA	CA	$8,302	$8,302	$8,302	06/25/2007	06/25/2007	06/26/2007
43	MISCELLANEOUS FOREIGN CONTRACTORS	EDISTO - HUSBANDING	MX	$2,990	$2,990	$2,990	06/26/2007	06/26/2007	07/26/2007
44	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES FOR USCGC EDISTO.	MX	$3,880	$3,880	$3,880	06/26/2007	06/26/2007	07/26/2007
45	STICHTING MARITIEM RESEARCH INSTITUUT NEDERLAND	NATIONAL SECURITY CUTTER STRUCTURAL VALIDATION	NL	$1,320,000	$1,320,000	$1,320,000	06/26/2007	06/26/2007	06/26/2009
46	WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	CA	$917,000	$3,304,000	$5,151,000	06/27/2007	06/27/2007	07/30/2008
47	BW TECHNOLOGIES LIMITED	CONTRACT NO: DTCG23-03-D-PKB126-P00002 SERVICE/SUPPLIES: GAS DATA LOGGING CONFINED SPACE KITS ITEM: CLIN-0003AC; MC-XWHM-Y-NA-07-YELLOW SHIP TO: U.S. COAST GUARD TRAINING CENTER PETALUMA	CA	$2,186	$2,186	$2,186	06/28/2007	06/28/2007	07/28/2007
48	BW TECHNOLOGIES LIMITED	CONTRACT: HSCG23-04-D-PKB-211 ITEM NO. 10006; DESCRIPTION:STARTER KITS-YELLOW PART NUMBER: GAMIC-5 3C10 1 1 8 00 POC: MR. BERT DAVIS; CG-1132; EXT: 5-5204; 9-0336 JEMAL BLDG SHIP TO: USCG TRAINING CENTER	CA	$1,084	$1,084	$1,084	06/28/2007	06/28/2007	07/28/2007

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2	Contracting Agency ID: 7008								
3	Vendor Name	Description of Requirement	Principal Place of Performan	Action Obligation	Base and Exercised Options	Base and All Options Value	Date Signed	Effective Date	Completion Date
4	AXIOMATIC TECHNOLOGIES CORPORATION	CONVERTER	CA	$584	$584	$584	06/28/2007	06/28/2007	07/09/2007
5	ZODIAC OF NORTH AMERICA, INC	LIFE RAFT AND BRACKET	FR	$3,700	$3,700	$3,700	07/05/2007	07/05/2007	08/04/2007
6	NEW TECH SOLUTIONS INCORPORATED	12 QTY LAPTOPS FOR IPSLO TO UTILIZE DURING TRAVEL	JA	$18,540	$18,540	$18,540	07/05/2007	07/05/2007	08/04/2007
7	INCHCAPE SHIPPING SERVICES, S	PANAMA CANAL TRANSIT AND PORT SERVICES FOR BALBOA PANAMA JUL 2, 2007	PM	$23,291	$23,291	$23,291	07/05/2007	07/02/2007	08/04/2007
8	METOCEAN DATA SYSTEMS LIMITED (0000)	RADIO TV EQ EXCEPT AIRBORNE	CA	$190,000	$190,000	$0	07/06/2007	07/06/2007	09/15/2007
9	MPC-G, LLC	ADDITIONAL 5 QTY CGSW III'S FOR NEW BILLETS	JA	$5,975	$5,975	$5,975	07/10/2007	07/10/2007	07/30/2007
10	INCHCAPE SHIPPING SERVICES SA (0000)	PROVISIONS IN BALBOA, PANAMA	PM	$955	$955	$955	07/10/2007	07/02/2007	08/09/2007
11	BW TECHNOLOGIES LIMITED	GAS ALERT MICRO, CLIN 0004AB	CA	$246,172	$246,172	$246,172	07/12/2007	07/12/2007	08/11/2007
12	WELIN LAMBIE LIMITED	MODIFIED BLOCK ASSEMBLIES FOR WELIN LAMBIE DUAL POINT DAVITS	UK	$331,920	$331,920	$331,920	07/13/2007	07/13/2007	11/09/2007
13	CLARKLIFT WEST INCORPORATED (9619)	17,500 LBS FORKLIFT	KS	$59,279	$59,279	$59,279	07/16/2007	07/16/2007	10/15/2007
14	FUNDICIONES RICE SA	110' PROPELLERS	MX	$1,216	$1,216	$1,216	07/16/2007	07/16/2007	12/30/2007
15	FUNDICIONES RICE SA	110' PROPELLER REPAIR	MX	$1,216	$1,216	$1,216	07/16/2007	07/16/2007	10/30/2007
16	FLIGHTSCAPE INCORPORATED	ANALYSIS AND AUTOMATION SOFTWARE FOR FLIGHT SAFETY TEAM	CA	$184,200	$184,200	$184,200	07/19/2007	07/19/2007	09/14/2007
17	RESTAURANTE EL ESCUDO SOCIEDAD	PORT SERVICES SANTO TOMAS, GUATEMALA	GT	$4,371	$4,371	$4,371	07/20/2007	07/20/2007	08/19/2007
18	MASTEEL AMERICA CORPORATION	RADIAL DRILL - INDUSTRIAL RECAP PURCHASE TO REPLACE AGED SOUTH BEND DRILL	CA	$16,000	$16,000	$16,000	07/23/2007	07/24/2007	08/31/2007
19	CONSOLIDATED TECHNOLOGIES LIMITED	PR TO PROCURE NAVSYNCHRO'S (FC#4) FOR 378'S. SOLE SOURCE JUSTIFICATION, IGE AND QUOTE# 2705Q899 INCLUDED ON DOCUMENT REMARKS. HARD COPIES AVAILABLE UPON REQUEST.	CA	$23,825	$23,825	$23,825	07/23/2007	07/23/2007	08/22/2007
20	RESTAURANTE EL ESCUDO SOCIEDAD	BSF SANTO TOMAS, GUATEMALA	GT	$7,700	$7,700	$7,700	07/23/2007	07/23/2007	08/22/2007
21	EXXONMOBIL SALES AND SUPPLY	BSF SANTO TOMAS, GUATEMALA	GT	$105,236	$105,236	$105,236	07/23/2007	07/23/2007	08/22/2007
22	MISCELLANEOUS FOREIGN CONTRACTORS	ROPE	RP	$6,212	$6,212	$6,212	07/23/2007	07/23/2007	09/01/2007
23	RESTAURANTE EL ESCUDO SOCIEDAD ANONIMA	FOOD ORDER IN SANTO TOMAS, GUATEMALA	GT	$3,907	$3,907	$3,907	07/24/2007	07/24/2007	08/23/2007
24	RESTAURANTE EL ESCUDO SOCIEDAD	SERVICES PROVIDED FOR THE ROATAN, HONDURAS PORT CALL	HO	$8,595	$8,595	$8,595	07/24/2007	07/24/2007	08/23/2007
25	WELIN LAMBIE LIMITED	TECH REP SERVICE	CA	$18,523	$18,523	$18,523	07/26/2007	07/26/2007	07/31/2007
26	MCMURDO LIMITED	FASTFIND PLB 82-825-004A AND BATTERIES	UK	$6,540	$6,540	$6,540	08/02/2007	08/02/2007	09/01/2007
27	SAINT GOBAIN SULLY (0000)	HH65 WINDOW SPARES	FR	$5,140	$2,244,575	$3,829,065	08/06/2007	08/06/2007	01/03/2008
28	CARMANAH TECHNOLOGIES CORPORATION	CARMANAH - M701 SOLAR POWERED MARINE LANTERN (WHITE) INFARED PROGRAMMER FG10876	CA	$3,183	$3,183	$3,183	08/07/2007	08/07/2007	09/06/2007
29	CARMANAH TECHNOLOGIES CORPORATION	CARMANAH'S	CA	$6,495	$6,495	$6,495	08/09/2007	08/09/2007	09/08/2007
30	MISCELLANEOUS FOREIGN CONTRACTORS		UK	$21,850	$21,850	$21,850	08/09/2007	08/09/2007	09/08/2007
31	CARMANAH TECHNOLOGIES CORPORATION	GS-07F-0513M	CA	$24,756	$24,756	$24,756	08/10/2007	08/10/2007	09/09/2007
32	MISCELLANEOUS FOREIGN CONTRACTORS	EL SALVADOR VISIT FOR CGC EDISTO AUG 7, 2007	GT	$700	$700	$700	08/10/2007	08/10/2007	09/09/2007
33	MISCELLANEOUS FOREIGN CONTRACTORS	CGC EDISTO PORT CALL MANZANILLO, MEXICO	MX	$11,037	$11,037	$11,037	08/10/2007	08/10/2007	09/09/2007
34	WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY	CA	$5,445	$3,304,000	$5,151,000	08/14/2007	08/14/2007	09/20/2007
35	MISCELLANEOUS FOREIGN CONTRACTORS	PORT SERVICES FOR BSF IN PUERTO QUETZAL, GUATEMALA ON 07/24/07	GT	$9,547	$9,547	$9,547	08/14/2007	08/14/2007	09/13/2007
36	JET DOCK SYSTEMS INCORPORATED	JET DOCK FOR MSD ST. THOMAS GS-07F-5367P	VI	$27,185	$27,185	$27,185	08/14/2007	08/14/2007	09/24/2007
37	CARMANAH TECHNOLOGIES CORPORATION	SOLAR POWERED MARINE LANTERNS	CA	$6,886	$6,886	$6,886	08/15/2007	08/23/2007	09/14/2007
38	MISCELLANEOUS FOREIGN CONTRACTORS		ES	$9,291	$9,291	$9,291	08/15/2007	08/15/2007	09/14/2007
39	SAINT GOBAIN SULLY (0000)	HH65 WINDOW SPARES	FR	$20,870	$2,244,575	$3,829,065	08/15/2007	08/15/2007	01/12/2008
40	INCHCAPE SHIPPING SERVICES SA (0000)	EDISTO PORT CALL IN PANAMA	PM	$10,187	$10,187	$10,187	08/16/2007	08/16/2007	09/15/2007
41	SAINT GOBAIN SULLY (0000)	HH65 WINDOW SPARES	FR	$444,317	$2,244,575	$3,829,065	08/21/2007	08/21/2007	01/09/2008
42	MISCELLANEOUS FOREIGN CONTRACTORS	F-76 FUEL, BSF BARBADOS, AUG 2007	BB	$62,201	$62,201	$62,201	08/22/2007	08/14/2007	08/19/2007
43	BW TECHNOLOGIES LIMITED	CLIN 0003AD 4-GAS W/DATALOGGING CONFINED SPACE KIT P/N MC-XWHM-B-NA-07 DELIVERY ORDER PLACED UNDER IDIQ # DTCG23-03-D-PKB126 DELIVER TO: LT LUKE SLIVINSKI USCGC BLUESHARK (WPB 87360) 2000 MARINE VIEW DRIVE EVERETT, WA 98207	CA	$729	$729	$729	08/22/2007	08/22/2007	09/21/2007
44	NORTHROP GRUMMAN SHIP SYSTEMS INCORPORATED		JA	$6,530	$6,530	$6,530	08/22/2007	08/22/2007	08/25/2007
45	SAINT GOBAIN SULLY (0000)	HH65 WINDOW SPARES	FR	$18,200	$2,244,575	$3,829,065	08/23/2007	08/23/2007	01/20/2008
46	CARMANAH TECHNOLOGIES CORPORATION	SOLAR LANTERNS	CA	$106,105	$106,105	$106,105	08/24/2007	08/24/2007	09/17/2007
47	VIDEOR TECHNICAL E HARTIG GMBH	PAN/TILT CONTROL	GM	$4,801	$4,801	$4,801	08/27/2007	08/27/2007	09/30/2007
48	WARTSILA LIPS INCORPORATED (9586)	SHAFT REPAIRS	JA	$82,400	$82,400	$82,400	08/27/2007	08/27/2007	09/02/2007
49	BP PRODUCTS NORTH AMERICA INCORPORATED (0313)	MGO FUEL DURING CURACAO PORT CALL	NT	$38,107	$38,107	$38,107	08/28/2007	07/31/2007	07/31/2007
50	SPAR AEROSPACE LIMITED (0000)	PSI-BASELINE REPAIR PHASE TC-70	CA	$2,757,375	$18,000,000	$18,000,000	08/29/2007	08/29/2007	10/01/2007

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3	Vendor Name	Description of Requirement	Principal Place of Performan	Action Obligation	Base and Exercised Options	Base and All Options Value	Date Signed	Effective Date	Completion Date
4	OFFSHORE SYSTEMS LTD	VME CIRCUIT CARD ASSEMBLY, TRACKBALL	CA	$1,600	$1,600	$1,600	08/29/2007	08/29/2007	11/15/2007
5	STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	CN	$478,765	$4,799,303	$12,314,493	08/29/2007	08/29/2007	12/15/2007
6	SAINT GOBAIN SULLY (0000)	HH65 WINDOW SPARES	FR	$21,674	$2,244,575	$3,829,065	08/29/2007	08/29/2007	01/26/2008
7	MISCELLANEOUS FOREIGN CONTRACTORS	RUSH CASREP 07033 INCINERATOR PARTS AND MATERIALS	NO	$22,313	$22,313	$22,313	08/29/2007	08/29/2007	09/28/2007
8	PACIFIC ISLANDS FORUM FISHERIES AGENCY	VMS CLIENT HARDWARE/SOFTWARE AND TRAINING AND INSTALLATION	BP	$13,450	$13,450	$13,450	08/31/2007	08/31/2007	09/30/2007
9	FUNDICIONES RICE SA	110' PROPELLER REPAIR	MX	$1,216	$1,216	$1,216	08/31/2007	08/31/2007	12/30/2007
10	FUNDICIONES RICE SA	110' PROPELLER REPAIR	MX	$1,216	$1,216	$1,216	08/31/2007	08/31/2007	12/30/2007
11	FUNDICIONES RICE SA	110' PROPELLER REPAIR	MX	$1,216	$1,216	$1,216	08/31/2007	08/31/2007	12/30/2007
12	FUNDICIONES RICE SA	110' PROPELLER REPAIR	MX	$1,216	$1,216	$1,216	08/31/2007	08/31/2007	12/30/2007
13	FUNDICIONES RICE SA	110' PROPELLER REPAIR	MX	$1,216	$1,216	$1,216	08/31/2007	08/31/2007	12/30/2007
14	FUNDICIONES RICE SA	110' PROPELLER REPAIR	MX	$608	$608	$608	08/31/2007	08/31/2007	12/30/2007
15	FUNDICIONES RICE SA	110' PROPELLER REPAIR	MX	$608	$608	$608	08/31/2007	08/31/2007	12/30/2007
16	FUNDICIONES RICE SA	110' PROPELLER REPAIR	MX	$608	$608	$608	08/31/2007	08/31/2007	12/30/2007
17	FUNDICIONES RICE SA	110' PROPELLER REPAIR	MX	$608	$608	$608	08/31/2007	08/31/2007	12/30/2007
18	FUNDICIONES RICE SA	110' PROPELLER REAPIR	MX	$608	$608	$608	08/31/2007	08/31/2007	12/30/2007
19	ZODIAC OF NORTH AMERICA, INC	LIFE RAFT	FR	$2,459	$2,459	$2,459	09/04/2007	09/04/2007	10/04/2007
20	XEROX CORPORATION	ADMINISTRATION AND TECHNICAL AREA COPIERS - XEROX COPY CENTER 245 WITH UPGRADE TO WORKCENTER PRO 245 AND OTHER ACCESSORIES AS DETAILED ON ATTACHED CLIN LIST IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE PARENT CONTRACT	MX	$21,140	$21,140	$21,140	09/04/2007	09/04/2007	10/01/2007
21	MCMURDO LIMITED	FASTFIND PLUS PIRIB	UK	$3,255	$3,255	$3,255	09/04/2007	09/04/2007	10/04/2007
22	STANDARD AERO LIMITED	HC130 PROPELLER OVERHAUL	CN	$34,350	$4,799,303	$12,314,493	09/05/2007	09/05/2007	12/20/2007
23	MISCELLANEOUS FOREIGN CONTRACTORS	LLOYDS SEA SEARCHER SUBSCRIPTION LICENSE (2) FOR TEAM CHIEF AND MARITIME TARGETING BRANCH. VENDOR INFORMATION: LLOYD'S MARINE INTELLIGENCE UNIT SHEEPEN PLACE, COLCHESTER, ESSEX, CO3 3LP TEL +44 (0)207 017 4640 FAX +44 (0)207 017 5007 WEBSITE WWW.LLOYDSMIU.COM TIM.ROXBY@LLOYDSMIU.COM	UK	$42,510	$42,510	$42,510	09/05/2007	09/05/2007	10/05/2007
24	CARMANAH TECHNOLOGIES CORPORATION	LIGHTS FOR ATON EQUIPMNET	CA	$3,843	$3,843	$3,843	09/06/2007	09/06/2007	10/06/2007
25	CARMANAH TECHNOLOGIES CORPORATION	CARMANAHS	CA	$33,549	$33,549	$33,549	09/06/2007	09/18/2007	10/16/2007
26	CARMANAH TECHNOLOGIES CORPORATION	LIGHTING FOR USCG BUOYS(SOLAR OPERATED)	CA	$6,700	$6,700	$6,700	09/06/2007	09/06/2007	09/30/2007
27	WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	CA	$526,711	$3,304,000	$5,151,000	09/06/2007	09/06/2007	07/30/2008
28	MISCELLANEOUS FOREIGN CONTRACTORS	INTERACTIVE TOUCH SENSITIVE WHITEBOARDS	MO	$5,846	$5,846	$5,846	09/07/2007	09/07/2007	10/07/2007
29	MISCELLANEOUS FOREIGN CONTRACTORS	DELFT PLATE	NL	$95	$95	$95	09/07/2007	09/07/2007	10/07/2007
30	MISCELLANEOUS FOREIGN CONTRACTORS	EMERGENCY TRAVEL FOR OS2 LEONARD	EC	$1,358	$1,358	$1,358	09/09/2007	09/09/2007	10/09/2007
31	NAUTICAL ENGINEERING INCORPORATED	INSTALLATION OF OIL CONTENT METER	CA	$7,448	$7,448	$7,448	09/11/2007	09/11/2007	10/11/2007
32	NW PROPELLER OPERATIONS INCORPORATED	378' CONTROLLABLE PITCH PROPELLER HUBS	GM	$2,462,247	$2,462,247	$2,462,247	09/11/2007	09/11/2007	03/11/2009
33	GOVERNMENT OF CANADA (0000)		CA	$23,627	$23,627	$23,627	09/12/2007	09/12/2007	12/28/2007
34	PROFESSIONAL EDGE THE	CO-SPONSORSHIP FOR THE 15TH INTERNATIONAL CONFERENCE ON AQUATIC INVASIVE SPECIES - JOTFOC IN DOC REMARKS VENDOR IS CCR REGISTERED	CA	$5,000	$5,000	$5,000	09/12/2007	09/12/2007	10/12/2007
35	CMC ELECTRONIQUE INCORPORATED	ELECTRONIC FLIGHT BAGS AND ACCESSORIES	CN	$33,866	$33,866	$33,866	09/12/2007	09/12/2007	11/11/2007
36	WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	CA	$65,565	$3,304,000	$5,151,000	09/13/2007	09/13/2007	07/30/2008
37	SPAR AEROSPACE LIMITED (0000)	UNUSUAL ENGINEERING SUPPORT	CA	$6,033	$18,000,000	$18,000,000	09/14/2007	09/14/2007	10/30/2007
38	MISCELLANEOUS FOREIGN CONTRACTORS		WS	$5,320	$5,320	$5,320	09/14/2007	08/20/2007	08/26/2007
39	EMS TECHNOLOGIES CANADA LIMITED (0000)	ANTENNA	CA	$1,500	$1,500	$1,500	09/17/2007	09/17/2007	12/28/2007
40	ISOBUNKERS LIMITED LIABILITY COMPANY	MGO CUTTER FUEL	CH	$224,676	$224,676	$224,676	09/17/2007	08/15/2007	10/17/2007
41	VEGA INDUSTRIES LIMITED (0000)	REPAIR OF GLAZING ASSM	NZ	$45,121	$45,121	$45,121	09/17/2007	09/17/2007	01/04/2008
42	MAN DIESEL NORTH AMERICA INCORPORATED	ENGINE PARTS FOR THE PAXMAN VALENTA.	UK	$516,079	$516,079	$516,079	09/17/2007	09/17/2007	05/17/2008
43	BW TECHNOLOGIES LIMITED	CBR EQUIPMENT REPLACEMENT PARTS	CA	$19,200	$19,200	$19,200	09/18/2007	09/18/2007	09/30/2007
44	CARMANAH TECHNOLOGIES CORPORATION	CARMANAHS	CA	$9,330	$9,330	$9,330	09/18/2007	09/15/2007	10/18/2007
45	CARMANAH TECHNOLOGIES CORPORATION	LED LIGHT, RED	CA	$7,682	$7,682	$7,682	09/18/2007	09/18/2007	10/18/2007
46	CARMANAH TECHNOLOGIES CORPORATION	CARMANAHS	CA	$18,387	$18,387	$18,387	09/18/2007	09/15/2007	10/18/2007
47	INCHCAPE SHIPPING SERVICES SA (0000)	PROVIDE PORT SERVICES	PM	$13,781	$13,781	$13,781	09/18/2007	09/18/2007	09/18/2007
48	SCA SHIP CHANDLERS ASSOCIATED LIMITED	PORT SERVICES FOR PUERTO VALLARTA, MEXICO 09/17/07-09/20/07 M 260/263 07 192	MX	$13,013	$13,013	$13,013	09/19/2007	09/19/2007	10/19/2007

	A	B	C	D	E	F	G	H	I
1	Criteria limited to contracts where "Primary Place of Performance" field is other than "US", "US VIRGIN ISLANDS", "PUERTO RICO", or "AMERICAN SAMOA"								
2	Contracting Agency ID: 7008								
3	Vendor Name	Description of Requirement	Principal Place of Performance	Action Obligation	Base and Exercised Options	Base and All Options Value	Date Signed	Effective Date	Completion Date
4	INCHCAPE SHIPPING SERVICES SA (0000)	WORKSTATIONS FOR EPIDEMIOLOGY OFFICE NECESSITATED BY ADDITION OF EMPLOYEES IN OFFICE	PM	$20,988	$20,988	$20,988	09/19/2007	09/19/2007	10/19/2007
5	WESCAM INCORPORATED	SCHADER VALVE REPLACEMENT FOR AIR STATION ELIZABETH CITY.	CA	$940,700	$3,304,000	$5,151,000	09/20/2007	09/20/2007	01/30/2008
6	MISCELLANEOUS FOREIGN CONTRACTORS		GT	$2,098	$2,098	$2,098	09/20/2007	09/20/2007	10/20/2007
7	INCHCAPE SHIPPING SERVICES SA (0000)		PM	$4,024	$4,024	$4,024	09/20/2007	09/20/2007	10/20/2007
8	INCHCAPE SHIPPING SERVICES SA (0000)		PM	$1,857	$1,857	$1,857	09/20/2007	09/20/2007	10/20/2007
9	RESTAURANTE EL ESCUDO SOCIEDAD	COASTA RICA AGENCY FEES	CS	$1,500	$1,500	$1,500	09/25/2007	09/25/2007	10/25/2007
10	WELIN LAMBIE LIMITED	CRANK HANGING BEARING SET	UK	$1,965	$1,965	$1,965	09/26/2007	09/26/2007	10/10/2007
11	ENERGY CONTAINMENT CONCEPTS LIMITED		BA	$7,500	$7,500	$7,500	09/27/2007	09/27/2007	10/27/2007
12	MISCELLANEOUS FOREIGN CONTRACTORS	FY08 HANGAR LEASE IN ST. JOHN'S, NEWFOUNDLAND, CANADA	CA	$0	$0	$0	09/27/2007	10/01/2007	10/01/2007
13	MISCELLANEOUS FOREIGN CONTRACTORS	VAN RENTALS FOR CARTAGENA SEP 24-26, 2007	CO	$2,340	$2,340	$2,340	09/28/2007	09/28/2007	10/28/2007
14									
	A	B	C	D	E	F	G	H	I
333			Total	$29,998,896	$136,574,060	$185,611,495			

SHORE MAINTENANCE BACKLOG

Question: Coast Guards shore maintenance backlog is $631 million. Please describe Coast Guards priorities in addressing this backlog. List the backlog by category of maintenance.

ANSWER: The Coast Guard's $631 million shore maintenance backlog consists of over 8,000 documented, deferred shore maintenance requirements that are managed and prioritized by the six Civil Engineering Units (CEU's). The backlog documents deferred corrective maintenance. All emergency maintenance needs are prioritized first. The backlog does not include preventative maintenance. A list of projects is attached.

CUTTER MAINTENANCE BACKLOG

Question: What is the Coast Guards cutter maintenance backlog, including the polar icebreakers? List the backlog by category of maintenance and Coast Guard's priority needs.

ANSWER: The current cutter backlog consists of preventive maintenance, normal repairs, replacement of parts and structural components.

The Coast Guard depot level maintenance funding backlog for vessels greater than 65 feet is $37,683,206. The breakdown and prioritization is provided in the following table:

Priority	Maintenance Backlog	AFC-45 (Non-Polar Icebreakers)	AFC-45 (Polar Icebreakers only)	AFC-45
1	Deferred Availabilities & Overhauls (MLCLANT)	$2,222,000	n/a	$2,222,000
	Deferred Availabilities & Overhauls (MLCPAC)	$12,474,051	n/a	$12,474,051
2	Depot Mandated Repairs	$16,680,656	$4,930,337	$21,610,983
3	Parts and Inventory	$6,306,499	n/a	$6,306,499
	Total	**$ 37,683,206**	**$4,930,337**	**$42,613,543**

We can provide further granularity on any category as helpful.

AIRCRAFT MAINTENANCE BACKLOG

Question: What is the Coast Guards aircraft maintenance backlog, including ALL aircraft? List the backlog by category of maintenance and Coast Guard's priority needs.

ANSWER: The Coast Guard's aircraft maintenance backlog is referred to as deferred maintenance. On September 30, 2007, the deferred maintenance balance was $86,760,582. The current deferred maintenance balance has increased to $97,206,341 and is categorized and prioritized as follows:

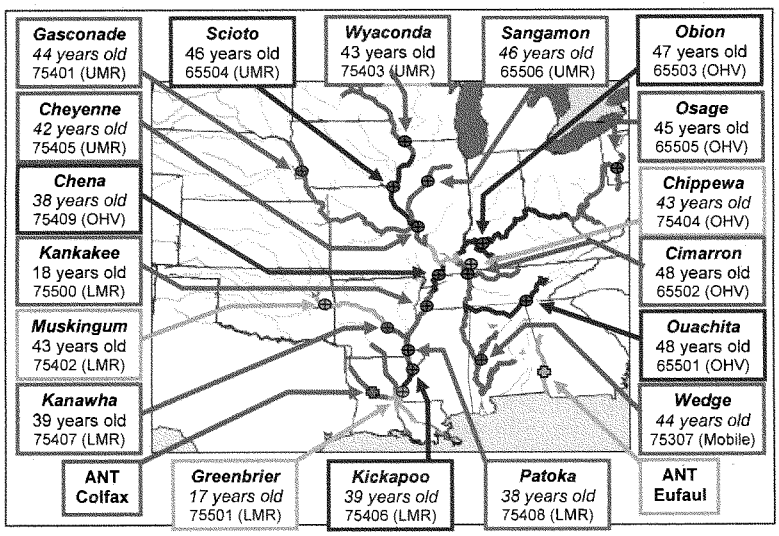
HH-65 Inventory Reorders & Repairs	$ 24,539,307
HH-60 Inventory Reorders & Repairs	25,947,998
HU-25 Inventory Reorders & Repairs	13,825,010
HC-130 Inventory Reorders & Repairs	11,476,601
Financially Slipped Overhauls	15,517,425
Financially Slipped Depot Level Projects	5,900,000
Total Deferred Maintenance Balance	**$97,206,341**

AIDS TO NAVIGATION

Question: Provide a chart with the location of the Inland River Aids to Navigation vessels, by type and age.

ANSWER:

Coast Guard Western Rivers
Buoy Tender-River (WLR) and Aids to Navigation Team (ANT)
Home Ports and Areas of Responsibility



RESCUE 21

Question: Provide the current plan, with dates and costs for the Rescue 21 project. Include planned operational testing, cut-over dates, and disconnection from the old system, by location.

ANSWER:

Group Cost ($K)	Sector or Group/Air Station	Operational Testing (RSAT)	Operational Use (Conditional Acceptance)	Disconnection & Removal of Legacy Equipment (Cutover)
IOC $50,024[1]	Atlantic City	COMPLETE	COMPLETE	COMPLETE
	Eastern Shore	COMPLETE	COMPLETE	COMPLETE
LRIP $20,699	Mobile, AL	COMPLETE	COMPLETE	COMPLETE
	St Petersburg, FL	COMPLETE	COMPLETE	COMPLETE
	Port Angeles, WA	COMPLETE	COMPLETE	COMPLETE
	Seattle, WA	COMPLETE	COMPLETE	COMPLETE
FRP Group I $137,746	Long Island Sound	COMPLETE	COMPLETE	COMPLETE
	Delaware Bay[2]	COMPLETE	COMPLETE	COMPLETE
	New York, NY	COMPLETE	COMPLETE	COMPLETE
	Jacksonville, FL	COMPLETE	COMPLETE	Apr 2008
	Hampton Roads[3]	COMPLETE	COMPLETE	May 2008
	Miami, FL	COMPLETE	Mar 2008	Jun 2008
	Astoria, OR	Mar 2008	Apr 2008	Jul 2008
	Baltimore, MD	Apr 2008	May 2008	Aug 2008
	North Bend, OR	May 2008	Jun 2008	Sep 2008
	Portland, OR	Jun 2008	Jul 2008	Oct 2008
	Corpus Christi, TX[4]	TBD	TBD	TBD
	Key West, FL	Aug 2008	Sep 2008	Dec 2008
	Houston/Galveston, TX	Sep 2008	Oct 2008	Jan 2009
	New Orleans, LA[5]	Oct 2008	Nov 2008	Feb 2009
FRP Group II $89,991	Charleston, SC	Dec 2008	Feb 2009	May 2009
	North Carolina	Jan 2009	Mar 2009	Jun 2009
	Boston, MA	Apr 2009	May 2009	Aug 2009
	San Diego, CA	Jun 2009	Jul 2009	Oct 2009
	Humboldt Bay, CA	Aug 2009	Oct 2009	Dec 2009
	Southeast New England	Sep 2009	Nov 2009	Feb 2010
	Northern New England	Oct 2009	Dec 2009	Mar 2010
	Los Angeles/Long Beach, CA	Jan 2010	Mar 2010	Jun 2010
	San Francisco, CA	Feb 2010	Apr 2010	Jul 2010
FRP Group III $101,800	Honolulu, HI	*FRP Group III dates will be set when an Integrated Baseline Review is completed, which is tentatively scheduled for Fourth Quarter FY 2008.*		
	Detroit, MI			
	Lake Michigan			
	Buffalo, NY			
	Guam			
	San Juan, PR			
	Sault Ste Marie, MI			
Group IV	Western Rivers:			

Group Cost ($K)	Sector or Group/Air Station	Operational Testing (RSAT)	Operational Use (Conditional Acceptance)	Disconnection & Removal of Legacy Equipment (Cutover)
$TBD	Ohio River Valley	*TBD*		
	Upper Mississippi			
	Lower Mississippi			
	Alaska			
	Juneau			
	Anchorage			
	Vessels Subsystem			

Notes:
1. Contract structure was reorganized for Full Rate Production Groups. IOC and LRIP costs only include delivery and installation
2. Sector Delaware Bay incorporates IOC Sector Field Office Atlantic City
3. Sector Hampton Roads will incorporate IOC Sector Field Office Eastern Shore in May 2008
4. Sector Corpus Christi is being re-planned as a result of tower issues
5. Hurricane-damaged portion of Sector New Orleans funded through FY 2006 Hurricane Katrina/Rita supplemental was conditionally accepted in Feb 2007

AUTOMATIC IDENTIFICATION SYSTEM (AIS)

Question: Please update the Committee on your progress to install AIS throughout the United States. Are all Coast Guard vessels now AIS equipped?

ANSWER: The Nationwide Automatic Identification System (NAIS) acquisition project is being implemented using a phased approach involving the following three primary increments:

- Increment 1 – Automatic Identification System (AIS) receive only in 55 critical ports and nine coastal areas across the country;
- Increment 2 – AIS transmit (out to 24 nautical miles (nm) from shore) and receive (out to 50 nm from shore) nationwide; and
- Increment 3 – Long range (from 50 nm – 2,000 nm from shore) AIS receive nationwide.

Increment 1 – Increment 1 is currently in the production and deployment phase, transitioning to operations and support. Full Operational Capability (FOC) was achieved at the end of Fiscal Year 2007. AIS receive coverage was established in 55 critical ports and nine coastal waterways across the country on schedule.

Increment 2 - Increment 2 of NAIS is currently in the Capability Development and Demonstration (CD&D) phase and is being implemented over two phases as follows:

Phase I: Establishes the core NAIS capability and AIS Receive and Transmit coverage for three Initial Operating Capability (IOC) Sectors: Delaware Bay, Hampton Roads, and Mobile. The Increment 2, Phase I Request For Proposals (RFP) was released December 21, 2007. The solicitation closed March 20, 2008, and award is expected by the end of Fiscal Year 2008.

Phase II: Establishes AIS receive and transmit coverage beyond the IOC Sectors (installation of transceiver sites, using the Phase I design, to achieve AIS receive and transmit coverage nationwide). The solicitation for Phase II is expected to be released in late Fiscal Year 2009 or early Fiscal Year 2010.

Increment 3 – Increment 3 is also in the CD&D phase of the major investment process. A concept demonstration satellite is currently scheduled to be launched in April 2008, which will be used to evaluate the collection of AIS data from space using commercial satellites.

All Coast Guard cutters (vessels greater than 65 feet long) have AIS installed. Coast Guard boats (vessels shorter than 65 feet) are currently receiving AIS installs. Standard boats that normally participate in Port and Waterways Coastal Security (PWCS) missions will have AIS by the end of Fiscal Year 2008. Standard Aids to Navigation (ATON) boats will receive AIS next, followed by high priority non-standard boats during Fiscal Year 2009. All new boat and cutter acquisitions are also being delivered with AIS capability installed.

OPERATION IRAQI FREEDOM

Question: Provide the OIF funding history and spend plan, since inception. List all Coast Guard assets and number of people currently participating in OIF.

ANSWER: Coast Guard assets currently participating in OIF: Patrol Forces Southwest Asia (PATFORSWA), six patrol boats (USCGC WRANGELL, USCGC BARANOF, USCGC AQUIDNECK, USCGC ADAK, USCGC MAUI, USCGC MONOMOY), two rotating Law Enforcement Detachments (LEDETs).

There are approximately 237 USCG personnel participating in OIF. Breakdown follows: Patrol Boats – 132, PATFORSWA – 89, Law Enforcement Detachments – 16

Funding is used in support of operations in Iraq and for military out load support:

Funding ($M)					
Public Law ($M)	FY04	FY05	FY06	FY07	FY08*
108-106	$80.0				
108-287		$100.0			
109-13 (AC&I)		$49.2			
109-13		$112.0			
109-148			$100.0		
109-234			$75.0		
109-234			$26.7		
109-289				$90.0	
110-23				$120.3	
110-181					$110.0
Total	$80.0	$261.2	$201.7	$210.3	$110.0

Spend Plan ($M)					
	FY04	FY05	FY06	FY07	FY08 (2)
1. Personnel	$34.1	$79.2	$40.0	$42.1	$59.7
2. Personnel Support	$27.9	$23.8	$32.6	$35.9	$39.7
3. Operating Support	$31.2	$70.1	$93.7	$90.8	$107.3
4. Transportation	$17.6	$8.1	$8.7	$8.6	$15.9
GWOT Reconstitution Costs				$32.9	
Death Gratuity Benefits			$26.2		
Intelligence Upgrades			$0.5		
110' Sustainment Project (AC&I)		$49.2			
FY 2004 Shortfall (1)	($30.8)	$30.8			

Total	$80.0	$261.2	$201.7	$210.3	$222.6

(1) - FY2004 $30.8M shortfall appropriated as reimbursement in FY 2005.
(2) - Includes incremental Port Security Unit costs associated with the deployment of additional teams in FY 2008

AIRSPACE SECURITY OVER THE NATIONAL CAPITAL REGION

Question: Since taking over the mission of National Capital airspace security, Coast Guard has not met its 100% intercept goal. Why?

ANSWER: The Coast Guard has a response window requirement and has met this requirement on 100 percent of all directed National Capitol Region (NCR) missions. To date, the Coast Guard has responded to 85 NCR missions via divert or scramble. Even when the Coast Guard response window is met, there is always potential that an intercept cannot be accomplished due to the target's position, course, and/or speed. This potential gap is managed by continuous exercise and evaluation of the Integrated Air Defense (IAD) program, close interagency coordination through the National Capitol Region Coordination Center (NCRCC), and employment of a multi-layered defense strategy.

Question: What is the total cost of this mission in 2008 and 2009?

ANSWER: Fiscal Year 2008: $22.9M
Fiscal Year 2009: $22.3M

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

Question: Please detail how the funding requested in 2009 for research, development, test and evaluation will be allocated. Please compare with 2008 and 2007.

ANSWER: The funding for Fiscal Years 2007, 2008, and 2009 follows:

Research, Development, Test and Evaluation	**FY 2007 Request**		**FY 2008 Request**		**FY 2009 Request**	
Operational Costs						
- Pay	$ 3,509		$ 3,657		$ 3,657	
- Rent	650		606		1,153	
- Utilities (inc. comms)	50		60		306	
- Other	1,294		1,449		1,280	
Total Operational Costs		**$ 5,503**		**$ 5,772**		**$ 6,396**
Research Costs						
- Pay	$ 7,457		$ 7,770		$ 7,772	
- Direct	900		4,041		1,832	
Total Research Costs		**8,357**		**11,811**		**9,604**
Total Request		**$13,860**		**$17,583**		**$16,000**

Amounts are $Thousand

MILITARY/CIVILIAN MIX

Question: Please update the table in last year's hearing record showing the current military/civilian mix in the Coast Guard.

ANSWER: Please see the updated tables below.

Active Duty Mil/Civ % Mix

FY	Active Duty as a Percentage of Total Active Workforce	Civilian as a Percentage of the Total Active Workforce
2008 (EOY Projection)	84.6%	15.4%
2007	84.5%	15.5%
2006	84.5%	15.5%
2005	85.0%	15.0%
2004	85.5%	14.5%
2003	85.5%	14.5%
2002	84.6%	15.4%

Active Duty Mil/SELRES % Mix

FY	Active Duty as a Percentage of Total Military Workforce	Selected Reserves as a Percentage of Total Military Workforce
2008 (EOY Projection)	83.2%	16.8%
2007	83.3%	16.7%
2006	83.1%	16.9%
2005	83.1%	16.9%
2004	82.6%	17.4%
2003	80.6%	19.4%
2002	82.0%	18.0%

COAST GUARD RESERVES

Question: How many reservists are currently serving in active duty status in the Coast Guard? As part of this response, please detail what these reservists are doing, where they are located, and the estimated costs for their activities in 2007 and so are in 2008.

ANSWER: There are 947 reservists currently serving in an active duty status.

- 591 reservists are currently serving on active duty under involuntary mobilization orders and voluntary Active Duty Special Work (ADSW) orders in support of contingency operations, throughout the United States and OCONUS. They are performing the following functions:
  - Harbor security (CONUS and OCONUS)
  - Boat maintenance
  - Standing watches in operations centers that direct law enforcement operations, incident management, contingency planning, port security and intelligence operations.
  - Law enforcement operations
  - Anti-terrorism/force protection missions.
  - Conducting inspections of commercial vessels (cargo, manifests and crew lists), collecting intelligence, performing law enforcement and conducting liaison with other agencies (FBI, ATF,

Customs, INS, local and state law enforcement agencies).
- Providing security for domestic military port load-outs.
- Providing personnel administration needed because of the mobilization.
- Providing logistical support needed because of the mobilization.

CG Atlantic Area units	379
CG Pacific Area units	58
OCONUS	105
Headquarters Units – Various Units	49
Total	**591**

Table 1 Locations

- 172 reservists are on voluntary ADSW orders in support of non-contingency operations within numerous mission areas throughout the Coast Guard. Seventy five of these reservists are assigned to Maritime Force Protection Units (MFPU) and reimbursed via the Navy providing SSBN escorts in Kings Bay, GA and Bangor, WA.

CG Atlantic Area units	29
CG Pacific Area units	14
OCONUS	75
Headquarter Units – Various Units	54
Total	**172**

Table 2 Locations

- 184 reservists are on voluntary Extended Active Duty (EAD) contracts, filling active duty positions in the absence of active duty personnel in specific pay grades, ratings or specialties. These personnel are fulfilling numerous mission areas throughout the Coast Guard and therefore geographically dispersed.

The table below outlines costs for FY07, FY08, and FY09.

Reserve Category	**FY07 Cost**	**FY08 Cost (projected)**	**FY09 Cost (projected)**
Involuntary Mobilization & Vol. ADSW (Contingency - GWOT)	$48.1 M	$50.5 M	$57.3 M
ADSW (non-contingency)	$28.3 M *	$20.1 M *	$10.9 M * +
EAD	**	**	**

Table 3 Costs for reserves on active duty

* Figures include reimbursable costs from USN.

\+ Decrease in FY09 projected cost is due to changing to permanent active duty supporting MFPU vs. reservists on AD

** Since reservists on EAD orders are filling active duty billets, the payroll costs are the same as if active duty members were filling these billets.

UNOBLIGATED BALANCES

Question: Please update the breakdown of all current AC&I unobligated balances contained in last year's hearing record.

ANSWER: Please see the table on the following pages.

Acquisition, Construction and Improvements Unobligated Balance
FY 2008 AC&I Unobligated Balances as of February 29, 2008

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated
2005	Aircraft Other	7,212
2006	Armed Helicopter Equipment (A)	588,822
2006	Covert Surveillance Aircraft (A)	1,500,000
2007	Replacement HH-60 aircraft	12,475,203
No Year	Maritime Patrol Aircraft (MPA) (A)	724
No Year	C130J Fleet Introduction (A)	67,497
No Year	MMR Helicopter HH-60	152,135
	Subtotal, Aircraft	**14,791,593**

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated
2007	Armed Helicopter Equipment (D)	15,599,767
2008	Armed Helicopter Equipment (D)	24,600,000
2005	C130H Conversion/Sustainment	6,186
2006	C130H Conversion/Sustainment	6,673,375
2007	C130H Conversion/Sustainment	38,821,649
2008	C130H Conversion/Sustainment	18,900,000
2007	C130J Fleet Introduction	5,169,554
2008	C130J Fleet Introduction	5,800,000
2004	C4ISR	484
2004	C4ISR	7,604
2004	C4ISR	514,949
2005	C4ISR	44,073
2005	C4ISR	940,724
2005	C4ISR	1,030,320
2005	C4ISR	12,134,434
2006	C4ISR	3,395,685
2007	C4ISR	5,550,395
2008	C4ISR	80,434,797
2005	Covert Surveillance Aircraft (D)	275,750
2006	Fast Response Cutter (FRC) - A class	182
2007	Fast Response Cutter (FRC) - A class	41,580,000
2007	Fast Response Cutter (FRC) - B class	47,529,180
No Year	FY 2006 Katrina Supplemental - Deepwater (NSC)	1,039,300
2006	123 WPB Close, NSC	8,714,162
2004	Government Program Management	137,342
2005	Government Program Management	220,093
2006	Government Program Management	743,544
2007	Government Program Management	5,054,767
2008	Government Program Management	41,797,784
2005	HH60 Conversion Projects	37,420
2006	HH60 Conversion Projects	5,749,796
2007	HH60 Conversion Projects	8,755,733
2008	HH60 Conversion Projects	56,899,676
2004	HH65 Conversion/Sustainment	117,269
2005	HH65 Conversion/Sustainment	133,211
2006	HH65 Conversion/Sustainment	227,435
2007	HH65 Conversion/Sustainment	13,507,040

2008	HH65 Conversion/Sustainment	50,800,000
2004	IDS Small Boats	5,028
2005	IDS Small Boats	195,939
2006	IDS Small Boats	613,000
2007	IDS Small Boats	1,169,420
2008	IDS Small Boats	2,700,000
2004	Logistics	34,181
2004	Logistics	61,183
2004	Logistics	371,899
2005	Logistics	3
2005	Logistics	1,905
2005	Logistics	16,765
2006	Logistics	325,063
2007	Logistics	6,922,143
2008	Logistics	25,138,819
2004	Maritime Patrol Aircraft (MPA) (D)	84,730
2006	Maritime Patrol Aircraft (MPA) (D)	36,926
2007	Maritime Patrol Aircraft (MPA) (D)	24,893,565
2008	Maritime Patrol Aircraft (MPA) (D)	170,016,000
2004	Medium Endurance Cutter Sustainment	521
2005	Medium Endurance Cutter Sustainment	14,688
2006	Medium Endurance Cutter Sustainment	62,410
2007	Medium Endurance Cutter Sustainment	54,159
2008	Medium Endurance Cutter Sustainment	20,629,031
2004	National Security Cutter (NSC)	339,604
2005	National Security Cutter (NSC)	7,310,381
2006	National Security Cutter (NSC)	12,261,931
2007	National Security Cutter (NSC)	36,273,173
2008	National Security Cutter (NSC)	165,700,000
2004	Offshore Patrol Cutter (OPC)	2,311,437
2005	Offshore Patrol Cutter (OPC)	60
2006	Offshore Patrol Cutter (OPC)	5,140,243
2008	Patrol Boats Sustainment	38,465,000
2007	Replacement Patrol Boat	57,153,203
2004	Surface Ships Other	23,833
2005	Surface Ships Other	33,521
2004	System Engineering and Integration	356
2007	System Engineering and Integration	25,954
2008	System Engineering and Integration	8,783,991
2008	Technology Obsolescence	700,000
2005	Unmanned Aerial Vehicle	5,000
2006	Unmanned Aerial Vehicle	2,110
2007	Unmanned Aerial Vehicle	13,872
	Subtotal, Integrated Deepwater System	**1,090,834,728**

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated
2008	Defense Messaging System	5,000,000
No Year	FY 2006 Katrina Supplemental - NDGPS	233,917
2007	High Frequency (HF) Recapitalization	1,248,201
2008	High Frequency (HF) Recapitalization	2,500,000
2008	Interagency Operational Center	59,990,000
2008	Maritime Security Response Team Shoot House	1,800,000

2007	National Capital Region Air Defense	18,763,988
2008	National Capital Region Air Defense	11,500,000
2006	Nationwide Automatic Identification System (NAIS)	14,506,859
2007	Nationwide Automatic Identification System (NAIS)	11,238,000
2008	Nationwide Automatic Identification System (NAIS)	12,000,000
2006	Rescue 21	140,364
2007	Rescue 21	1,561,994
2008	Rescue 21	41,487,369
No Year	Other Equipment Other	793,642
	Subtotal, Other Equipment	**182,764,335**

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated
2008	**Direct Personnel Costs**	**49,021,754**

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated
2006	Chase Hall	80,154
2007	Chase Hall	350,620
2007	Coast Guard Housing - Cordova, Alaska	32,134
2008	Coast Guard Housing - Cordova, Alaska	6,980,000
2008	Construct Duty Berthing and Boat Maintenance Bay at Station Washington	2,180,000
No Year	FY 2006 Katrina and Rita Supplemental - Reconstruction	166,747
No Year	FY 2006 Katrina Supplemental - ISC New Orleans, LA	8,766,176
No Year	FY 2006 Katrina Supplemental - ISC New Orleans, LA	80,800,000
No Year	FY 2006 Katrina Supplemental - Sector New Orleans	3,000,000
No Year	FY 2006 Katrina Supplemental - Sector New Orleans	18,666,836
No Year	FY 2006 Katrina Supplemental - Station Gulfport, MS	128,232
No Year	FY 2006 Katrina Supplemental - Station Gulfport, MS	862,495
2006	Group Long Island Sound Completion	683,042
2007	Group Long Island Sound Completion	855,278
2007	ISC Seattle Group, Sector Admin Ops Facility	1,027,623
2007	Minor AC&I Shore Construction Projects	677,769
2007	Neah Bay Completion	357,202
2007	Rebuild Station & Waterfront at Base Galveston	4,978,057
2008	Rebuild Station & Waterfront at Base Galveston	5,200,000
2008	Rebuild Station Marquette	6,000,000
2008	Rescue Swimmer Training Facility	13,300,000
2008	Sector Buffalo	3,100,000
2007	Shore Facilities and Aids to Navigation Other	19,433
2007	Survey & Design Shore Operational and Support Projects	1,483,203
2008	Survey & Design Shore Operational and Support Projects	1,337,000
2006	Waterways ATON Infrastructure	279,023
2007	Waterways ATON Infrastructure	2,700,000
2008	Waterways ATON Infrastructure	2,500,000
No Year	Shore Facilities and Aids to Navigation Other	4,125
	Subtotal, Shore Facilities and Aids to Navigation	**166,515,150**

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated
2004	87 Foot Coastal Patrol Boat	1,167,952

2007	87 Foot Coastal Patrol Boat	3,838,446
2004	Response Boat – Medium (RB-M)	141,680
2005	Response Boat – Medium (RB-M)	46,589
2006	Response Boat – Medium (RB-M)	692,133
2007	Response Boat – Medium (RB-M)	4,821,660
2008	Response Boat – Medium (RB-M)	7,310,262
2005	Vessels Other	246,013
No Year	Cutter Sensor & Communications Systems	188
No Year	87 Foot Coastal Patrol Boat	5,924
No Year	Great Lakes Ice Breaker	1,292,343
	Subtotal, Vessels and Critical Infrastructure	**19,563,190**

Grand Total	**1,523,490,750**

Question: From that list, select any projects with unobligated balances exceeding $1,000,000 from fiscal year 2007 or earlier and provide a brief explanation of why the funds are unobligated.

ANSWER: Please see the following table.

Dept of Homeland Security
United States Coast Guard

Acquisition, Construction and Improvements Unobligated Balances of at Least $1,000,000 as of February 29, 2008

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated	Reason Why Funds Not Obligated	Oblig Plan Month/Year
2006	Covert Surveillance Aircraft (A)	1,500,000	Funds for the continuation of project.	8-Sep
2007	Replacement HH-60 Aircraft	12,475,203	CG has received Navy H-60 airframe, and contracts are pending for the purchase of airframe build up items, which will obligate $10M by SEP 08. $2.5M will be carried over into FY09 for labor, project management, and supply costs.	11-Sep
	Subtotal, Aircraft	**13,975,203**		

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated	Reason Why Funds Not Obligated	Oblig Plan Month/Year
2007	Armed Helicopter Equipment (D)	15,599,767	Retain for labor/contracting in FY08, execute FY08 IAW GSE contract timeline, labor for A-kits installs early FY08, balance retained for project closeout.	8-Sep
2006	C130H Conversion/Sustainment	6,673,375	Radar and Avionics efforts.	8-Jul
2007	C130H Conversion/Sustainment	38,821,649	Radar and Avionics efforts.	8-Sep

2007	C130J Fleet Introduction	5,169,554	Funding transferred to APO office for Program Support and Spares and training due to increased flight hours.	8-Aug
2005	C4ISR	12,134,434	Funding of outstanding contracting actions on 13 different contract items and funding for C4ISR's upcoming move to the Jemal building.	8-Sep
2005	C4ISR	1,030,320	P25 Transceiver Installations on 270 WMECs. Prototype is under evaluation; then Engineering Change approval; then award contract for class-wide installs.	8-Sep
2006	C4ISR	3,395,685	For consolidated contracting action liabilities to fund outstanding contracting actions on 13 different contract items and Certification and Assurance efforts.	8-Sep
2007	C4ISR	5,550,395	For consolidated contracting action liabilities to fund outstanding contracting actions on 13 different contract items.	8-Sep
2007	Fast Response Cutter (FRC) - A class	41,580,000	Funding to be carried forward to FY09 to fund LRIP CLINs (hulls 2-4).	9-Mar
2007	Fast Response Cutter (FRC) - B class	47,529,180	Contract Award for Design/Construction for Lead FRC B. RFP is currently out and with proposals not expected until mid to the end of September 07. After proposal evaluations, anticipate contract award to successful offered in late 2nd Quarter FY 08.	8-Jun
No Year	FY 2006 Katrina Supplemental - Deepwater (NSC)	1,039,300	NSC 1 construction.	8-Aug
2006	123 WPB Close, NSC	8,714,162	123' Project Closeout pending litigation.	TBD
2007	Government Program Management	5,054,767	Needed for contracts renewing through April 2008.	8-Apr
2006	HH60 Conversion Projects	5,749,796	HH60 Radar and FLIR.	8-Aug
2007	HH60 Conversion Projects	8,755,733	Engine/Radar FLIR, New Bern Mod Parts in testing (will purchase following DT&E, and FLIR Arm NRE requires full and open competition).	8-Sep
2007	HH65 Conversion/Sustainment	13,507,040	MGB Spares, MCH Phase II, MTV balance retain for project closeout/sparing and FAR compliance will contract early in FY08.	8-Sep

2007	IDS Small Boats	1,169,420	Proposal preparation, repricing & Acquisition planning for LRI & SRP restart.	8-Jun
2007	Logistics	6,922,143	Incrementally funding a Deepwater Integration Facility at TISCOM, an upgrade to a trainer in AR&SC to meet 'H65' standards, and a C4ISR NSC Maintenance facility at C2CEN.	8-Sep
2007	Maritime Patrol Aircraft (MPA) (D)	24,893,565	Awaiting approval of AP 08-013 for contract award for MPA Aircraft 4 - 8 spares at ARSC (May 2008); Pending contract award for Interim Contractor Support for MPA and Mission System Pallet technical support (April 2008); Pending contract award for MPA.	8-May
2005	National Security Cutter (NSC)	7,310,381	To fund certfication, training and GFE for NSCs #1 and #2.	8-May
2006	National Security Cutter (NSC)	12,261,931	To fund certfication, training and GFE for NSCs #1 and #2.	8-Sep
2007	National Security Cutter (NSC)	36,273,173	To fund certfication, training and GFE for NSCs #1 thru #3.	8-Sep
2004	Offshore Patrol Cutter (OPC)	2,311,437	Remaining amount to be used for requirements development, alternatives analysis and concept and technology development.	8-Aug
2006	Offshore Patrol Cutter (OPC)	5,140,243	Remaining amount to be used for requirements development, alternatives analysis and concept and technology development. Plan to obligate $2,448M in FY08.	9-Mar
2007	Replacement Patrol Boat	57,153,203	Funding for 'Contract Award for Design/Construction for Lead FRC B including associated CLINS. RFP was released and proposals have been received and are being evaluated. Anticipate contract award in late 3rd Quarter FY 08.	8-Jul
	Subtotal, Integrated Deepwater System	**373,740,652**		

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated	Reason Why Funds Not Obligated	Oblig Plan Month/Year
2007	High Frequency (HF) Recapitalization	1,248,201	Funds currently committed to HF transmitter procurement. Anticipate award this month or early next month.	8-Apr

2007	National Capital Region Air Defense	18,763,988	Continue the HH65 aircraft build ups, ILS and the construction of an additional hangar office space. Please note that the ILS work and the construction work will obligate throughout the FY08 year, retain for 5th kit purchase in FY08, retain for assembly phase.	8-Sep
2006	Nationwide Automatic Identification System (NAIS)	14,506,859	$11.3M committed for Increment-2, Phase 1 awd; $.43M Certification & Accreditation; $1.9M Program Support; $.8M, R&DC Increment-1 transition and support for Increments 2 & 3 development/analysis/testing.	8-Sep
2007	Nationwide Automatic Identification System (NAIS)	11,238,000	$11.18M committed for Increment-2, Phase 1 award; $.06M, R&DC Increment-1 transition and support for Increments 2 & 3 development/analysis/testing.	8-Sep
2006	Rescue 21	140,364	$627,624 will be used for GDC4S direct deployment costs and $300,000 for antecedent liabilities.	8-Jun
2007	Rescue 21	1,561,994	$467,085 will be used for GDC4S direct deployment costs and $1,000,000 for antecedent liabilities.	8-Jun
	Subtotal, Other Equipment	**47,459,407**		

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated	Reason Why Funds Not Obligated	Oblig Plan Month/Year
No Year	FY 2006 Katrina Supplemental - ISC New Orleans, LA	8,766,176	Reconstruct ISC NOLA. FDCCLANT developing request for proposal. Project is out for pre-solicitation. Anticipate award/obligate Spring 08.	8-Mar
No Year	FY 2006 Katrina Supplemental - ISC New Orleans, LA	80,800,000	Reconstruct ISC NOLA. FDCCLANT developing request for proposal. Project is out for pre-solicitation. Anticipate award/obligate Spring 08. All remaining funds needed for award and construction contingency.	8-Mar
No Year	FY 2006 Katrina Supplemental - Sector New Orleans	18,666,836	Construct Sector NOLA FOC Facility. FDCCLANT developing request for proposal. Project to go out for pre-solicitation once real property issues are resolved. Anticipate award/obligation Fall 08. All remaining funding needed for award and construction	8-Sep

No Year	FY 2006 Katrina Supplemental - Sector New Orleans	3,000,000	Construct Sector NOLA FOC Facility. FDCCLANT developing request for proposal. Project to go out for pre-solicitation once real property issues are resolved. Anticipate award/obligation Fall 08. All remaining funding needed for award and construction.	8-Sep
2007	ISC Seattle Group, Sector Admin Ops Facility	1,027,623	MLCPAC(t) electronic outfitting for building. Construct new ISC Seattle GRP Sector Admin.	8-Apr
2007	Rebuild Station & Waterfront at Base Galveston	4,978,057	SFO Galveston Construct Consolidated STA/ANT/WPB Facility. FDCLANT developing request for proposal. All funding needed for award and construction contingency.	8-Jul
2007	Survey & Design Shore Operational and Support Projects	1,483,203	Survey and Design Shore Operations. Scopes of works being developed for several projects. Project designs are progressing on several other projects and will require S&D funds to complete as detailed site investigation/design criteria evolve.	8-Mar
2007	Waterways ATON Infrastructure	2,700,000	Delaware River Wateways Project	8-Mar
	Subtotal, Shore Program	**121,421,895**		

Fiscal Year	Purpose of Funds by Program/Project/Activity	Funds Unobligated	Reason Why Funds Not Obligated	Oblig Plan Month/Year
2004	87 Foot Coastal Patrol Boat	1,167,952	The remaining funding will be obligated for pending engineering changes (stern door RAM, water purification system, horn drivers) and contractor support.	8-Aug
2007	87 Foot Coastal Patrol Boat	3,838,446	Remaining balance will be used in FY08 & FY09 to fund 87' project costs associated with the acquisition of four additional CG CPBs. It will be used for crew training, CG Yard Electronics Install, drawing updates, post delivery work, post delivery equipment.	9-Sep
2007	Response Boat - Medium (RB-M)	4,821,660	$3.7M in commitment for pending ECPs will reduce figure to $300K. Remaining funds will be placed on technical support contract.	8-Jul
2000	Great Lakes Icebreaker Replacement	1,292,343	Contract close out.	8-Sep
	Subtotal, Vessels	**11,120,401**		

	Total, All Categories	**567,717,558**		

ALTERATION OF BRIDGES PROGRAM

Question: Summarize the status of all bridges in this program similar to the format in last year's hearing record.

ANSWER: Status of all bridges currently under the Alteration of Bridge Program is summarized as follows:

1. Florida Avenue Railroad/ Highway Bridge, New Orleans, Louisiana: Construction of the new bridge is complete. Final Apportionment of Cost (AOC) is under negotiation and finalization. Following that, the project will be audited and closed. Estimated federal cost for the project was $49 million and federal funding to date is $50.7 million.

2. Sidney Lanier Highway Bridge, Brunswick, Georgia: Construction of the bridge is complete. Estimated federal cost for the project is $66.8 million and federal funding to date is $58.1 million.

3. Limehouse Highway Bridge, John's Island, South Carolina: Construction is complete. Project audit is complete, final AOC is complete and the project is closed. Federal cost for the project is $18.23 million and federal funding to date is $19.1 million.

4. Burlington Northern Railroad Bridge, Burlington, Iowa: Final design is complete. Project will be advertised upon receipt of additional funding. Estimated federal cost for the project is $50.1 million and federal funding to date is $24.8 million.

5. Chelsea Street Bridge, Chelsea, Massachusetts: The latest estimated construction cost of the project alone stands at $94 million. Currently, the Massachusetts State Highway Department working with Federal Highway Administration and the City of Boston have advertised the project. Bids are scheduled to open in May 2008. Federal funding to date is $18.7 million. SAFETEA-LU provides $15 million for this bridge under the high priority projects.

6. CSX Transportation Company Bridge, Mobile, Alabama: Project was advertised for construction in 2006, however, bids came in higher than estimated. Project is currently under redesign. Final design is scheduled to be completed in August 2008. The project is expected to be re-advertised for construction in October 2008 contingent upon the availability of sufficient federal funding. Estimated federal cost for the project is $65.3 million and federal funding to date is $48.4 million. Project is expected to go to construction in January 2009.

7. Elgin, Joliet, and Eastern (EJ&E) Railway Company Bridge, Divine, Illinois: Final design is complete. Estimated federal cost for the project is $33 million and federal funding to date is $14.3 million. Project is ready to go to construction as soon as sufficient Federal funds become available.

8. Galveston Causeway Bridge, Galveston, Texas: Project is under final design and the design is scheduled to be completed by the end of 2008. Environmental Assessment and other required permit applications are under preparation. Estimated federal cost for the project is $60 million and federal funding to date is $9.9 million. In addition, SAFETEA-LU provides $15 million for this bridge under the high priority projects. This is the most difficult and dangerous bridge on the Gulf Intracoastal Waterway. The Coast

Guard understands that Texas DOT is planning to build guide cells in the vicinity of this bridge to aid safe navigation.

9. Fort Madison Railroad Bridge, Fort Madison, Iowa: The final design is complete. Estimated federal cost for the project is $48.7 million and federal funding to date is $1.2 million. Project has not received new funds since FY94. The Iowa DOT is also conducting a feasibility study to replace the existing bridge with a new off-line joint highway-railroad bridge.

10. Union Pacific (formerly Chicago Northwestern) Railroad Bridge, Clinton, Iowa: On February 28, 1996, the Coast Guard issued an Order to Alter this bridge. Design work will be initiated after Federal funding becomes available. Estimated federal cost for the project is $30.8 million and federal funding to date is $0.0 million.

11 Union Pacific Railroad Bridge, Pekin, Illinois: On September 11, 1996, the Coast Guard issued an Order to Alter this bridge. Design work will be initiated after Federal funding becomes available. Estimated Federal funding to complete the project is $28.3 million and federal funding to date is $0.0 million.

12. Canadian Pacific Rail System Bridge, Sabula, Iowa: On June 17, 1996, the Coast Guard issued an Order to Alter this bridge. Design work will be initiated after Federal funding becomes available. Estimated federal cost for the project is $33.3 million and federal funding to date is $0.0 million.

13. Gateway Western Railway Company Bridge, Louisiana, Missouri: On October 14, 1997, the Coast Guard issued an Order to Alter this bridge. Design work will be initiated after Federal funding becomes available. Estimated federal cost for the project is $26.4 million and federal funding to date is $0.0 million.

14. Canadian Pacific Railroad Bridge, LaCrosse, Wisconsin: On September 2, 1998, the Coast Guard issued an Order to Alter this bridge. Hydraulic model test to determine final location of the new bridge is complete. Project is currently under design. Estimated federal cost for the project is $50 million and federal funding to date is $10.5 million.

15. Kansas City Southern Railway Company Bridge, Simmesport, Louisiana: On November 13, 2006, the Coast Guard issued an Order to Alter this bridge. Design work will be initiated after Federal funding becomes available. Estimated federal cost for the project is $47 million and federal funding to date is $0.0 million.

16. Cheatham County Railroad Bridge, Bordeaux, Tennessee: On February 5, 2007, the Coast Guard issued an Order to Alter this bridge. Design work will be initiated after Federal funding becomes available. Estimated federal cost for the project is $33 million and federal funding to date is $0.0 million.

OTHER

Question: Please detail the 2009 energy request versus 2008 and 2007 energy obligations.

ANSWER: Please see table on following page.

Fiscal Year	Request/Enacted	Projected Obligations	Actual Obligations
2009	$311.4 million		
2008*	$305.9 million	$298.0 million	
2007*	$207.1 million		$232.4 million

*Enacted amounts listed for Fiscal Years 2007 and 2008.

Question: Describe Coast Guard's Great Lakes pilotage ratemaking process over the past year, including staffing and resources devoted to this activity. How much is proposed for 2009?

ANSWER: 46 USC 9303 requires the Coast Guard to establish a new pilotage rate by March 1st of every year. Great Lakes Pilotage Ratemaking regulations in 46 CFR Part 404 require rate adjustments each year and a new rate at least every five years. The rate published every five years requires an extensive third party audit of the pilot association's financial data and uses a complex methodology for formulation.

The annual rate adjustment is more streamlined. For the annual rate, the Coast Guard reviews the pilots' associations financial statements prepared and submitted by their certified public accounting firms. Rates are then adjusted to ensure sufficient revenues are generated to cover the annual projected allowable expenses, target pilot compensation, and returns on investment of the pilot associations. This year, the Coast Guard conducted an annual rate adjustment using the streamlined ratemaking methodology and published an interim rule effective on March 21st, prior to the start of the 2008 navigation season (73 Fed. Reg. 15092).

The current staffing for Coast Guard's Great Lakes Pilotage Division consists of the following:

- 1 Supervisory Transportation Specialist (GS-15)
- 1 Transportation Specialist (GS-14)
- 1 Economist (GS-14)
- 1 Program Analyst (GS-12)
- 1 Contract administrative support. In March of this year the contract position expires.

The Pilotage Division is also supported peripherally by Coast Guard legislative and regulatory offices.

The rate scheduled to be in effect for the start of the 2008 Great Lakes navigation season increases the current rates by 8.17%.

Question: Please list all areas where Coast Guard conducted live fire exercises in the past year.

ANSWER: The Coast Guard conducts live fire exercises at Coast Guard, Department of Homeland Security, Department of Defense, local law enforcement and commercial facilities, as well as offshore to maintain homeland security and homeland defense operations readiness. While the Coast Guard does not centrally track all locations where live-fire exercises are conducted, the following is a list of facilities routinely used by Coast Guard units. We can provide a brief if you would like more information.

- Coast Guard Land-Based Ranges:
    - Cape Cod, MA
    - New London, CT
    - Sandy Hook, NJ
    - Cape May, NJ

- Yorktown, VA
  Portsmouth, VA
- Miami, FL
- St. Louis, MO
- New Orleans, LA
- Galveston, TX
- Kodiak, AK
- Ketchikan, AK
- Seattle, WA
- Cape Disappointment, WA
- Petaluma, CA
- Honolulu, HI
- Manama, Bahrain

- Department of Homeland Security Land-Based Ranges include:

  - FLETC, Charleston, SC

- Department of Defense Land-Based Ranges include:

  - Jacksonville, FL
  - Fort Rucker, AL
  - Avon Park, FL
  - Camp Pendleton, CA
  - Fort Picket, VA
  - Kodiak, AK

- Department of Defense Water-Based Ranges include:

  - Fort Know, KY
  - Camp Lejeune, SC
  - San Clamente, CA
  - Jacksonville, FL
  - Barking Sands, HI
  - "WH" Range, Seattle, WA

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSWOMAN NITA LOWEY

Coast Guard
Fiscal Year 2009 Budget Request

SEXUAL ASSAULT AND HARASSMENT

Question: GAO reported in January that unlike the other services, the Coast Guard is not required to have a sexual assault response coordinator position and is not required to submit sexual assault data for DoD's annual report and to participate in assessments methodologically comparable to those administered by DoD. GAO also found that although the Coast Guard had performed a limited assessment of the academy's sexual harassment program, it has not established guidance, program requirements, or a management oversight framework.

GAO concluded that without this type of management oversight framework, including data collection, maintenance, management goals, performance measures and milestones, the Coast Guard would not know if its efforts to prevent, respond to, and resolve sexual harassment incidents were effective. Does the Coast Guard agree with the recommendations and if so, what has been done and what is happening to correct the problem?

ANSWER: The Coast Guard's response to the GAO report is documented in Appendix III. To be clear, we are committed to continuously improving our sexual assault and harassment prevention programs. For example, we have recently implemented a new, comprehensive sexual assault policy which GAO recognizes as addressing many of their concerns. We are also establishing new positions at Coast Guard Headquarters and the Academy to manage training, expand reporting options and improve victim care.

Additionally, we are benchmarking the Department of Defense by adopting their annual Service Academy survey of cadets and staff at the Coast Guard Academy. We are immediately implementing the survey during academic year 2008. We are also enhancing prevention and education efforts at the Academy by requiring cadets to receive a comprehensive and improved training program on sexual assault, harassment and alcohol abuse prevention. Originally implemented in 2006, this program provides approximately 25 hours of training during each cadet's four year tenure.

In addition, a specific plan for CGA is being developed by the CG sexual assault program manager that provides specific goals, objectives and annual measurement criteria by which to assess the Academy's Sexual Assault Response Program. We can provide a briefing if you would like further information. The program is a top organizational priority.

PORT SECURITY GRANTS

Question: On 9/20/07, the Port of Los Angeles approved the use of $1.7 million in federal Port Security Grant Program funds for a high-energy mobile X-ray scanner produced by Nuctech, a company affiliated with the Chinese government. Does the Coast Guard have any concerns that the Port of Los Angeles is planning on purchasing Chinese-origin scanners?

ANSWER: The Coast Guard supports the Port Security Grant Guidelines as administered by FEMA which contain a "Buy American Act" requirement. Under the Port Security Grant Guidelines FEMA is responsible for performing field audits to ensure funds are expended and accounted for as mandated. The Coast Guard does not review or audit purchases sourced with port security grant funding

EXISTING ICEBREAKERS

Question: Does the Coast Guard have plans to replace any of the three existing icebreakers and if so, is there a rough cost estimate?

ANSWER: Currently no long range major acquisition plans exist to acquire a new icebreaker.

LEASING OF FOREIGN ICEBREAKERS

Question 4 – Coast Guard
Does the Coast Guard know the number of instances in which the National Science Foundation has leased foreign icebreakers?

ANSWER: The Coast Guard is aware of the NSF leasing foreign icebreakers in support of Operation Deep Freeze for the following four operations:

- NSF contracted the Russian icebreaker KRASIN for Operation Deep Freeze 2005 and 2006; and
- NSF contracted the Swedish icebreaker ODEN for Operation Deep Freeze 2007 and 2008.

There may be additional instances of NSF leasing foreign icebreakers for science-related purposes of which the Coast Guard is unaware.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSWOMEN LUCILLE ROYBAL-ALLARD

Coast Guard
Fiscal Year 2009 Budget Request

ANGEL'S GATE LIGHTHOUSE

Question: According to the Coast Guard, as delivered to the Homeland Security Subcommittee staff by the USCG House Liaison office: "Though the Angel's Gate Lighthouse is currently an active Aid-To-Navigation, the Coast Guard's long-range plan is to divest of the property. Prior to transferring the property, the Coast Guard is required to comply with the National Historic Lighthouse Preservation Act and complete an Environmental Due Diligence Audit (EDDA). The EDDA is required for all property transfers under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), section 120h. Additionally, the Coast Guard is coordinating with the U.S. Army Corps of Engineers and General Services Administration to determine the status of title documentation prior to declaring the property excess."

1. How long will it take to complete the above requirements?

ANSWER: The total time required to complete the Angel's Gate Lighthouse divesture is unknown. The initial EDDA phase takes approximately nine months to complete. Once the EDDA is completed, the Coast Guard will have an accurate assessment of the remediation scope of work and schedule. The remediation timeline can not be estimated until the EDDA is completed because each lighthouse and the associated environmental issues are unique. The Coast Guard must complete all remediation before it can declare the lighthouse excess. After all required environmental hazards or restoration actions identified in the EDDA are corrected, the process to declare the lighthouse excess to the Coast Guard's needs takes approximately six months.

Once declared excess to the General Services Administration (GSA), divestiture will proceed in accordance with provisions of the National Historic Lighthouse Preservation Act (NHLPA), which is implemented by on the GSA. Although the Coast Guard retains ownership throughout the NHLPA process, the GSA controls the process and timeline.

2. Are there specific interested parties in acquiring the lighthouse? If not, what steps will the Coast Guard take – other than those required by law – in order to transfer the property?

ANSWER: The Coast Guard has not received any inquiries concerning the Angel's Gate Lighthouse property. Once the Coast Guard determines the property to be excess, it will notify the General Services Administration (GSA) in accordance with provisions of the National Historic Lighthouse Preservation Act (NHLPA). GSA then publishes a Notice of Availability for the purpose of identifying entities (including federal, state, and local government agencies, as well as certified non-profit organizations) which may wish to acquire the property. If no eligible entity expresses interest, or no suitable applicant is found upon review by the Department of Interior, GSA may make the property available through a competitive public sale.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSMAN SAM FARR

Coast Guard
Fiscal Year 2009 Budget Request

NPS INTELLIGENCE COURSE

Question: How can the Coast Guard take advantage of the Center for Homeland Security and Defense executive course on intelligence? The courses offered include:

- The Intelligence Community's (IC) capabilities and limitations;
- The IC's role in Homeland Security;
- Interagency coordination and the flow of Intelligence for Homeland Security;
- Intelligence Reform and Terrorism Prevention Act (IRTPA) of 2004;
- How best to integrate an intelligence strategy for Homeland Security among first responders, defense, private sectors and emergency management communities;
- How to define and understand state and local intelligence processes;
- Understanding the intelligence requirements for the transportation sector; and
- Recommendations for process improvement and reinvention to better integrate Domestic and Foreign intelligence.

ANSWER: The Naval Postgraduate School's Center for Homeland Defense and Security (CHDS), in partnership with the U.S. Department of Homeland Security provides an educational forum to enhance senior leaders' capacity to identify and resolve homeland security problems as well as an opportunities to build networks among the nation's local, tribal, state, federal, and private sector homeland security officials. The Coast Guard does not have any members currently participating in this CHDS program, but applications are still being accepted for the cohort class starting on November 3, 2008, and we will encourage interested officers to apply.

The Coast Guard takes advantage of numerous executive courses on intelligence sponsored by the Director of National Intelligence (DNI), Defense Intelligence Agency (DIA), Department of Homeland Security (DHS), National Security Agency (NSA), and other agencies across the Intelligence Community spectrum. In addition, Coast Guard members at all levels of the organization (officer, enlisted and civilian) participate in numerous multi-agency intelligence courses to broaden their Intelligence Community knowledge and experience, share ideas and best practices, and increase interagency coordination.

NPS AND THE USCG

Question: The USCG has to interface, on the one hand, with state and local agencies, and on the other hand, with the US Navy in order to perform its maritime security missions.

The very nature of their missions and environment requires intensive cross-agency, multi-disciplinary and intergovernmental planning, preparedness and execution.

What can be learned from the USGC about interagency and intergovernmental relationships that should be shared with the rest of the Homeland Security/Homeland Defense community?

ANSWER: The Coast Guard has a long history of successful partnership across the interagency community. As an example, since the early 1970's, the Coast Guard and the Environmental Protection Agency worked with local and regional planning communities to sustain interaction in accordance with the National Contingency Plan. When the Coast Guard implemented area maritime security planning in the early 2000s, we built upon a foundation of existing relationships. These interagency and intergovernmental interactions owe their success to overarching strategies, authorities and mechanisms and a shared vision for implementation.

The Coast Guard's broad responsibilities cannot be successfully accomplished through Coast Guard operational efforts alone. Interagency and intergovernmental relationships are essential at the federal, state and local levels. We continuously and successfully leverage interagency partnerships to reach shared goals for the maritime community, both domestically and internationally.

These strategies, authorities and mechanisms include items such as the Cooperative Strategy for 21st Century Seapower, the Maritime Operational Threat Response protocols, Memorandums of Understanding between Department of Homeland Security and the Department of Defense regarding support for Maritime Homeland Security / Homeland Defense, Operational Level Concept of Operations, the National Port Readiness Network Memorandum of Understanding on Port Readiness, Port Readiness Committees, Area Maritime Security Committees and Area Maritime Security Plans. These and other valuable protocols, processes, agreements, and mechanisms not only delineate roles and responsibilities between stakeholders, but they also provide opportunities for engagement, coordination and a means to balance agencies' equities.

Question: Are there any lessons in this regard on the water security side that can be used in border security on land?

ANSWER: Yes. The same lessons that are recommended for the Homeland Security/Homeland Defense community apply to border security on land. Existing protocols, processes, agreements, and mechanisms not only delineate roles and responsibilities between stakeholders, but they also provide valuable opportunities for engagement, coordination and a means to balance agencies' equities.

QUESTIONS FOR THE RECORD SUBMITTED BY

RANKING MEMBER HAROLD ROGERS

Coast Guard
Fiscal Year 2009 Budget Request

OPERATIONS - PERSONNEL

Question: Please list the size of the Coast Guard for each fiscal year over the last 50 fiscal years. Please break the annual data totals down by active, reserve, and civilian personnel.

ANSWER: The below answer reflects Coast Guard end strength numbers for the last 50 fiscal years.

Fiscal Year	Active Military	Civilian (permanent)	Selected Reserve	Total Workforce
2007	40,698	7,396	7992	56,086
2006	40,012	7,276	8103	55,391
2005	39,761	6,975	8,062	54,798
2004	38,995	6,508	7,938	53,441
2003	38,275	6,172	7,865	52,312
2002	37,044	5,960	7,816	50,820
2001	35,079	5,748	7,976	48,803
2000	35,003	5,628	7,965	48,596
2099	34,535	5,516	8,110	48,161
1998	34,325	5,381	7,587	47,293
1997	33,884	5,230	7,524	46,638
1996	34,235	5,182	7,663	47,080
1995	35,696	5,527	7,340	48,563
1994	36,403	5,775	7,197	49,375
1993	38,170	5,943	9,341	53,454
1992	38,266	5,972	11,232	55,470
1991	37,380	5,701	11,857	54,938
1990	35,849	5,431	12,123	53,403
1989	36,425	5,122	12,012	53,559
1988	36,674	4,979	12,084	53,737
1987	37,671	5,081	13,287	56,039
1986	36,568	5,362	12,988	54,918
1985	37,730	5,445	12,590	55,765
1984	37,809	5,500	12,357	55,666
1983	38,856	5,393	12,193	56,442
1982	37,377	5,259	11,846	54,482
1981	38,804	5,481	11,884	56,169
1980	38,226	6,036	11,891	56,153
1979	37,838	6,278	11,671	55,787
1978	36,745	6,399	11,450	54,594
1977	37,273	6,333	11,600	55,206

1976	36,835	6,311	11,550	54,696
1975	35,611	6,000	11,650	53,261
1974	35,643	5,976	11,500	53,119
1973	35,526	5,875	11,200	52,601
1972	36,769	5,835	11,750	54,354
1971	37,365	5,805	11,800	54,970
1970	37,036	5,578	13,300	55,914
1969	38,341	5,635	17,815	61,791
1968	36,559	5,885	17,200	59,644
1967	35,740	5,646	16,500	57,886
1966	34,525	5,204	15,400	55,129
1965	31,336	4,974	14,900	51,210
1964	31,864	5,033	15,600	52,497
1963	31,262	4,830	15,900	51,992
1962	31,139	4,685	15,300	51,124
1961	31,135	4,695	14,650	50,480
1960	30,211	4,564	15,000	49,775
1959	29,984	4,514	11,500	45,998
1958	29,711	4,620	9,750	44,081

DEEPWATER -CUTTERS

Question: Please identify all systems and subsystems being used in the National Security Cutter (NSC) that have been identified as potential specification requirements for the Offshore Patrol Cutter (OPC) and/or the Navy's Littoral Combat Ship (LCS). Please specifically identify, in detail, similar systems in the NSC that are planned for use within the OPC.

ANSWER: No systems or sub-systems from the NSC or the LCS have been specifically identified for the OPC because it would be premature to do so this early in the project. The Coast Guard has benefited in the past by using same or similar systems already in Coast Guard or U.S. Navy service and we intends to employ that same strategy with the OPC wherever possible. The design and production of the OPC will be under a full and open competition. Reduced life cycle and logistics cost due to system commonality will be identified and addressed during the solicitation, development, and source selection phases of the OPC acquisition.

DEEPWATER – LEGACY CUTTERS

Question: Please provide an exhaustive status report of the WMEC MEP program including which WMECs have undergone MEP, all associated budgetary information, and the schedule and timeline for completion.

ANSWER: The Medium Endurance Cutter (WMEC) sustainment or Mission Effectiveness Project (MEP) is a single-phase, six-month dry dock availability for 210's, and is a two phase project for 270's (one six-month dry dock availability, followed by a six-month dockside availability). These legacy WMEC's must be retained in operational service until new Deepwater assets are delivered.

All phases for the WMEC MEP are being performed by the Coast Guard Yard. The cost estimate for each 210' MEP is $5.3 million and approximately $7.8 million for each phase of a 270' MEP (based on the "open and inspect" nature of ship yard availability work items). Out-year MEP estimates reflect NAVSEA engineering and structural analysis assessments of the remaining WMECs. The goal of the WMEC MEP is to improve cutter operational availability, increase reliability and stem increasing maintenance costs by replacing highest failure

rate equipment with more reliable equipment that is more easily maintained and supported. In addition, the NAVSEA inspection noted above has identified areas of hull corrosion in some cases that are also being addressed in the MEP.

The WMEC MEP in the Acquisition Program Baseline (Deepwater APB v1.1 dated 15 May 2007) includes the following key parameters:

- Total Acquisition Cost – $317 million
- Quantity – 27 cutters
- Schedule –
  - Lead 210' delivery in 03/2006 and all 14 cutters to be delivered by end of 2012
  - Lead 270' delivery in 02/2006 and all 13 cutters to be delivered by end of 2016

Six 270' WMECs have completed Phase 1 of MEP, each on schedule and within budget; four 210's WMECs have completed MEP, each on schedule and within budget.

Cutter Name & Class	Status	Cost	Delivery Date
TAMPA 270'	Completed Phase I	$7.8M	03 Feb 06
DEPENDABLE 210'	Completed MEP	$4.0M	17 Mar 06
LEGARE 270'	Completed Partial Phase I	$2.5M	24 Apr 06
HARRIET LANE 270'	Completed Phase I	$5.3M	11 Aug 06
FORWARD 270'	Completed Phase I	$5.5M	09 Oct 06
CONFIDENCE 210'	Completed MEP	$4.2M	18 Jan 07
SPENCER 270'	Completed Phase I	$5.6M	4 May 07
BEAR 270'	Completed Phase I	$5.6M	14 Sep 07
VENTUROUS 210'	Completed MEP	$5.1M	05 Oct 07
VIGOROUS 210'	Completed MEP	$4.7M	16 Nov 07

Note: The cutter LEGARE completed a partial Phase I, because the Coast Guard used an opportunity during an emergency repair dry dock availability to complete a portion of the MEP work. LEGARE will be scheduled in the future to complete the rest of Phase I MEP items.

The schedule for the remaining MEPs is noted in the following table (italics are APB estimates):

Cutter Name & Class	Budget Estimate	Planned Start Date	Planned Delivery Date
SENECA 270'	$6.6M	Q1 FY08 (actual)	Q3 FY08
DECISIVE 210'	$6.0M	Q1 FY08 (actual)	Q3 FY08
ACTIVE 210'	$6.1M	Q2 FY08 (actual)	Q1 FY09
RESOLUTE 210'	*$5.3M*	Q3 FY08	Q1 FY09
VALIANT 210'	*$5.3M*	Q3 FY08	Q2 FY09
MOHAWK 270'	*$7.8M*	Q4 FY08	Q2 FY09
VIGILANT 210'	*$5.3M*	Q1 FY09	Q3 FY09
DAUNTLESS 210'	*$5.3M*	Q2 FY09	Q4 FY09
RELIANCE 210'	*$5.3M*	Q3 FY09	Q1 FY10
ALERT 210'	*$5.3M*	Q4 FY09	Q2 FY10
TAHOMA 270'	*$7.8M*	Q1 FY10	Q3 FY10
DILIGENCE 210'	*$5.3M*	Q1 FY10	Q4 FY10
STEADFAST 210'	*$5.3M*	Q2 FY10	Q1 FY11
NORTHLAND 270'	*$7.8M*	Q4 FY10	Q2 FY11
ESCANABA 270'	*$7.8M*	Q4 FY10	Q2 FY11

Upon completion of the 14th 210' WMEC in fiscal year 2010, all remaining WMEC MEP efforts will be directed

at completing the 270' WMECs. The final Phase I and all Phase II 270' MEP schedules have not yet been determined beyond CGC ESCANABA, because the final sequencing and MEP prioritization will be determined based on Coast Guard operational requirements and the material condition of individual cutters.

Financial Status as of Feb 2008			
Year	**Appropriated**	**Obligated**	**Unobligated**
2002*	$8,686,243	$8,686,243	$0
2003	$3,675,300	$3,668,933	$6,367
2004	$6,793,324	$6,792,494	$830
2005	$12,500,000	$12,485,312	$14,688
2006	$24,750,000	$24,689,097	$60,903
2007	$45,318,000	$45,102,288	$215,712
2008	$34,500,000	$21,158,816	$13,341,184
Total	**$127,536,624**	**$113,896,940**	**$13,639,684**

* Legacy cutters received a FY 2002 appropriation for miscellaneous equipment replacements and upgrades that is not included in the Deepwater APB.

Remaining unobligated funds are currently planned for use in fiscal year 2008.

Question: Please provide a current status of molded lagging in berthing an living quarters aboard all WMECs and WMECs; a status report of the Coast Guard's efforts to remediate such molded lagging on all WHECs and WMECs; and a cost estimate, per class of vessel, to remediate all molded lagging.

ANSWER: Mold and mildew on the lagging of Coast Guard High Endurance (WHEC) and Medium Endurance (WMEC) cutters has only been reported by a handful of individual units, predominately on the west coast. PACAREA conducted a fleet wide habitability review and provided funding of approximately $1 million to all PACAREA major cutters to remediate mold issues. LANTAREA did not note any significant mold issues.

Future occurrences will be addressed on a case-by-case basis and remediation efforts will be handled by the Cutter's crew when possible.

Cost estimates to remediate mold and mildew from the lagging do not currently exist because all remediation efforts have been addressed at the unit level.

DEEPWATER – MPA

Question: Please provide the Coast Guard's operational plans for providing sufficient MPA mission coverage to the waters around Puerto Rico and the Caribbean Basin.

ANSWER: The Coast Guard's plan for coordinating Maritime Patrol Aircraft (MPA) operations in the Caribbean, specifically around the Sector San Juan area of responsibility (AOR), is "Operation Blue Highway." This plan establishes a framework for coordination of Coast Guard and interagency assets to conduct a variety of missions.

The plan states that Sector San Juan, Coast Guard Air Station Borinquen, Customs and Border Protection (CBP) Air-Marine Branch (CAMB), Forces United for Rapid Action (FURA) Airwing, Puerto Rico Air National Guard, and CBP Caribbean Air-Marine Operations Center (CAMOC) will collaborate on air operations planning, coordinate operational scheduling and tasking, and cooperate tactically among air platforms and surface forces to accomplish common missions. These missions include marine patrol surveillance, interdiction support, search

and rescue/safety of life at sea, and flight safety. Air operations planners from Air Station Borinquen and CAMB use tactical intelligence cueing and operational intelligence analysis to devise marine patrol air plans that employ a sequential, layered approach to provide air patrol coverage in various parts of the AOR as asset availability permits.

HC-144A

Question: Please verify the annual program hours for the HC-144A Ocean Sentry. How does this compare to annual operational usage for similar airframes?

ANSWER: The new Coast Guard HC-144A "Ocean Sentry" is programmed for 1,200 flight hours per year. Legacy fixed-wing aircraft are programmed to fly 800 hours per year.

Question: Please document the projected service life of the HC-144A Ocean Sentry.

ANSWER: The projected service life (useful life) of the HC-144A Ocean Sentry is 40 years.

Question: How long does it take to build and deliver a mission systems pallet for an HC-144A? Please confirm whether this development time been has been factored into the MPA mission hour gap chart submitted to the Subcommittee.

ANSWER: The latest proposal provided by the contractor is seventeen (17) months After Receipt of Order (ARO) for the first article of the new order. Subsequent pallets will be delivered in one month intervals.

The flight hour chart submitted to the subcommittee depicts total fixed wing resource hours based on initial delivery of the HC-144A aircraft vice delivery of the mission system pallet.

QUESTIONS FOR THE RECORD SUBMITTED BY

CONGRESSMAN ROBERT ADERHOLT

Coast Guard
Fiscal Year 2009 Budget Request

NARCOTICS SMUGGLING

Question: It is my understanding that 90% of narcotics entering this country enter through our land borders. If the U.S. is able to secure those borders one day, what do you think will be the impact of that on narcotics smuggling? How will that affect the Coast Guard?

ANSWER: Drug Trafficking Organizations (DTO) react quickly to law enforcement actions, and will seek the path of least resistance and greatest reward for their illicit activities. If DTOs perceive that land routes into the United States pose more risk than maritime or air routes, they will likely shift tactics to try to exploit these other routes.

The Coast Guard is a multi-mission service that routinely shifts assets from one mission to another based on threat. If there were a major shift in illicit drug traffic by sea, the Coast Guard could leverage multi-mission flexibility to increase interdiction of this traffic. Potential responses would include shifting assets from other lower priority missions, seeking enhanced international protocols, revising tactics to improve effectiveness, refocusing targeted intelligence collection, seeking new authorities, and developing new capabilities.

Coast Guard assets primarily engaged in drug interdiction include major cutters and long range patrol aircraft operating in the Transit Zone, far from the U.S. border. The Coast Guard uses these assets to push out the borders and interdict multi-ton loads of illicit drugs departing South America before they reach Central America and Mexico, where loads are separated into smaller consignments and smuggled across the land border. If a significant maritime threat develops in the U.S. Arrival Zone, the Coast Guard would likely employ smaller short-range assets, in addition to larger long-range assets in the Transit Zone, in a layered approach to defend our border. The Coast Guard would also continue to foster partnerships, with other federal agencies and state, local, and tribal authorities to prevent DTOs from exploiting maritime routes and conveyances to bring illicit drugs directly into the United States.

COAST GUARD IN MOBILE, AL

Question: It is my understanding that the Coast Guard will use a facility in Mobile, Alabama to resupply its' new CASA surveillance aircraft. Can you describe how large and significant you see this facility becoming, particularly the job impact on the community?

ANSWER: The Coast Guard will manage the logistics (resupply) for the HC-144A from its Aircraft Repair and Supply Center (AR&SC) in Elizabeth City, NC. A product line has been established specifically to manage engineering, maintenance, and logistics to support the HC-144A.

The Coast Guard currently has no plans to use the EADS CASA Aircraft Support Center in Mobile, AL. The facility has been used by the prime contractor in the past for limited parts staging for the HC-144As currently assigned to the Coast Guard Aviation Training Center (ATC) which is also located at the regional airport in Mobile, AL.

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UAVs

Question: I have heard that National Security Cutter's planned tiltrotor UAV is being cancelled in favor of either a land-based or another ship-based alternative. Can you describe some of the benefits and risks of using land-based UAVs instead of ship-based ones?

ANSWER: The Deepwater tilt-rotor project (VUAV) was ended last year due to developmental and cost concerns identified by the Coast Guard. Last summer, the Coast Guard's Research and Development (R&D) Center completed a study of VUAV alternatives. The study concluded that a combination of short-and long-range Unmanned Aircraft Systems (UAS) could potentially fulfill most of the maritime surveillance requirements for USCG cutters, but did not explore the relative benefits and risks of using land-based rather than ship-based UAVs.

The Coast Guard is currently in the pre-acquisition phase for future UAS procurements. Benefits and risks for both land-based and cutter-based UASs will be investigated during the major systems acquisitions process using fiscal year 2009 resources. This will build upon the R&D funding appropriated by Congress in fiscal year 2008 to conduct research to determine the most effective UAS to support National Security Cutter operations.

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