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IMPROVING SECURITY AND FACILITATING COMMERCE AT THE NORTHERN BORDER

HEARING

BEFORE THE

SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN RESOURCES

OF THE

COMMITTEE ON GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTH CONGRESS

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IMPROVING SECURITY AND FACILITATING COMMERCE AT THE NORTHERN BORDER

MONDAY, DECEMBER 10, 2001

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

The subcommittee met, pursuant to notice, at 1:30 p.m., at the Senior Center, 763 G Street, Blaine, WA, Hon. Mark E. Souder, (chairman of the subcommittee) presiding.

Present: Representatives Souder and Larsen.

STAFF PRESENT: CHRISTOPHER DONESA, STAFF DIRECTOR AND CHIEF COUNSEL; NICHOLAS P. COLEMAN, PROFESSIONAL STAFF MEMBER; AND CONN CARROLL, CLERK.

Mr. SOUDER. Good afternoon and thank you for coming. Today our subcommittee will explore the status of the Blaine, WA border crossing. Even before the terrorist attacks on September 11, 2001, this subcommittee was considering ways to improve both the security of our Nation's borders and the efficient flow of international commerce, travel and tourism. Continuing problems with illegal immigration and the smuggling of drugs and other contraband over the Southern and Northern borders, and the threat of terrorism, have prompted calls to hire more Federal law enforcement officers and to expand the physical and technological infrastructure needed to allow those officers to work effectively.

The attacks of September 11th have only heightened our sense of urgency in dealing with the terrorist threat as well as the problems of narcotic interdiction and illegal immigration. At the same time, long delays at border crossings and a sharp reduction in commercial and commuter traffic resulting from the increased security measures put in place after September 11th have raised concerns about the effect of these policies on trade, tourism and travel. Congressman Larsen has been a leader in making sure that we are aware of this balance as has both senators in Washington State.

Congress has been considering numerous proposals to deal with these problems, and our subcommittee is open to exploring all of them. However, finding and implementing solutions is more difficult than simply identifying problems. For example, the House of Representatives and the Senate recently passed anti-terrorist legislation that, among other measures, authorizes the tripling of the number of Border Patrol agents, INS inspectors, and Customs in-

spectors along the Northern border. It is unclear, however, how quickly any of these agencies can meet these requirements; moreover, it is unclear what the impact of the new emphasis on anti-terrorism will be on personnel decisions at each of these agencies. In the rush to protect our Nation's borders from terrorists, we must not hamper our ability to protect the citizens from other dangers.

This hearing is part of a series of field hearings which this subcommittee is holding at border crossings and ports of entry throughout the United States. At each location, this subcommittee is assessing the problems facing the Federal agencies, local lawmakers, and community and business leaders with respect to border policy. We will focus on what new resources are needed for the Federal Government most effectively to administer the border crossing, as well as what new policies could be pursued to ease the burdens being placed on commerce, travel and tourism. We will also explore how the new emphasis on preventing terrorism may affect the ability of these agencies to carry out their other vital missions.

Last week, for example, we held a hearing with the head of INS, the head of Customs, the head of DEA, the head of the Coast Guard, as well as representatives from the FBI to look at how diverse anti-terrorism and what that means for other missions and to what degree they are complimentary.

These issues are all very important and extremely urgent, and I look forward to hearing from our witnesses today about ways to address them. We have invited representatives of the agencies primarily responsible for protecting our borders in this region, namely the U.S. Customs Service, the Immigration and Naturalization Service, the U.S. Border Patrol, and the U.S. Coast Guard, to testify here today. The subcommittee is vitally interested in ensuring the effective functioning of these agencies, and we will continue to work with them and their employees to ensure the continued security and effective administration of our Nation's borders.

We welcome Rear Admiral Erroll M. Brown, Commander of the 13th Coast Guard District; Mr. Thomas W. Hardy, Director of Field Operations of the Northwest Great Plains Customs Management Center; Mr. Robert S. Coleman, Jr., Director of INS' Seattle District; and Mr. Ronald Henley, Chief Patrol Agent of the Border Patrol's Blaine Sector. We also welcome Mr. Barry Clement, a Customs Inspector and president of Chapter 164 of the National Treasury Employees Union; and Mr. Jerry Emery, an INS Inspector and vice president of Local 40 of the American Federation of Government Employees, National INS Council.

Border policy, of course, affects not simply the United States, but also Canada. As such, it is of vital importance that we seek the input of our neighbors to the north in evaluating changes at the border. We are very pleased to welcome Ms. Val Meredith, member of the Canadian House of Commons, who represents the area of British Columbia just north of this area. We are very glad that Ms. Meredith could join us today. She is accompanied by several representatives of the local Canadian business community; Mr. David Andersson, president of the Pacific Corridor Enterprise Council; Ms. Terry Preshaw, a member of the Vancouver Board of Trade;

and Mr. Gordon Schaffer, president-elect of the White Rock & South Surrey Chamber of Commerce.

In fact, as I pointed out at a number of other hearings, the regional outgrowth of this came from U.S./Canada parliamentary group who have been talking about these issues for the last number of years where I co-chaired transborder subgroup.

When examining border polices, we must of course also seek the input of representatives of the local community whose livelihood is directly affected by changes at the border. We therefore welcome State Senator Georgia Gardner; Mr. Pete Kremen, the Whatcom County executive; Mr. Jim Miller, executive director of the Whatcom——

Mr. MILLER. Whatcom.

Mr. SOUDER [continuing]. Council of Governments, sounds like a Dot Com—and Ms. Pam Christianson, president of the Blaine Chamber of Commerce. We thank everyone for taking the time this afternoon to join us for this important discussion. I would now like to recognize Congressman Larsen.

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

Opening Statement
Chairman Mark Souder

"Improving Security and Facilitating Commerce at the Northern Border: Field Hearings at Blaine, Washington"

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

December 10, 2001 – Blaine, Washington

Good afternoon and thank you all for coming. Today our Subcommittee will explore the status of the Blaine, Washington border crossing. Even before the terrorist attacks of September 11, 2001, this Subcommittee was considering ways to improve both the security of our nation's borders and the efficient flow of international commerce, travel and tourism. Continuing problems with illegal immigration and the smuggling of drugs and other contraband over the Southern and Northern borders, and the threat of terrorism, have prompted calls to hire more federal law enforcement officers and to expand the physical and technological infrastructure needed to allow those officers to work effectively.

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Mr. LARSEN. I want to thank Chairman Souder and the Committee on Government Reform's subcommittee for having the hearing here in Blaine this afternoon. I also want to thank you, Chairman Souder, for cosponsoring bipartisan pipeline safety legislation. I think Congress—as you might know in Bellingham here in Whatcom County, an explosion occurred years back where three young men were killed and really raised a profile of the pipeline safety. We want to thank you in front of the community.

The common border we share with Canada has unique geographic, economic, and political characteristics, which create unique pressures and problems for our border communities, which call for unique solutions. The events of September 11th have changed each of our lives, our jobs, and our priorities in many different ways—especially for those from border communities. These events have also drawn attention to the problem of having insufficient resources along our border—a problem which our community is already painfully aware. The lack of resources along the border has had a detrimental affect on our economic security and our quality of life.

Prior to September 11th, over 500,000 people and $1.3 billion in trade crossed the U.S/Canada border daily.

Even with temporary INS staff at the 128 Ports of Entry along our common border, long lines have plagued both travelers and international commerce. Border communities are losing jobs and their economies are suffering.

A commitment to strengthening our Nation's security needs to include a commitment to strengthening our economy. Not long ago, I met with over 50 business owners and community leaders from Point Roberts and Blaine. The message was clear. Decreases across border traffic crippled business.

Long lines have also damaged the quality of life for members of our border communities. One father wrote to me saying he could no longer attend his son's football games. By the time he leaves work and crosses the border, the game is nearly ended. Our kids our spending hours each day on busses waiting in lines to cross the border to get to school when they should be learning or participating in school activities.

It is my hope that this hearing today will help produce some solutions to the problem. United States and Canada have already begun to address these problems together, but we have a lot of work in front of us. United States must first get its own house in order. As you know, there are currently only 440 Border Patrol agents assigned to our Northern border compared to 8,000 at the Southern border. Similar discrepancies remain for INS inspectors and Customs officials. We cannot expect Customs and INS to do more for less, especially as increased trade, traffic and terrorist threats compete for our limited resources. I am therefore, encouraged by recent acts taken by administration and Congress to increase staffing. For instance, last week I wrote both INS and Customs and requested specific level of new INS and Customs staffing for the five ports of entry here in Whatcom County. In order for these ports of entry to be both safe and efficient, I asked for additional 70 full-time INS, as well as 70 Customs personnel.

While we desperately need an increase in staffing, that is just the beginning. We have to find a way to get a dedicated commuter lane up and running as soon as possible.

Give us NEXUS now. The former dedicated commuter lane called PACE was closed September 11th. The PACE program was started in the early 1990's to allow U.S. citizens to complete a minimal background check and pay a $25 fee and then move freely across the border. It was a very successful program with over 160,000 participants. The PACE program has been instrumental in fostering the growth of our cross-border economy.

In October I requested help in finding a way to get PACE running again with increased security until a new upgraded dedicated commuter lane program such as NEXUS can be implemented. I want to reiterate that request today.

To do all we need to do requires international cooperation. U.S. and Canada are each other's No. 1 trading partners. Likewise, we ought to build on our mutual history of cooperation to continue to be not only one another's No. 1 trading partner, but partners in security as well.

One great example of a productive partnership between our two countries is in the area of law enforcement. Here along the Washington-B.C. border, U.S. and Canadian law enforcement agencies have joined together since 1997 in a program called the Integrated Border Enforcement Team [IBET]. We need to continue these cooperative efforts and build new ones while the U.S. works simultaneously to coordinate better cooperation among U.S. agencies.

Central to the cooperative efforts, I think, is lean toward what is called a perimeter strategy. This will require better border management and information sharing between our two countries. Since September 11th we have been making strides in these areas.

In order to move toward a perimeter strategy, though, we will have to stop focusing just on point of entry, but work to focus on point of origin, perimeter clearance. When combined with potential joint U.S. and Canadian inspections and undercover operations at overseas ports of origin, perimeter clearance provides a one-two punch to keep inadmissible aliens and illicit cargo from leaving on a plane or ship to North America.

In closing let me say this, the overriding message that I would like you to take away from today's hearing is that common border security must be assured without hampering commerce and travel between the United States and Canada. It is essential that we all, constantly, vigilantly be encouraging the good traffic, and discouraging the bad traffic. Staffing, applied technology, and a cooperation. In the words of President John F. Kennedy talking to the Canadian Parliament in 1961, "Geography has made us neighbors, history has made us friends, economics has made us partners, and necessity has made us allies." Never has the focus on the border been more necessary.

Mr. Chairman, I ask unanimous consent as well to enter my full written comments into the record.

Mr. SOUDER. We have a sizable audience here today. Let me add a couple additional comments to my opening statement to put today's hearing in context. We are going to be doing several different things as you heard us outline. We are looking at both the national

and the regional problems. Clearly what to you may seem a local issue is of great concern to people in Indiana where we have become a major recipient of "BC Bud" and drugs that are crossing this border. When we were at northeast we have seen Quebec Gold and precursor chemicals and ecstasy which has also come across from Vancouver come into the entire nation from the border. These are no longer just regional issues.

And trade issue is not really just a regional issue either. The Ambassador Bridge in Detroit carries more trade than all of the U.S/Japan trade together in the United States. So in each of our locations, the trade that is coming across these major border crossings between the major north and south cities is not only impacting the border cities but impacting the innerlands and other parts of the United States as well.

So in the context of what we are dealing with, I hope you understand that when we are dealing with national issues we also understand that your local concerns on trade are shared elsewhere in the United States. And our concerns about terrorism in other parts of the country are also shared about targets in the Pacific Northwest, whether it be potentially the targets in Seattle or San Francisco or even immediate areas of targets.

Also we are not focusing just on Canada. Although I was up in Ottawa just last week at another congressional delegation, I had been up there a few weeks before and our chairmen are trying to work out legislation that is compatible among each other and it's easiest to work with Canada. We have also been working both in narcotics and other areas, with other nations as well.

All of a sudden the fight against terrorism in the United States has become a universal international question regardless of whether you are a Republican or Democrat. We have, in addition to fighting a war, when, in fact, as a conservative Republican, I was one, and our current President was one that said we are not going to get into nation building. Now we are in the mix of each party in the Nation building, and every American, basically 90 percent, are supporting the efforts of doing this. It is a different world.

And I did not—a month ago meeting with the exiled King of Afghanistan in Rome, we have met with Holland about the organization laws where their laws are making it difficult for us to track ecstasy. In Spain with their extradition laws as it relates to our ability to get Al Qaida members; with Germany with laws regarding trying to be able to track the organization, because if they can hide out in one country and move around we can't ever find them, whether it is narcotics or whether it is illegal terrorists. So it has become a much more network world where we have to look at how our international trade and our international criminal laws interact.

And that is really what we are trying to do systematically with the Northern border crossing and Southern border crossing which our subcommittee has chosen to concentrate on.

Before proceeding, I would like to take care of a couple of procedural matters. First, I ask unanimous consent that all Members have 5 legislative days to submit written statements and questions to the hearing record, then any answer to written questions pro-

vided by the witnesses also be put in the record. Without objection, it is so ordered.

Second, ask unanimous consent that all exhibits, documents, and other materials referred to by Members of the witnesses may be included in the hearing record and all Members be permitted to revise and extend their remarks. Without objection, it is so ordered.

It is a longstanding congressional protocol that government witnesses representing the administration testify first, so our first panel consists of those witnesses. So will the witnesses on the first panel please rise and raise your right hand while I administer the oath.

Just for the record, this is an oversight committee so we have to swear in all of our witnesses. This committee was probably most noted over the last 6 years for having done the China Investigation, the Travelgate Investigation, the Waco, and all of those, and we have always historically sworn in witnesses. I hope we won't have anything like that today.

[Witnesses sworn.]

Mr. SOUDER. Let the record show each of the witnesses have answered in the affirmative. Each of the witnesses will now be recognized for opening statements. You can either summarize your testimony, no longer than 5 minutes or roughly take 5 minutes, particularly since we have a large number of witnesses today. You may each insert your full statements and anything else into the record you would like to do so. It is my privilege to recognize Admiral Brown. You are recognized for your opening statement for the Coast Guard.

STATEMENTS OF REAR ADMIRAL ERROLL M. BROWN, COMMANDER, 13TH COAST GUARD DISTRICT, U.S. COAST GUARD; THOMAS W. HARDY, DIRECTOR, FIELD OPERATIONS NORTHWEST GREAT PLAINS CUSTOMS MANAGEMENT CENTER, U.S. CUSTOMS SERVICE; ROBERT S. COLEMAN, JR., DIRECTOR, SEATTLE DISTRICT, IMMIGRATION AND NATURALIZATION SERVICE; AND RONALD H. HENLEY, CHIEF PATROL AGENT, BLAINE SECTOR, U.S. BORDER PATROL—IMMIGRATION AND NATURALIZATION SERVICE

Rear Admiral BROWN. Good afternoon Mr. Chairman, I am Rear Admiral Erroll Brown, Commander of the 13 Coast Guard District headquartered in Seattle, WA. On behalf of the Commandant, Admiral Jim Loy, thank you for the opportunity to speak to you today about the challenges we face in the Pacific Northwest with respect to our role in law enforcement and homeland security particularly along the international border. Thank you also for recognizing the Coast Guard's key role in border security.

The waterways of the Pacific Northwest are critically important gateways to the global economy, yet they are among the most vulnerable. Washington and Canada share approximately 150 nautical miles of maritime border accessible to anyone with a water craft ranging from a jet ski to a commercial ship. In addition, the coastlines of Washington and Oregon represent an even larger international border between our Nation and the high seas. Over 2.5 million containers move through the combined ports of Seattle-Tacoma each year making it the second largest container cargo com-

plex in the United States. Annually, over 15 billion gallons of oil move through the Strait of Juan de Fuca. Over 600,000 recreational boaters and a quarter of a million registered recreational boats enjoy the waters in and around Washington State. The Washington State Ferry system transports over 25 million passengers and 11 million vehicles on about 150,000 transits a year, and is the largest ferry system in the United States. Our growing cruise industry with over 230,000 passengers last year is forecast to triple in volume over the next few years. In addition, the Puget Sound is home to the third largest concentration of U.S. Naval Forces in the country. Protecting our maritime transportation system and critical infrastructure from terrorist activities has become one of our highest priorities.

And much of this law enforcement activity takes place within our international maritime borders where illegal activity continues to escalate. Within 3 miles from the Canadian border, smugglers can quickly cross into one of the 172 San Juan Islands. The marijuana industry in British Columbia is estimated at over $7 billion annually; marijuana goes south, cocaine goes north.

Containerized shipment pose significant smuggling potential with the threat of drugs from Southeast Asia and South America. Marine containers offers traffickers a nearly unhindered, unmonitored mode for smuggling large quantities of drugs or any other illicit commodity. Applying law enforcement efforts result in inspection of less than 2 percent of containers being inspected when entering U.S. ports.

Since September 11th our Nation has emphasized security increases along the land border. Smugglers will naturally turn to areas where there is less law enforcement presence—east toward more inhospitable terrain, and west onto the water.

While we have established close relationships with our Canadian counterparts, and other U.S. law enforcement agencies across many areas of operation, challenges along the border remain significant. We operate a Cooperative Vessel Traffic Service with Canada. This system provides continuous communications with, and radar tracking of all commercial maritime traffic entering our waters. We are an active member of the international cooperative Integrated Maritime Enforcement Team [IMET], an organization of law enforcement agencies that conduct joint operations along the border. With combined resources and effort of the U.S. Coast Guard, U.S. Customs Service, U.S. Border Patrol, the Royal Canadian Mounted Police, and local sheriff's department, Congress has been making narcotic and other contraband seizure. The introduction of a high-speed 27-foot utility boat to the northernmost Coast Guard station, State of Washington finally gives us the ability to keep pace with fast smuggling vessels. That most recent bust of 100 pounds of marijuana occurred just last week, December 4th. However, drug trafficking in the region has not been significantly impacted, even with additional assets moved to the border. With only a handful of law enforcement assets, thinly spread over a very large area, the maritime border remains porous.

We are continuing to be balancing our mission requirement current resources. Homeland security and search and rescue are now our top priority.

We continue to adjust our resources to meet mission demands and attain a sustainable operational balance. The greatest challenges in the Pacific Northwest are geography, and the high consequence of a successful terrorist attack on high-value assets and limited resources.

In conclusion, the U.S. Coast Guard is an integral component of our Nation's homeland security efforts and the lead agency for maritime homeland security. We will make the best use of our resources to meet the demand for safety and security. We will maintain the viability and integrity of the maritime transportation system by working with other public, private, domestic, and international partners so that people and goods move safely while maintaining border integrity. Thank you for the opportunity to share our challenges that the Coast Guard in the Pacific Northwest faces today. And I appreciate, specifically, Congressman Larsen for recognizing some of the stellar work the Coast Guard does in protection of the border, U.S. Customs and Border Patrol. I would like to have the award that he presented to the men and women of Station Bellingham entered into the record.

[The prepared statement of Rear Admiral Brown follows:]

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DEPARTMENT OF TRANSPORTATION

U. S. COAST GUARD

STATEMENT OF

REAR ADMIRAL ERROLL BROWN

FOR THE

13th COAST GUARD DISTRICT FIELD HEARING

ON

COAST GUARD BORDER OPERATIONS IN THE PACIFIC NORTHWEST

BEFORE THE

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

UNITED STATES HOUSE OF REPRESENTATIVES

BLAINE, WASHINGTON

DECEMBER 10, 2001

DEPARTMENT OF TRANSPORTATION
UNITED STATES COAST GUARD
STATEMENT OF REAR ADMIRAL ERROLL BROWN
ON
COAST GUARD BORDER OPERATIONS IN THE PACIFIC NORTHWEST
BEFORE THE
SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY, AND HUMAN RESOURCES
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BLAINE, WASHINGTON
DECEMBER 10, 2001

Good afternoon Mr. Chairman, I am Rear Admiral Erroll Brown, Commander of the Thirteenth Coast Guard District headquartered in Seattle, Washington. On behalf of the Commandant, Admiral Jim Loy, thank you for the opportunity to speak to you today about the challenges we face in the Pacific Northwest with respect to our role in law enforcement and homeland security particularly along the international border.

The Coast Guard in the Pacific Northwest is actively engaged in border security, homeland security, and environmental safety in addition to our other maritime missions. Even before the events of September 11, this was a daunting challenge. In the Puget Sound region, there are over 3,500 square miles of inland waterways, and dozens of port facilities that could provide a terrorist or criminal with myriad of opportunities for entry and exploitation.

Unique Challenges of Pacific Northwest Maritime Border Security

The waterways of the Pacific Northwest are critically important gateways to the global economy, yet they are among the most vulnerable. The marine transportation system in this region contributes substantially to the economic growth and stability of our nation, the quality of life of our citizens and our nation's security. Washington and Canada share approximately 150 nautical miles of maritime border accessible to anyone with a waterborne craft ranging from a jet ski to a commercial ship. In addition, the coastlines of Washington and Oregon represent an even larger international border between our nation and the high seas. The Pacific Northwest is a gateway to Asia. Over 2.5 million containers move through the combined ports of Seattle-Tacoma each year making it the second largest container cargo complex in the United States. Annually, over 360 million barrels of oil move through the Strait of Juan de Fuca to four major refineries that provide most of the petroleum products used in the Pacific Northwest each year. Over 600,000 recreational boaters with 250,000 registered recreational boats enjoy the waters in and around Washington State. The Washington State Ferry system transports over 25 million passengers and 11 million vehicles on about 150,000 transits a year and is the largest ferry system in the U.S. Our growing cruise industry with over 230,000 passengers last year is forecast to triple in volume over the next few years. In addition, the Puget Sound is home to the third largest concentration of U.S. Naval Forces in the country. By all forecasts, use of these waterways for national defense, commerce, fisheries, commuters, travelers and recreation will continue to grow. Protecting our maritime transportation system and critical infrastructure from terrorist activities has become one of our highest priorities. But, other threats have not disappeared.

Illegal maritime activity continues to escalate in the Pacific Northwest. The marijuana industry in British Columbia is estimated at over $7 billion annually; marijuana goes south, cocaine goes north. Law enforcement activity in the vicinity of the San Juan Islands and along the Pacific Northwest coast continually remind us that smuggling is a major problem. Criminal activity often follows the path of least resistance, and in this region that path is on the water. The

geography of the San Juan Islands presents a major challenge for law enforcement officials. With distances of less than three miles between Canada and the United States, the islands provide an area where smugglers can quickly cross the maritime border with illegal currency, drugs, weapons, or migrants. Law enforcement agencies do not have the personnel, equipment or money to regularly patrol this area, which encompasses 172 islands ranging in size from large wooded islands to small inlet rocks and reefs.

Significant smuggling potential also exists in the Puget Sound area in the form of containerized shipments. The volume of all types of shipments in our ports is expected to increase 50 percent by 2010. Containerized transshipment of goods poses a major threat for importation of Southeast Asian heroin and marijuana, and South American drugs into the U.S. Seventy percent of all containers arriving at ports on the Puget Sound are destined for transshipment to destinations other than Washington. Marine containerization offers traffickers a nearly unhindered, unmonitored mode for importation of large quantities of drugs. The U.S./Canadian border has traditionally attracted a much smaller amount of political attention and law enforcement staffing compared to our Southern border. Smuggling organizations take advantage of this situation.

The Pacific Northwest continues to be a preferred destination for illegal migrants. Based on the current worldwide alien migration trend, coupled with recent migrant apprehensions, it is likely that migrants will continue their attempts at entering the Pacific Northwest region. In recent years, fishing vessels and containers have been the most common mode of transport. Reliable intelligence indicates that migrants continue to be smuggled across the maritime border from Canada to the U.S.

As security increases along the land border, smuggling will naturally turn towards areas where there is less law enforcement presence – east towards more inhospitable terrain, and west onto the water.

Cooperative Approaches to Border Security

To our mutual benefit, we have established close relationships with our Canadian counterparts across many areas of operation. Even with this close cooperation, the challenges along the border are significant. The U.S. Coast Guard routinely partners with Canada as well as with other U.S. federal and state agencies on issues of shared concern. We operate a Cooperative Vessel Traffic Service with Canada. Using a series of radar and communications sites, this system provides continuous communications with and radar track of all commercial maritime traffic entering our shared waters. We are an active member of the international cooperative Integrated Maritime Enforcement Team (IMET), an organization of law enforcement agencies that conduct joint operations along the border. The IMET pulls together members from the border law enforcement agencies: U.S. Coast Guard, U.S. Customs Service, U.S. Border Patrol, the Royal Canadian Mounted Police, and local sheriff's departments. In fiscal year 2000, the first full year of operations, the IMET made 16 seizures totaling 1,340 pounds of marijuana and $189,000 in U.S. currency. In fiscal year 2001, the IMET made nine seizures totaling 5,500 pounds of cocaine, 884 pounds of marijuana, $19,500 in U.S. currency, and three handguns. So far this fiscal year, the IMET has made five seizures totaling 53 pounds of cocaine, 300 pounds of marijuana, and $384,160 in U.S. currency. The introduction of a high-speed 27-foot utility boat to the northernmost Coast Guard station in the district has finally given us the ability to keep pace with fast smuggling vessels. This vessel has been involved in several long-range, high-speed seizures that would not have been possible with a different maritime patrol vessel. Despite the best efforts of the IMET and the Coast Guard, the seizures have not significantly impacted drug trafficking in the region. With thousands of recreational vessels in the San Juan

Island area and only a handful of law enforcement assets, the maritime border remains porous. One smuggler recently told law enforcement officials that he had made over 150 runs prior to being caught.

The U.S. and Canada have a reciprocal fisheries enforcement agreement that aids in the enforcement of border fisheries. The Coast Guard maintains a close working relationship with the Canada Department of Fisheries and Oceans to coordinate enforcement efforts along the border. Annual meetings are held between the two agencies to prepare enforcement plans for upcoming fishing seasons adjacent to the border. Primary international fishery concerns include the Offshore EEZ Boundary, U.S./Canada Albacore Tuna Treaty, Boundary Bay Crab and Fraser River Salmon.

Balancing the Security Demand

The events of September 11th required the Coast Guard to increase homeland security activities nationwide. Homeland security joined search and rescue as our top priority. This emphasis required the significant curtailment of activity in living marine resource enforcement, drug and migrant interdiction and some routine marine safety operations in order to employ resources normally assigned to those missions for homeland security. We are continuously working to balance our mission requirements with current capabilities. As a result, patrols along parts of the international maritime border have increased in support of homeland security. For instance, last month alone personnel from Coast Guard Station Bellingham, Washington intercepted $346,000 in U.S. currency on November 5; arrested an illegal alien on November 7; and seized 11 kilograms of cocaine on November 23; all moving across the maritime border.

We will continue to adjust our resources to meet mission demands and attain a sustainable operational balance as circumstances dictate. The greatest challenges in the Pacific Northwest in that regard are geography, and the high consequence of a successful terrorist attack on high-value assets. From the open ocean, it is between approximately 110 and 150 nautical miles to the highest value critical maritime infrastructure that require some level of protection. The distances, volume and potential risks this represents pose daunting security and logistics challenges with increased international coordination along our shared border.

Conclusion

In conclusion, the United States Coast Guard is an integral component of our nation's homeland security efforts and the lead agency for maritime homeland security. We will make the best use of our existing resources to meet the surge in demand for security. We will maintain the viability and integrity of the marine transportation system by working with other public, private, domestic and international partners so that people and goods move safely while maintaining border integrity. The Coast Guard is committed to the continuing protection of our nation against terrorist threats, as well as maintaining our maritime law enforcement missions. Thank you for the opportunity to share the unique challenges that the Coast Guard in the Pacific Northwest faces today and for your continuing support of the Coast Guard. I will be happy to answer any questions you may have.

Insert for the record, page 19, after line 438

The Commandant of the Coast Guard takes pleasure in presenting the COAST GUARD MERITORIOUS UNIT COMMENDATION to:

COAST GUARD STATION BELLINHAM
BELLINGHAM, WASHINGTON

for service as set forth in the following

CITATION:

"For meritorious service during the period of 05 November 2001 to 05 December 2001. Station Bellingham personnel, including temporarily assigned Coast Guard Reserve personnel, have clearly distinguished themselves as an outstanding law enforcement asset while patrolling the United States – Canada border. During this period, Station Bellingham personnel demonstrated superior law enforcement capability while closely coordinating operations with Federal, State, and Local Agencies in order to foster better communication and improve security. In one month's time, Station Bellingham successfully completed four high-profile law enforcement cases, and seized more than $909,000 in drugs and cash while patrolling in support of Operation Noble Eagle. On 05 November, Station Bellingham boarded a small pleasure craft and discovered $346,000 in U.S. currency on board in a sealed container. The vessel and cash were turned over to the US Customs Service and seized. On 07 November the Station discovered an illegal alien with an outstanding warrant for his arrest on board a pleasure craft near Pevine Pass. The Station contacted the US Border Patrol who confirmed the identity of the individual, and arrested the individual at the Station. On 24 November, Station Bellingham observed and boarded a Canadian registered boat engaged in suspicious activity. Immediately notifying the chain of command, Station Bellingham provided a back-up boat to the Coast Guard Investigative Service and US Customs who placed the vessel under surveillance and subsequently arrested two individuals on the boat with 11 kilos of cocaine. On 04 December, Station Bellingham boarded a Canadian registered boat and discovered four suspicious duffle bags containing 121 pounds of "BC Bud" marijuana. These four cases highlight outstanding professional teamwork, and exceptional cooperation with U.S. law enforcement agencies during the increased operational tempo necessary to support Operation Noble Eagle. The superb performance and devotion to duty demonstrated by the crew of Station Bellingham are in keeping with the highest traditions of the United States Coast Guard."

The Operational Distinguishing Device is authorized.

For the Commandant,

ERROLL M. BROWN
Rear Admiral, U. S. Coast Guard
Commander, District Thirteen

Mr. SOUDER. Thank you.

Mr. Hardy.

Mr. HARDY. Good afternoon. By way of introduction, my name is Tom Hardy, Field Operations Director for an area covering Point Roberts to Grand Portage, MN, so I have the flat part of the border that we talk about.

Chairman Souder, Congressman Larsen, thank you for your invitation to testify and for providing me the chance to appear before you today. I would like to discuss the efforts of the U.S. Customs Service to address the terrorism threat and the challenges that exist along the U.S—Canadian border, commonly referred to as the Northern border.

As one of the agencies that guard our nations, Customs has taken a lead role in efforts to deny entry to potential terrorists and the implements of terrorism into the United States from Canada. The Customs Service enforces 400 laws and regulations for more than 40 Federal agencies. Naturally, the ports of entry on the Northern border are a major focus of our efforts.

Trade and travel between the United States and Canada has increased dramatically since the implementation of the North American Free Trade Agreement in 1994. The immense flow of trade and travel between the United States and Canada requires that our two nations continue to work together to enhance the protection of our vital interests at this critical time. Our security and anti-terrorism efforts must be balanced against the need to assure the smooth flow of legitimate trade and travel.

Addressing the terrorist threat, security vulnerabilities, narcotics, agriculture product, and currency smuggling requires a coordinated, multi-agency and multi-national approach. The Customs Service continues to buildupon established cooperative relationships with the Immigration & Naturalization Service, the Border Patrol, the USDA, especially APHIS, the Coast Guard and Canadian authorities. Using a collaborative approach, all the agencies are employing targeting and risk management techniques to select people, vehicles, vessels, aircraft, and cargo for increased inspection. Canadian and U.S. agencies comprise the Integrated Border Enforcement Team in Blaine, one of two such teams located on the Northern border.

The service port of Blaine consists of 13 land border ports within Washington State, plus the seaports of Anacortes, Bellingham, and Friday Harbor. The service port stretches from Point Roberts on the west, through the major port of Blaine on the Interstate 5 corridor, over the Cascade Mountains to the smaller ports in Eastern Washington. The Western Washington ports of Blaine, Lynden, and Sumas are a vital link between the metropolitan area of Vancouver, B.C., and the Seattle-Tacoma metropolitan area. During the last fiscal year over 5.8 million vehicles and nearly 800,000 trucks entered the United States through the Service Port of Blaine. Over $11 billion of commercial goods entered through the service port of Blaine last year alone.

In addition, the Service Port of Blaine continues to be a hotbed of narcotic smuggling, agriculture products, and currency smuggling. Nearly 3 tons of high quality "B.C. Bud" marijuana, 242 pounds of cocaine, and approximately $5.5 million in currency were

seized in this area during fiscal year 2001. Stepped up enforcement efforts at Blaine area ports of entry have pushed narcotic smugglers westward into the marine environment, and eastward toward the Cascade Mountains and beyond into Eastern Washington and Western Montana. In response to the growing narcotics threat, Customs has established a Customs Intelligence Collection and Analysis Team [ICAT] in Blaine.

The Customs Service was addressing security along our frontier with Canada well before the attacks of September 11th. The arrest of an Algerian terrorist, Ahmed Ressam, during the millennium by U.S. Customs inspectors at Port Angeles, WA, is just one example of our ongoing efforts to prevent terrorism. That arrest also set into motion a range of measures to bolster security along our northern flank.

In response to the terrorist attacks of September 11th, the U.S. Customs Service immediately implemented a level one alert for all personnel. This is our highest state of alert, calling for sustained, intensive anti-terrorist operations. We remain at level one alert today.

This requires us to staff all ports of entry all hours of the day, 7 days a week with two officers. Here in Blaine at the Peace Arch, we have discontinued the PACE lanes in response to it.

In order to meet the demands of maintaining this highest state of alert, nearly 100 additional Customs inspectors from throughout the United States have been temporarily detailed to Northern border posts. These officers are being deployed to ensure that this minimum staffing requirement applies even to our most remote locations. The National Guard will deploy additional personnel along the Northern border to further enhance security at the ports of entry.

We have also received pledges of support from Canadian Customs and Royal Canadian Mounted Police in preventing terrorists and the implements of terrorism from transiting our country.

I need to move on, for the record, just need to explain the challenges we have ahead. From an overall perspective, the vast volume of trade and traffic on our Northern border has put immense pressure on our ability to enforce the Nation's laws while facilitating international trade, even before September 11th. After September 11th, our challenge rose to a new level. Although we have taken many steps to address these challenges, such as the planned improvements to our facilities and the temporary detailing of additional inspectors to Northern border posts, we still face many challenges.

The Customs Service and the administration are working to address these challenges. We are developing threat assessments and a longer-term perimeter strategy to secure our homeland defense. In considering such a long-term plan, several core questions will need to be addressed. How can we best "harden" low-volume, high-risk ports of entry that pose a significant threat to overall border security? How can we best develop and deploy non-intrusive technology to detect the implements of terrorism? How can we best recruit, train, and house the additional Customs officers destined for Northern border security enhancement? And finally, how can we best enhance our industry partnership programs to enable the

trade, transportation and business communities to assist in the overall security strategy envisioned by Customs?

Those questions are on our national plate for resolution. Thank you, Mr. Chairman, Congressman Larsen for this opportunity to testify.

[The prepared statement of Mr. Hardy follows:]

STATEMENT OF THOMAS W. HARDY, DIRECTOR FIELD OPERATIONS NORTHWEST GREAT PLAINS CMC, UNITED STATES CUSTOMS SERVICE BEFORE THE COMMITTEE ON GOVERNMENT REFORM SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN RESOURCES BLAINE, WASHINGTON DECEMBER 10, 2001

Chairman Souder, Congressman Larsen, thank you for your invitation to testify and for providing me the chance to appear before you today. I would like to discuss the efforts of the U.S. Customs Service to address the terrorism threat and the challenges that exist along the U.S. - Canada Border, commonly referred to as the Northern Border.

Trade and Traffic on the Northern Border

As one of the agencies that guard our nations, Customs has taken a lead role in efforts to deny entry to potential terrorists and the implements of terrorism into the United States from Canada. The Customs Service enforces over 400 laws and regulations for more than 40 federal agencies. Naturally, the ports of entry on the Northern Border are a major focus of our efforts.

Trade and travel between the U.S. and Canada has increased dramatically since the implementation of the North American Free Trade Agreement in 1994. The immense flow of trade and travel between the U.S. and Canada requires that our two nations continue to work together to enhance the protection of our vital interests at this critical time. Our security and anti-terrorism efforts must be balanced against the need to assure the smooth flow of legitimate trade and travel.

Addressing the terrorist threat, security vulnerabilities, narcotics, agriculture product, and currency smuggling requires a coordinated, multi-agency and multi-national approach. The Customs Service continues to build upon established cooperative relationships with the Immigration & Naturalization Service, the Border Patrol, the USDA, especially APHIS, the Coast Guard and Canadian authorities. Using a collaborative approach, all the agencies are employing targeting and risk management techniques to select people, vehicles, vessels, aircraft, and cargo for increased inspection. Canadian and U.S. agencies comprise the Integrated Border Enforcement Team (IBET) in Blaine, one of two such teams located on the Northern Border.

The Service Port of Blaine, Washington consists of thirteen land border ports within Washington State, plus the seaports of Anacortes, Bellingham, and Friday Harbor. The Service Port stretches from Point Roberts on the west, through the major port of Blaine on the Interstate 5 corridor, over the Cascade Mountains to the smaller ports in Eastern Washington. The Western Washington ports of Blaine, Lynden, and Sumas are the main link between the metropolitan area of Vancouver, British Columbia, and the Seattle-Tacoma metropolitan area. During the last fiscal year over 5.8 million vehicles and nearly 800,000 trucks entered the U.S. through the Service Port of Blaine. Over 11.7 billion dollars of commercial goods entered through the Service Port of Blaine last year alone.

In addition, the Service Port of Blaine area continues to be a hotbed of narcotics, agriculture products, and currency smuggling. Nearly 3 tons of high quality "B.C. Bud" marijuana, 242 pounds of cocaine, and approximately 5.5 million dollars in currency were seized in this area during Fiscal Year 2001. Stepped up enforcement efforts at the Blaine area ports of entry have pushed narcotics smugglers westward into the marine environment, and eastward toward the Cascade Mountains and beyond into Eastern Washington and Western Montana. In response to this growing narcotics threat, Customs has established a Customs Intelligence Collection and Analysis Team (ICAT) in Blaine.

The Customs Service Response to Recent Acts of Terrorism

The Customs Service was addressing security along our frontier with Canada well before the attacks of September 11th. The arrest of an Algerian terrorist, Ahmed Ressam, during the millennium by Customs inspectors at Port Angeles, Washington, is just one example of our ongoing efforts to prevent terrorism. That arrest also set into motion a range of measures to bolster security along our northern flank.

In response to the terrorist attacks of September 11th, the U.S. Customs Service immediately implemented a Level One Alert for all personnel and ports of entry. This is our highest state of alert, calling for sustained, intensive anti-terrorist operations. We remain at Level One Alert today.

On the Northern Border, we have suspended remote inspection reporting systems and are staffing every port of entry with at least two officers, 24 hours per day, seven days per week. Here in Blaine at the Peace Arch, we have discontinued the PACE/CANPASS accelerated processing lane.

In order to meet the demands of maintaining this highest state of alert, nearly 100 additional Customs inspectors from throughout the United States have been temporarily detailed to Northern Border posts. These officers are being deployed to ensure that this minimum staffing requirement applies even to our most remote locations. The National Guard will deploy additional personnel along the Northern Border to further enhance security at the ports of entry.

Canada Customs and the Royal Canadian Mounted Police have pledged their full support and cooperation in preventing terrorists and the implements of terrorism from transiting our Northern Border. This support demonstrates the historic close relationship between our two nations. We are working on a priority basis with

Canada to identify additional steps to be taken now to enhance security as well as maintain our successful anti-smuggling efforts in the area. We have also been asking for the publics and the trade community's patience as we work to protect our nation from the immediate threat without turning the border into an obstacle to legitimate trade or our freedom of movement.

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

Improvements in Northern Border Facilities

As some of you may know, some of our Customs facilities along the Northern Border date back to the 1930's and need to be updated. Several of these facilities are located within the Service Port of Blaine. Construction is currently underway on a new port facility at Oroville, located in eastern Washington. To improve existing facilities, Customs was recently provided with $20 million for resources and technology to support Northern Border security and aging infrastructure. Equipment will be deployed to various Northern Border locations.

For example, here at the port of Blaine, the installation of a mobile Vehicle and Cargo Inspection System, VACIS, has recently been completed. Customs Inspectors at the ports within the Service Port of Blaine area are also currently using other technology to detect weapons of mass destruction. Density meters, known as "busters" are used frequently to identify concealed narcotics shipments.

In addition, the Customs Service plans to use part of this $20 million in funding to enhance the security of the ports of entry all along the Northern Border by

investment in key elements of infrastructure. There are many roads that connect to the border, which are unmonitored and allow for individuals or small groups to gain entry undetected. Most remote, limited hour ports of entry have no monitoring or assessment capabilities. Our infrastructure investments will be prioritized to those locations that have the highest risk. The Customs Service plans to install digital video security systems, which can "call" remote monitoring locations when they are enabled, at selected locations. These systems will complement pre-existing Remote Video Inspection System sites.

The Customs Service also plans to install additional lighting, and appropriate barriers/gates/bollards at those locations that lack barriers to prevent unauthorized vehicle crossings, and to increase officer safety and deny anonymity to law violators.

The Challenges Ahead

From an overall perspective, the vast volume of trade and traffic on our Northern Border has put immense pressure on our ability to enforce the nation's laws while facilitating international trade, even before September 11th. After September 11th, our challenge has risen to a new level. Although we have taken many steps to address these challenges, such as the planned improvements to our facilities and the temporary detailing of additional Customs Inspectors to Northern Border posts, we still face many challenges.

The Customs Service and Administration are working to address these challenges. For example, we are developing threat assessments and a longer-term perimeter security strategy for dealing with them to secure our homeland defenses, including the Northern Border. In considering such a long-term plan, several core questions will need to be addressed. How can we best "harden" low-volume, high-risk ports of entry that pose a significant threat to overall border security? How can we best develop and deploy Non-Intrusive Inspection (NII)

technology to detect the implements of terrorism? How can we best recruit, train and house the additional Customs officers destined for Northern Border security enhancement? How can we best enhance our Industry Partnership Programs to enable the trade, transportation and business communities to assist in the overall security strategy envisioned by Customs?

Conclusion

I want to thank you, Mr. Chairman, Congressman Larsen for this opportunity to testify. The U.S. Customs Service will continue to make every effort possible, working with our fellow inspection agencies, including INS, USDA/APHIS, with the Administration, with Congressional leaders, our Canadian counterparts, and the business community to address your concerns and those of the American people. I would be happy to answer any questions you might have.

Mr. SOUDER. Mr. Coleman.

Mr. COLEMAN. Mr. Chairman, Congressman Larsen, thank you. Robert S. Coleman, INS Seattle. Thank you for inviting me here today to address you on behalf of the U.S. Immigration and Naturalization Service.

The shared border between the United States and Canada is invested with an openness that is worth protecting. This is especially true in the Seattle District area. To preserve the current level of openness, INS uses both officers and support personnel to enforce immigration laws and facilitate trade and commerce, which is estimated to exceed $1 billion a day. The relationship that we have with Canada and our level of cooperation with its various agencies is essential to maintaining normal border operations. In addition, it takes people on the ground, in the booths, and in supporting offices, to keep legitimate traffic and commerce moving, while interdicting those who do not have a right to enter our country, and those who would do us harm.

I know that you are now familiar with the various INS authorities and our inspection processes from your previous field hearings. Today I will focus on the Seattle District.

The Seattle District in Seattle, we have two sub-offices in Yakima and Spokane. We are a full service district office that operates from all five of our operational programs: management, examinations, inspections, investigations, and detention and removal. All the branches have a specialized role in enforcing the Immigration and Nationality Act.

The Seattle District encompasses the entire State of Washington, 10 northern counties in Idaho and pre-inspectionsites in Canada; 70,000 square miles and geographically represents the largest district in the Nation. The District incorporates 500 miles of northern land border and 2,400 miles of saltwater coastline. We operate out of 29 physical locations. The District staffs two pre-inspection stations in British Columbia, two international airports in Washington State, five sea ports of entry located along Puget Sound, and 14 land border ports of entry located in the States of Washington and Idaho. Immigration inspectors at Seattle District ports of entry examine approximately 30 million entrants a year, roughly equivalent to the entire population of Canada.

The Seattle District may be unique from other districts you have visited in that we have a large seaport operation. A recent highlight of our work within the seaport includes the significant level of work done by our inspectors to accommodate the 56 cruise ship sailings this past season. The Port of Seattle has already scheduled 78 cruise ship sailings for next season and the post September 11th redeployment of cruise ships from the European market may increase that number. The success of the Seaport unit is also a result of the excellent relationship we have with the U.S. Coast Guard, the U.S. Customs Service, and the U.S. Department of Agriculture.

The long history of shared intelligence between the INS and Canadian officials has facilitated the interception of smuggling organizations transporting migrants to the United States via Canada. A recent example of this is Operation Cape May, and other human trafficking investigations involving shipping containers in the area between 1998 and 2001. In Cape May, we discovered a container

with 18 males, 18 to 30 years of age, from the Fujian province in the People's Republic of China. Four aliens died as a result of the vessel conditions. Three of the human traffickers involved have pled guilty and five other persons involved have pled to Transportation of Illegal Aliens or Conspiracy to Transport. The standard sentences for these crimes range from 30 to 88 months, 78 months, excuse me.

The Seattle District Detention and Removal Unit detains anywhere from 160 to 200 aliens nightly in a Service owned/contract managed facility. In addition, the District has contracts with other State and local detention facilities. In total, the Seattle District detains an average of 400–500 aliens nightly. The District also covers 100 percent of the Washington State Correctional System to find and remove criminal aliens. During fiscal year 2001, the District successfully removed 6,300 aliens, including 3,779 criminal aliens. I am hopeful that the current INS plans for a new contractor owned and managed detention facility will be fulfilled. Our current building was built in 1930. And we keep both law enforcement and benefits operations in that old building now.

Since the terrorists attacks on September 11, 2001, the Immigration and Naturalization Service has operated under a threat level one of the U.S. Customs Service. This is the highest level of security. In response, the District also established a 24 hour command element staffed by Senior District leadership. Operations at alert level one entail more intense inspections, closer security of individuals, documentations and vehicles.

Following the September 11th attacks, the District temporarily moved inspectional resources—during the winter hiatus—from some low volume ports to the high volume ports. These inspectors will have to go back when the cruise season and the summer season pick up again. In addition, Western Region detailed several officers to our district along with 21 Border Patrol Agents to assist.

As a result of the heightened threat level, all alternative inspection procedures, including PACE have been suspended. We hope that NEXUS will be its replacement, and I am working hard with our headquarters, and I welcome congressional leadership to help ensure that NEXUS be realized soon. But I would like to say it is the implementation of NEXUS that will be the trick and the hard part. And I hope we get the right amount of resources to help us maintain that support office.

We also cooperate with other agencies. I am a member of the High Intensity Drug Trafficking Area, executive committee, and INS works with all of the agencies on drug smuggling, human trafficking. And I would like to say we also have great relationships with the private sector.

Thank you Mr. Chairman.

[The prepared statement of Mr. Coleman follows:]

STATEMENT

OF

ROBERT S. COLEMAN, JR.
DIRECTOR

IMMIGRATION AND NATURALIZATION SERVICE
SEATTLE DISTRICT

BEFORE THE

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

REGARDING

NORTHERN BORDER ISSUES

FIELD HEARING
DECEMBER 10, 2001 – BLAINE, WA

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITEE, thank you for inviting me here today to address you on behalf of the United States Immigration and Naturalization Service (INS)

The shared border between the United States and Canada is invested with an openness that is worth protecting. This is especially true in the Seattle District area. To preserve the current level of openness, INS uses both officers and support personnel to enforce our immigration laws and facilitate trade and commerce, which is estimated to exceed one billion dollars a day. The relationship that we have with Canada and our level of cooperation with its various agencies is essential to maintaining normal border operations. In addition, it takes people on the ground, in the booths, and in supporting offices, to keep legitimate traffic and commerce moving, while interdicting those who do not have a right to enter our country, and those who would do us harm.

I know that you are now familiar with the various INS authorities and our inspection processes from your previous field hearings. Today I will focus on the Seattle district and various issues related to the northern border.

SEATTLE DISTRICT OVERVIEW

The District Office is located in Seattle, with sub-offices located in Yakima and Spokane. The Seattle District is a full service district office composed of five branches: Management, Examinations, Inspections, Investigations, and Detention and Removal. All the branches have a specialized role in enforcing the Immigration and Nationality Act.

The Seattle District encompasses the entire state of Washington, ten northern counties in Idaho and pre-inspection sites in Canada. The District covers 70,000 square miles and geographically represents one of the largest districts in the nation. The District incorporates 500 miles of northern land border and 2400 miles of salt-water coastline.

We operate out of 29 office locations. The District staffs two pre-inspection stations in British Columbia, two international airports in Washington State, five sea ports-of-entry located along Puget Sound, and fourteen land border ports-of-entry located in the states of Washington and Idaho. There are ten other international ports-of-entry where the Seattle District provides technical advice to the United States Customs Officers who have primary responsibility for service to arriving aliens at those ports. Immigration Inspectors at Seattle District ports-of-entry examine 30,000,000 entrants a year, roughly equivalent to the entire population of Canada.

The Seattle District may be unique from other districts you have visited in that we have a large seaport operation. A recent highlight of our work within the seaport includes the significant level of work done by our inspectors to accommodate the 56 cruise ship sailings this past season. The Port of Seattle has already scheduled 78 cruise ship sailings for next season and the post September 11 re-deployment of cruise ships from the European market may increase that number. The success of the Seaport unit is also a result of the excellent relationship we have with the U.S. Coast Guard, the U.S. Customs Service, and the U.S. Department of Agriculture.

The long history of shared intelligence between the INS and Canadian officials has facilitated the interception of smuggling organizations transporting migrants to the United State via Canada. A recent example of this is Operation Cape May, and other human trafficking investigations involving shipping containers in the area between 1998 and 2001. In Cape May, we discovered a container with eighteen males, eighteen to thirty years of age, from the Fujian province in the People's Republic of China. Four aliens died as a result of the vessel conditions. Three of the human traffickers involved have pled guilty and five other persons involved have pled to Transportation of Illegal Aliens or Conspiracy to Transport. The standard sentences for these crimes range from thirty to seventy-eight months.

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has contracts with other state and local detention facilities. In total, the Seattle District detains an average of 400-500 aliens nightly. The District also covers 100% of the Washington State Correctional System to find and remove criminal aliens. During Fiscal Year 2001, the District successfully removed 6,300 aliens, including 3,779 (60%) criminal aliens. I am hopeful that the current INS plans for a new contractor owned and managed detention facility will be fulfilled.

RESPONSE TO SEPTEMBER 11

Since the terrorists attacks on September 11, 2001, the Immigration and Naturalization Service has operated under a threat level 1 security alert. This is the highest level of security alert in which the ports-of-entry operate. In response, the District established a twenty-four hour command element staffed by Senior District leadership. Operations at alert level 1 entail more intense inspections, closer scrutiny of individuals, documentation, and vehicles. All adult applicants are asked to produce government issued photo identification. In many cases trunks of passenger cars are opened and the contents examined consistent with threat level 1 guidelines. In order to accomplish this we have had to require our inspectors to work many hours on overtime basis.

Following the September 11 attacks, the District temporarily moved inspectional resources (during the winter hiatus) from some low volume ports to the high volume ports. These inspectors will have to return to their official duty stations no later than May 2002 when seasonal traffic at their home ports increase. In addition, Western Region detailed several Immigration Inspectors and Border Patrol Agents to assist at land border ports. These detailed staff are scheduled to begin departing on December 21, 2001. Port statistics compiled since September 11 show that the total volume of vehicles has decreased, but average wait times have increased.

As a result of the heightened threat level, all alternative inspection procedures, including the Peace Arch Crossing Entry (PACE) program, have been suspended. The PACE lane program provided expedited border clearance of frequent cross-border travelers. For some time, PACE has been scheduled to be replaced by NEXUS, a more advanced Dedicated Commuter Lane (DCL) system currently being piloted by INS and our Canadian counterparts. The NEXUS system rapidly identifies travelers, confirms pre-enrollment in the program, and records information relating to that traveler's crossing which can subsequently be analyzed. A private contractor is currently evaluating the NEXUS program for INS. Once the results of this evaluation are known, the future deployment of NEXUS could include the District's Pacific Highway crossing, where NEXUS equipment could potentially be operational in a short time.

COOPERATION WITH OTHER AGENCIES

The Seattle District Office is working closely with Federal, State, and Local Agencies in order to foster better communication and improve security. Such entities include: the Joint Terrorism Task Force (JTTF), the Border Intelligence Group (BIG), the Integrated Border Enforcement Team (IBET), the Integrated Marine Enforcement Team (IMET), the Office of National Drug Control Policy's High Intensity Drug Trafficking Area (HIDTA), the Intelligence Collection Analysis Team (ICAT), Project North Star, the Neighborhood Correction Initiative Team (NCIT), and as mentioned previously, Customs, the Coast Guard, and the Department of Agriculture.

An example of the impact of such cooperative efforts is Operation Conquistador. Operation Conquistador identified a drug smuggling operation that spanned from Mexico through California to the Pacific Northwest. In September 2000, twenty-eight search warrants were executed in Seattle, Eastern Washington and Oregon involving approximately 300 law enforcement officers. Another example is work done by the Border Intelligence Group, a multi-agency working group lead by the INS that targets criminal activities in the United States and Canada. The group gathers information

concerning fraud, drug trafficking, alien smuggling, worker exploitation and identification of sex offenders. The group is credited with coordinating the largest marijuana seizure ever on the Northern Border on October 4, 2001.

The United States and Canada, on a local level, enjoy an outstanding working relationship. Representatives of INS, U.S. Customs, the Canada Customs and Revenue Agency, and Citizenship and Immigration Canada meet yearly to discuss facility and operational issues in general. As specific needs arise, we meet more often to discuss those issues.

Our relationship with the Canadian Consul General is also outstanding. We meet with the Consul and his staff a number of times each year. The relationship is such that officers can routinely call his staffers, and vice versa, to discuss specific cases and issues. Likewise, we regularly meet and discuss issues with the U.S. Consul General in Vancouver. The US Consul General has been a welcome assistant for our operations in the Pacific Northwest.

In a new initiative, the Seattle District has detailed a Special Agent to the Law Enforcement Hub housed at the American Consulate in Vancouver, hosted by the Consul General. This initiative will enable INS to tie together international cooperative efforts, real time intelligence, and border operations to combat and prevent acts of terrorism, as well as disrupt and dismantle human trafficking organizations, and capture and prosecute criminal aliens that prey on communities on both sides of the border.

CONCLUSION

The Immigration and Naturalization Service, and the Seattle District, is committed to securing the borders of this country against those who wish it harm while facilitating legitimate commerce and travel. I want to commend the men and women in

this District for their outstanding commitment to the INS mission in the face of increasing demands and finite resources.

Thank you Mr. Chairman, for allowing me to give testimony regarding the Seattle District Office.

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Mr. SOUDER. Mr. Henley.

Mr. HENLEY. Mr. Chairman and Mr. Larsen, my name is Ron Henley. I am the Chief Patrol Agent of the Blaine Sector of the U.S. Border Patrol. Thank you for the opportunity to testify before you today.

The U.S. Border Patrol is the first line of defense against persons attempting to illegally enter the United States between our ports of entry. The Border Patrol's primary mission is to prevent the illegal entry of aliens into the United States and to apprehend those persons found in the United States in violation of the immigration laws. Historically, the Border Patrol also serves as the primary interdicting force for drug smuggling between ports. We accomplish our mission through an aggressive forward deployment of Border Patrol Agents to the immediate border; the innovative use of technology; and a close working relationship with Federal, State, local, and Canadian enforcement agencies. I report to INS Headquarters through the Western Regional Office in Laguna Niguel, CA.

Geographically the Blaine Sector encompasses the States of Alaska, Oregon, and Western Washington. The Sector's main focus of enforcement is the 120 miles of border stretching from Blaine, WA, to the Pacific Crest Trail of the Cascade Mountain Range, where the majority of the illegal smuggling activity occurs. The topography of this portion of the Sector is mainly rolling hills, mountains, forest land, and farmland. Interstate 5 is the major interstate highway that offers rapid transit between the major urban communities of Vancouver, British Colombia; Seattle, WA; and further south to Portland, OR and Los Angeles, CA. The Blaine Sector is also responsible for 150 miles of water boundary that separates the United States and Canada. Within these waters just south of Canada are the San Juan Islands, which number close to 200 small to medium-sized islands.

There are five Border Patrol stations within Blaine Sector's area of operations, four located in western Washington and one in Oregon. Our staff includes one aircraft pilot and an intelligence officer. In addition to having uniformed agents, we have an Anti-Smuggling Unit and several Detention Enforcement Officers.

Since September 11th, the Border Patrol has been on the highest state of alert. All available resources have been deployed to the immediate border, performing line watch duties 24 hours a day, 7 days a week. To accomplish this task agents have been working 12-hour shifts.

We have found that to continue to accomplish our mission, by far the best strategy to leverage our resources along this portion of the Northern border is to liaison and share real time intelligence with other law enforcement entities. This includes working hand in hand with all Federal, State and local law enforcement agencies, as well as developing an extremely close working relationship with the RCMP. Together we have developed a unique border management posture called the Integrated Border Enforcement Team. The border itself ties all agencies together for the common goal of making it secure. Agencies not only share intelligence but also perform joint operations acting on real-time intelligence gathered.

Since fiscal year 1996, the Blaine Sector has apprehended approximately 14,500 removable aliens. During fiscal year 2001, the

Sector apprehended 2,056 undocumented aliens. Of those apprehensions, approximately 13 percent were Canadian citizens. The Sector apprehends aliens from many different nations every year that utilize Canada as a transit country to gain entry into the United States.

Over the past 5 years, Blaine Sector has experienced a large increase in narcotic seizures along the border. The primary drug has been the high quality "BC Bud" marijuana which is grown in British Columbia. We have reports of "BC Bud" marijuana going for as high as $8,000 a pound in Los Angeles. Since September 11th we have seen an increase in the sizes of marijuana loads encountered. In November alone, we apprehended three loads weighing a total of 825 pounds as smugglers attempted to bring them across the border.

Border Patrol Agents assigned to the Blaine Sector are all experienced agents who have transferred from assignments along the Southern border. Agents use a variety of tools in the performance of their duties, including patrol cars, four-wheel-drive trucks, snowmobiles, all-terrain vehicles, boats and airplanes. Technology, such as night vision cameras and sensors, is also employed by agents in remote areas of the border to detect and interdict illegal border crossers. Our agents also use the art of tracking or "sign cutting" in remote areas.

The Blaine Sector makes effective use of electronic sensors as a force multiplier. The Sector has strategically placed seismic, magnetic, and infrared sensors in areas where Border Patrol Agents have detected or suspect illegal activity.

A video camera monitoring system is also currently being installed along the border in our Sector. When completed, this camera system will provide 32 camera sites that will enable us to monitor designated areas along the border and will greatly enhance our capabilities day and night.

The Blaine Sector's Anti-Smuggling Unit works closely with Border Patrol line units in establishing a united effort toward effective border control. This unit has established an aggressive approach to the prosecution of alien smugglers.

Mr. Chairman, the agents of the U.S. Border Patrol and support staff are proud to be serving their country. I look forward to working with Congress and our partner agencies, such as the Customs Service, the Coast Guard, and the Agriculture Department to further enhance our capabilities in the accomplishment of our mission. Thank you for this opportunity to talk to you today.

[The prepared statement of Mr. Henley follows:]

STATEMENT

OF

RONALD H. HENLEY
CHIEF PATROL AGENT

BLAINE BORDER PATROL SECTOR
IMMIGRATION AND NATURALIZATION SERVICE

BEFORE THE

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

REGARDING

NORTHERN BORDER ISSUES

FIELD HEARING
DECEMBER 10, 2001 – BLAINE, WA

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, my name is Ronald H. Henley. I am the Chief Patrol Agent of the Blaine Sector of the United States Border Patrol. Thank you for the opportunity to testify before you today.

INTRODUCTION

The United States Border Patrol is the first line of defense against persons attempting to illegally enter the United States between our ports of entry. The Border Patrol's primary mission is to prevent the illegal entry of aliens into the United States and to apprehend those persons found in the United States in violation of the immigration laws. Historically, the Border Patrol also serves as the primary interdicting force for drug smuggling between ports-of-entry. We accomplish our mission through an aggressive forward deployment of Border Patrol Agents to the immediate border; the innovative use of technology; and a close working relationship with all Federal, State, local, and Canadian law enforcement agencies. I report to INS Headquarters through the Western Regional Office in Laguna Niguel, California.

SECTOR OVERVIEW

Geographically the Blaine Sector encompasses the States of Alaska, Oregon, and Western Washington. The Sector's main focus of enforcement is the 120 miles of border stretching from Blaine, Washington, to the Pacific Crest Trail of the Cascade Mountain Range, where the majority of the illegal smuggling activity occurs. The topography of this portion of the Sector is mainly rolling hills, mountains, forestland, and farmland. Interstate 5 is the major interstate highway that offers rapid transit between the major urban communities of Vancouver, British Columbia; Seattle, Washington; and further south to Portland, Oregon and Los Angeles, California. The Blaine Sector is also responsible for 150 miles of water boundary that separates the United States and Canada. Within these waters just south of Canada are the San Juan Islands, which number close to 200 small to medium-sized islands.

There are five Border Patrol stations within Blaine Sector's area of operations, four located in western Washington and one in Oregon. Our staff includes one aircraft pilot and an intelligence officer. In addition to having uniformed agents, we have an Anti-Smuggling Unit and several Detention Enforcement Officers.

Since September 11, the Border Patrol has been on the highest state of alert. All available resources have been deployed to the immediate border, performing line watch duties 24 hours a day, 7 days a week. To accomplish this task agents have been working 12-hour shifts. The Blaine Sector has a long-standing commitment to the law enforcement community in our area. We have been providing shared radio frequencies and dispatching services for three local cities since the 1950s. This service is mutually beneficial to all agencies involved.

We have found that to continue to accomplish our mission, by far the best strategy to leverage our resources along this portion of the northern border is to liaison and share real time intelligence with other law enforcement entities. This includes working hand in hand with all Federal, State and local law enforcement agencies, as well as developing an extremely close working relationship with the Royal Canadian Mounted Police (RCMP). Together we have developed a unique border management posture called the Integrated Border Enforcement Team (IBET). The border itself ties all agencies together for the common goal of making it secure. Agencies not only share intelligence but also perform joint operations acting on real-time intelligence gathered.

One example of the success of this initiative was a joint operation that the IBET conducted in July 2000. Working together, team members apprehended one individual transporting 130 pounds of marijuana as he was smuggling it across the border. Because the U.S. Customs Service was on the scene we were able to quickly develop the case into a "controlled delivery" to the Seattle area where we were able to apprehend an additional individual on the delivery end. Furthermore, as an integral partner during this operation, the RCMP apprehended five other individuals in Canada and confiscated $180,000 in U.S. dollars. In the past, the Border Patrol would have considered just the seizure of the marijuana a success and the end of the case, but through the teamwork and cooperation as

demonstrated here, we were able to have a far greater impact on this smuggling organization.

SECTOR APPREHENSIONS

Since fiscal year 1996, the Blaine Sector has apprehended approximately 14,500 removable aliens. During FY 2001, the Sector apprehended 2,056 undocumented aliens. Of those apprehensions, approximately 13 percent were Canadians citizens. The Sector apprehends aliens from many different nations every year that utilize Canada as a transit country to gain entry into the United States.

Over the past five years, Blaine Sector has experienced a large increase in narcotic seizures along the border. The primary drug has been the high quality "BC Bud" marijuana which is grown in British Columbia. We have reports of "BC Bud" marijuana going for as high as $8,000 a pound in Los Angeles. Since September 11 we have seen an increase in the size of marijuana loads encountered. In November alone, we apprehended three loads weighing a total of 825 pounds as smugglers attempted to bring them across the border.

PATROL OPERATIONS

Border Patrol Agents assigned to the Blaine Sector are all experienced agents who have transferred from assignments along the southwest border. Agents use a variety of tools in the performance of their duties, including patrol cars, four-wheel-drive trucks, snowmobiles, all-terrain vehicles, boats, and an airplane. Technology, such as night vision cameras and sensors, is also employed by agents in remote areas of the border to detect and interdict illegal border crossers. Our agents also use the art of tracking or "sign cutting," in remote areas.

The Blaine Sector makes effective use of electronic sensors as a force multiplier. The Sector has strategically placed seismic, magnetic, and infrared sensors in areas where Border Patrol Agents have detected or suspect illegal activity. The sensors are true force

multipliers as they allow suspected smuggling trails to be monitored by Sector communications personnel and free agents for other border enforcement activities. Once an intrusion is detected, agents are dispatched to the area to investigate.

A video camera monitoring system is also currently being installed along the border in our Sector. When completed, this camera system will provide 32 camera sites that will enable us to monitor designated areas along the border and will greatly enhance our capabilities day and night.

ANTI SMUGGLING UNIT OPERATIONS

The Blaine Sector's Anti-Smuggling Unit works closely with Border Patrol line units in establishing a united effort toward effective border control. The unit has established an aggressive approach to the prosecution of alien smugglers. As an example, beginning in May 2000, our Anti-Smuggling Unit began an operation code-named "Pacific Breeze." The operation targeted one of the most prolific alien smugglers in the area. Reports from informants indicated the movement of 60-80 South Korean nationals from Canada into the United States per month by this person's organization. Smuggled aliens included several women destined for Korean bars and massage parlors. Aliens were charged smuggling rates in excess of $1,500 per person. The investigation revealed that the head of this organization was able to purchase a $356,000 home in Canada with the proceeds from his smuggling operation. This investigation was a highly sophisticated operation that resulted in a conviction for alien smuggling in January of this year. The head of this organization received a multiyear prison sentence and a substantial fine.

The Anti-Smuggling Unit staff also conduct numerous investigations jointly with their Canadian counterparts. The unique rapport with the RCMP not only has established an invaluable exchange of intelligence and information but also has been instrumental in several prosecutions.

INTELLIGENCE UNIT

The Blaine Sector Intelligence Unit has been co-located with the Office of National Drug Control Policy's High Intensity Drug Trafficking Area Intelligence Unit at our Sector Headquarters. It is composed of intelligence analysts from participating U.S. and Canadian law enforcement agencies. The unit provides tactical intelligence access across agency lines to the participating members of the interdiction unit in order to facilitate proactive investigative efforts targeting narcotics- and alien-smuggling activities. This unit also provides analytical resources to assist the post seizure investigation and prosecution of smuggling organizations, identify trends, methods, and smuggling routes, which are passed onto the interdiction unit.

CONCLUSION

Mr. Chairman, the agents of the United States Border Patrol and support staff are proud to be serving their country. I look forward to working with the Congress and our partner agencies, such as the Customs Service, the Coast Guard, and the Agriculture Department, to further enhance our capabilities in the accomplishment of our mission. Thank you for this opportunity to talk to you today.

Northern Border Field Hearings
December 10, 2001
Blaine, Washington

Proposed Itinerary

December 10, 2001

8:30 AM	Depart for Sumas Port of Entry, WA 103 Cherry Street, Sumas, WA 98298
	En-route Brief and Tour of Berry Fields Roy Hoffman, Resident Agent in Charge, Blaine, WA
10:00 AM	Arrive at Sumas Port of Entry, WA Port Tour by Ken Peck, Area Port Director
11:00 AM	Depart for Lynden Port of Entry, WA 9949 Guide Meridian Street, Lynden, WA 98264
11:30 AM	Arrive at Lynden Port of Entry, WA Port Tour by Jeff Buhr, Port Director
12:00 PM	Depart for Blaine
12:15 PM	Lunch
1:10 PM	Depart for Blaine Senior Community Center
1:15 PM	Arrive at Blaine Senior Community Center 763 G Street, Blaine, WA 98230
1:30 PM	Hearing
5:30 PM	Depart for Blaine Peace Arch Port of Entry, WA
5:45 PM	Arrive at Blaine Peace Arch Port of Entry, WA Port Tour by Peg Fearon, Service Port Director
6:30 PM	Depart for Blaine Commercial Facility
6:45 PM	Arrive at Blaine Commercial Facility Port Tour by Peg Fearon, Service Port Director
7:45 PM	Depart for Hotel
8:00 PM	Dinner at Resort Semiahmoo

Mr. SOUDER. Thank you for your testimony. It is rather stunning to see the mileage that you each have to cover in your different zones, all the way to Grand Portage, and I think Alaska as well.

Let me ask some beginning questions but also say up front we will probably send you a fair number of written questions. One of the things we are trying to do at the hearing is to have a common base of questions that we ask at the different hearings that we prepare it for a report cross hearing. But I also want to make sure I get some particular questions in relation to the uniqueness of each hearing.

First Mr. Hardy, I have some questions. One of the things we have seen on the Southern border, and I was curious when we were going along the border this morning, and I saw a train go through. What are we doing with trains in this zone?

Mr. HARDY. We have five rail crossings in Washington State territory, and we are developing—we work with most of the rail companies, both Canadian and Burlington Northern, to develop manifesting system to better tell us ahead of time what cargo is coming across. Traditionally, and especially on the smaller rails, its agricultural products.

However, as you move further across toward Chicago the markets there, Canadians are always taking some of the market containers from overseas. And we are having some difficulty getting that process automated in terms of getting additional information from—of the cargo that is inside the containers. And we are working with proactively, but under this time period we have had to do a few more searches on the border where we have very few facilities, and then we also direct some searches in the hubs like Chicago.

Mr. SOUDER. One of the concerns that I have, there is a $7 billion trade going on in "BC Bud", not to mention illegal immigrants. That's clearly one area that we are going to have to look at. And would encourage you to come to Congress with suggestions how to do that without negatively affecting Congress and commerce. I know busses, for example, have to disembark. Amtrak and other transit need to look at how we can do that in expedited fashion, yet be able to watch for terrorists. Also have to watch for box cars. I just saw lots of box cars going through like a port, a different type.

Also had a couple of other questions for you. In eastern Washington we understand, I guess Oroville may be a similar type of a situation, is that is there a—what was the name of the other——

Mr. HARDY. The joint facility?

Mr. SOUDER. Yes.

Mr. HARDY. We have—have partial construction, we have a joint facility in Oroville, Osoyoos is the Canadian counterpart for it. A similar joint facility is also in Sweetgrass, MT. These are both test ports under the accord Canadian share border, U.S. shared border. Testing a little larger market, we were successful doing joint facilities, and we have one in Danville, WA. And that actually is a one lane each way noncommercial port. This one we are introducing a concept of trucking to the joint facility.

And it is definitely a more complex process, especially in terms of laying out the port so that the people can work together on var-

ious projects because the traffic flows, trucks going north, trucks going south, and needing some convenient place at the border side is problematic. We are working on it.

Mr. SOUDER. Are the facilities on the U.S. side or some on the Canadian side?

Mr. HARDY. The way it is going to be laid out is that over the border is shared facilities overhead and the traffic lines for passengers flow underneath the shared part of the facility. So up above will be conference rooms, work out rooms, supervisory offices non-enforcement type offices. Still remaining keeping our sovereignty and Canadian sovereignty in terms of searches.

Mr. SOUDER. Both sides will have a search that won't be shared?

Mr. HARDY. Right.

Mr. SOUDER. One other question on the—what we have seen in the Caribbean and South America are the use of—Customs uses both marine resources but particular air helicopters and so on. Do you see additional need for that? We squeeze the main border crossing, are we going to see more pressure on the Cascades, Glacier Park and others as we move to the East?

Mr. HARDY. We have seen that trend exactly as probably the growth of the IBET itself. The purpose of the IBET was because we were searching so hard inside the port we were actually figuring we are forcing people to go outside of the port to bring narcotics in, but for the IBET. One of the concepts was to force them back into the port, which we were. So we do see that, yes. Infrastructure both Customs and other agencies need that kind of technology and additional capability such as you mentioned to help us between the ports of entry.

Mr. SOUDER. Thank you. Mr. Larsen.

Mr. LARSEN. It may not come as surprise to the members of community will be to Mr. Coleman about the PACE program. And you alluded to it. I wanted to give you an opportunity too, Mr. Coleman, to give a little more detail about implementation of NEXUS, the timing of it, the resources that we need here in Blaine to make that happen, as well as the enrollment of the timing and what kind of help you need in enrollment. So enrollment, and then staffing of the booth, if you will, and time lines for both.

Mr. COLEMAN. Yes, sir. Just recently Tom Campbell from our headquarters visited the District and came up and visited the port. I believe that INS wants to implement NEXUS as fast as possible. In terms of equipment, just getting the site up and running for both ports, Pacific Highway and Blaine, I still think that is about 90 days just to have everything installed. I cautioned Mr. Campbell that the real trick was going to be enrolling the 100,000 plus current enrollees in PACE now so that we had as smooth as possible transition from PACE to NEXUS. It is not enough to have the equipment up and running. And it is really not enough to have someone in the booth. I believe we need an office that the public can come to for their enrollment and maintenance of that program needs. That is going to be the hard part. Historically, the inspectional process that INS runs likes to see things happen in the primary booth or in secondary. I believe that the time has come to make sure there is a support office that can support a business practice such as NEXUS.

Mr. LARSEN. On the 90th day, when would that clock start running?

Mr. COLEMAN. I think that clock has started.

Mr. LARSEN. Enrolling 150,000 plus people requires what kind of staffing?

Mr. COLEMAN. It takes a minimum of one officer to oversee the office, but I believe the model that INS should use is the model used for application support center where the public goes to now for its photographs and for—associated with the benefits applications, and those offices normally run with four or five people including an immigration officer who oversees the program and process.

Mr. SOUDER. Is there an estimate what it might cost one individual—to participate in?

Mr. COLEMAN. I am not prepared to talk about costs. The private sector and public would like to see the cost lower, but I know there is an application to have the cost associated to the cost of the program, so I am not prepared to talk about that.

Mr. LARSEN. What kind of—(inaudible) in order to fulfill the missions you were doing before September 11th and fully fulfill the missions that you now have after September 11th?

Rear Admiral BROWN. We are still working through what the Commandant has defined as the new normalcy; that is post September 11th. When the event occurred, we immediately responded to vulnerabilities that I highlighted in my statements including Navy ports and passenger vessels and other maritime traffic using resources we had at that time. We also brought aboard additional reserves. We had responsive auxiliaries. And what we find ourselves now in a position of pulling back from that a little bit, reaching for a more sustainable level of operation. We are continuing to look at a maritime security (MARSEC) model that standardizes our vulnerability assessment throughout all of our ports and gives us a risk basis for making resource allocations. So short answer to your question is, we are still making our assessment of what that new normalcy is. It does have us keeping search and rescue and maritime security on top priority and as available attending to the other mission responsibilities that we still have.

Mr. LARSEN. Let me restate that a little bit. What I heard you say is that bringing in auxiliaries and bringing in reserve, but you are now looking at perhaps giving some of those folks a break and then taking a look at the risks that are associated with any numbers of facilities here in the water in Puget Sound and trying to determine what more permanent numbers you might need?

Rear Admiral BROWN. Yes, that's correct. We, during September 11th and immediately following, were at our max personnel tempo and off tempo and those are things that we definitely are pulling back on to achieve a more sustainable level.

Mr. SOUDER. Mr. Henley, are you currently staffed with all of the vacancies or are they all filled?

Mr. HENLEY. No, sir. Lack about 2 of my 52.

Mr. SOUDER. And have you seen any as you look, air marshals and others, have you seen any movement away from the Border Patrol to other law enforcement agencies?

Mr. HENLEY. No, sir, not in my sector.

Mr. SOUDER. Do you fear that coming?

Mr. HENLEY. No, sir.

Mr. SOUDER. I think a number of people mentioned to me this morning one difference this large military component that is in Washington State many recruits, we understand from our hearings in Washington, come from retired military or local and State law enforcement. Is there a general feeling that is given a different pool to this region than others?

Mr. HENLEY. All of the agents that come up to the Northern border from the Southern border a lot of tenure to start with. Most of them have 10 plus years in before they have a chance to be up here. So that drives a lot of them.

Mr. SOUDER. Kind of a waiting list?

Mr. HENLEY. Yes, sir.

Mr. SOUDER. And you have worked for years in the Southern border. You expect then if we hire more here, we are likely to—(background noise; inaudible)—Southern border further?

Mr. HENLEY. Yes, sir.

Mr. SOUDER. I am not sure exactly who I started with, Mr. Coleman. At the pre-clearance places that you have in Vancouver as well as other parts of Canada, one question, every time we talk about whether we are going to put any facilities on Canadian land is whether our agencies can be armed. Are they allowed to carry firearms in those?

Mr. COLEMAN. No, sir. There is no firearms in Canada. There is a lot of work that goes into how many—how we negotiate with Canada regarding authorities and protection. There is no firearms. There is no personal protection devices either. And at some locations, there is no companion Canadian law enforcement to back us up.

Mr. SOUDER. So if we move to more of these things, we need some kind of waiver order before our law enforcement is going to be willing to move. For example, we talked about putting truck ports on the Canadian side of the border, the Windsor Bridge or Buffalo Erie Bridge, but I was just double checking. To your knowledge has there ever been any waiver like that this morning?

Mr. HENLEY. We have limited authority to go through Canada to Point Roberts, but no enforcement authority in between. So we do have authority to transport firearms with permits into Point Roberts, but that's pretty limited.

Mr. SOUDER. For example, if you are enforcing the law over in Point Roberts and were coming back, somebody—one of the drug dealers, for example, could sandbag you?

Mr. HENLEY. Could be.

Mr. SOUDER. That in the marine area, which could, this could either be Coast Guard question to a degree. One of the unique reasons we came here, we have similar problems in Great Lakes, to less degree in Lake Champlain. If a boater heads from the Canadian side to the U.S. side, what mechanisms do we know that they don't have a terrorist or drugs on board? Do they have to register? Is it the same when they come in at other border crossings? If they don't go to a border crossing, do we have methods of monitoring? How does that work?

Mr. HARDY. Perhaps I should start with that. We have border ports of entry at Friday Harbor out in the Islands that people are required to report to. And also, you know, lesser extensive, some of the mainland ports. However, we also have a small reporting system which registers very much like a PACE or like a—it is a preregistration system, which we try to vent those people that are involved in that, and there is a user fee requirement for some sizing of boats that we ask user fees.

Mr. SOUDER. You do check the people that are registered against, like if they were crossing another port of entry? In other words, if you have a license to come in at Friday Harbor, would you be checked to see if you had given money to Al Qaida?

Mr. HARDY. I don't know how sophisticated this is myself at the working level. What I do know, it is a pre-approved system, generally, so you apply and get authorization to call in. So we would check, generally, but specifically each crossing is not necessarily—they don't go through a personal check at each crossing.

Mr. SOUDER. Admiral Brown, when you work within a narcotic or immigration question are you working on a tip that you have?

Rear Admiral BROWN. Yes. You heard many of the panels talk about intelligence. Clearly for us that is the most significant element. We talked about the expansive area, the thin presence and without clear intelligence, you are searching for a needle in the haystack. We made a lot of progress. You heard about IBET and IMET is the maritime equivalent of that. And we progressed significantly.

Mr. SOUDER. What would any of you do to strengthen IMET?

Mr. COLEMAN. I would like to have some resources assigned to it right now. Everything we do is associated with looking at cruise ships or small plane traffic that is coming in. And we have to check all of the freighters coming in. We only look at containers when we think there is somebody on it, in a container. But there are not any resources for us to really look at. A small boat program, and then we occasionally support IMET. But that is one occasional thing. We have law enforcement inspectors in the seaports, but they are stretched very, very thin.

Mr. SOUDER. Anybody else on that? Quite frankly, it is a tad silly for the U.S. Congress to spend billions of dollars on borders if they are going to move to another place and we don't have a way to address it. We have to be thinking—doesn't mean we have to do it the first year. And it is just logical way to address a different thing. And as you look at that, particularly in the Puget Sound, 200 Islands and so much water, it is clearly vulnerability we don't have at some of the other places in the water. North Dakota presents a different problem.

Mr. HARDY. Chairman, I am privy to information. Commissioner met with the Canadian counterpart, and they have discussed different methods, for example, checking out of Canada before you leave and checking back into the United States. I don't, you know, some of this gets to the legitimate boating public it sounds scary, but there are some novel things we are trying to work on in that area so it is being discussed, I think. If you could have a written reply from us for the record.

Mr. SOUDER. My understanding, Admiral Brown, you are saying your resources are fairly stretched at this point. You said your first focus is the anti-terrorism; second, search and rescue, homeland security and search and rescue. You didn't mention drugs and certainly didn't mention immigration or fishery which is a huge issue. How far out do you go? Do you have Alaska region in this zone?

Rear Admiral BROWN. No, we don't have Alaska. We go out 200 miles from our coast. We have—17th District has Alaska.

Mr. SOUDER. Are your resources—are you projected to take a reduction next year?

Rear Admiral BROWN. Based on last figure we saw, we are not marked for a reduction.

If I could answer two of your questions. One, you asked about—if I could go back to first question, what else could be done? I would quickly talk about two areas that have been addressed, but highlight them. One is enhanced internal cooperation and coordination among the agencies. We are already working on a joint revision of Memorandum of Understanding [MOU], focusing on enhanced border maritime domain where this element of knowing what is out there, inspection and investigation coordination and prevention response planning and operation of coordination. So coordinating the Federal elements and agencies already in the business. Because we talked about, as you know, as you raise one, you just have the bad guys to go to the others. So if we are going to raise the land border, we need to raise the maritime border equally, so that is coordination.

The other side is cooperation with Canadian and multiple partnerships. In terms of North Star and others we can submit for the record. So it is coordinating together and also cooperation with our Canadian partner.

And your other question about our effort and the other areas. We have, as our top priority, maritime security and search and rescue. We are known for our search and rescue. And our stations are placed for search and rescue. As we begin to look at our responsibility for maritime security, we find that we need to probably perhaps make some adjustment in those. We do continue to pursue and have returned to our law enforcement, which is predominantly drugs, migrant, and fish.

We have some assets from the Navy. We have gotten increased cooperation from our industry partners. And that has provided us some relief and some return. So we are, again, to attend to those other law enforcement areas.

Mr. SOUDER. Well, is all your staff full? Are all your current allotted slots full?

Rear Admiral BROWN. To the best of my knowledge, but we'll make sure to clarify that for the record.

Mr. SOUDER. Do you have problems in your office?

Rear Admiral BROWN. Not here in the Seattle area but Coast Guard wide we are challenging our recruiting in the other military services are.

Mr. SOUDER. And Mr. Henley, I wanted to ask you a couple of more questions. Where do you feel your area of the greatest need is right now?

Mr. HENLEY. Right now it is the land border between United States and Canada, about 120 miles worth.

Mr. SOUDER. And you have a projected increase of personnel?

Mr. HENLEY. I have submitted staffing, but it is not been cleared yet.

Mr. SOUDER. How much would you say that is?

Mr. HENLEY. That basically triples our resources.

Mr. LARSEN. Mr. Henley, question about IBET. Just brought it up. There, I think, General Ashcroft and equivalent in Canada looking at expanding, using that model nationwide. Can you provide me with one or two or maybe three lessons about what we leaned here that can apply, that should apply across the border?

Mr. HENLEY. I think that the IBET concept is a wonderful tool because the way I look at it I have basically expanded our IBET portion of it to all of my agents, so all of my resources are available to IBET. IBET concept simply is that two or more agencies working together for a common goal, which is secure the border. So it is a very basic concept. It is not necessarily an individual—I guess before September 11th it was probably an idea that you have a team that kind of augmented resources on both sides of the border. It is—I have proven pretty clearly that if I triple my resources and I put them up on the border, then the IBETs are going to have to go further out east or out the water because we are certainly going to be forcing that illegal entrance and commodity to the port of entry and elsewhere, because it is just a proven fact that once the deck is stacked, they will go to the path of least resistance.

So I think that working with Canada is a wonderful working relationship, having been on the Southern border for most of my career. And we don't have that same luxury with Mexican Government that we do with Canadian Government. So there is a common goal here of border security. And I think we can expand IBET into more real live intelligence driven type information that would direct—help us direct our agents on the ground in a better fashion.

Mr. LARSEN. I want to followup on the questions about Air Marshals, and maybe Mr. Coleman help out as well because I have heard that there is actually, essentially, lack of a better term, salary ceiling; that there is opportunity for more advancement in the Air Marshal Program that we are developing as opposed to staying in INS or perhaps even Customs, Mr. Hardy. And I wanted to use that as preface to ask a question. Perhaps in Border Patrol in your sector it is not a problem, but is it a problem? Are we losing INS Border Patrol or Customs agents to the Air Marshal Program? And, if so, what should we do about it?

Mr. COLEMAN. I will try to take that first. I believe work force issues, pay issues is, grade issues are paramount to the effectiveness of the employees. Our inspectors work very, very hard. And they see other agencies around them. They see other officers around them. And they see the work that they do. And I believe that the proper kind of grade, proper kind of pay, will match the commitment that they're giving and that they're putting up.

And those work force issues cause problems. Cause morale problems over time and cause people to be disgruntled. So whether looking at Air Marshals or perhaps go to another agency or something, there is room for work to be done and some important lead-

ership to be brought to bear to support those officers, particularly the inspectors in our ports.

Mr. HENLEY. Our general level up here, we are just—we were able to show headquarters how the levels work up here from intelligence and other things that agents have to do is step above the normal Southern border which is GS–9 journey level. Up here able to get, not only here but in Spokane up to a GS–11. That is still two pay grades behind any other agency.

Again, these folks volunteered to come up here from the Southern border, so it is kind of a plumb, actually, to come to the Northern border from the Southern border. So, I really don't have a problem with agents putting in for air marshal or anything else. Most of them are—I'm probably one of the youngest guys there, and I am not too young myself. They don't have a vision to move on to something bigger and better, but the pay standard is lower than other agencies.

Mr. HARDY. We have had 5 out of 100 apply, that we know of, for the sky marshal job, a couple of interviews. We haven't had any direct losses. We think it is a—law enforcement jobs are attractive to different people for different reasons. Sometimes it is just getting out of the territory you were in and sometimes it is getting into something very interesting. But on the whole I think it is just another opportunity. And we just have to do a better job recruiting to backfill.

I do think the pay issues are definitely there, and I think right now we have our Customs agents that are assigned to the air marshal program. I would think because of the familiarization with the program, they may stand to loose more than the inspectors.

Mr. SOUDER. General problems in the Coast Guard as well, is that correct?

Rear Admiral BROWN. Yes. One of our biggest challenges is being outside of DOD is the way the NDAA is appropriated. Normally what happens is we get, unfortunately, out of cycle with those allocations. And our budget sometimes is, at least preliminary, built when they come through with the NDAA adjustment. We think it is very important to have parity with DOD and so for us, that continues to be a challenge that we face.

Mr. SOUDER. One of the big challenges, people say put more people on the border. We start to rob Peter to pay Paul unless we are training people because we don't want people to take early retirement from the military either, and if we drain State and local law enforcement, then that means property taxes affected, and pay higher salary. It is not an easy question to try to address.

Thank you all very much for your answers. I want to take this opportunity to ask Mr. Hardy a couple of questions. I may not be able to get asked depending on whether we go to some other parts of Eastern border. That is, do you have any similar problems on Lake of the Woods as far as water traffic to Puget Sound?

Mr. HARDY. Yes. Water and snowmobile in the winter time. Similar type of difficulty. Access is easy but control is difficult.

Mr. SOUDER. Do you know, and I should—one rule of thumb, don't ask a question if you don't know the answer. But I suspect that—I know the "BC Bud" is coming into Indiana, has moved east—west east in Canada. Do you sense any of that was coming

down though Minnesota at this point, or do you think it is going further east and then down?

Mr. HARDY. Well, I believe it is coming——

Mr. SOUDER. North Dakota has had some.

Mr. HARDY. The furthest east I have heard is North Dakota and in significant quantities. It does not mean—I mean, the highways just keep moving east, and then they drop down. But, yeah, we know "BC Bud," once again, in the United States it spreads out because of its THC content.

Mr. SOUDER. Does the money tend to come up? In other words, here the marijuana is going down. Money is coming back to buy cocaine and heroin. When the drugs move west east and come down, do you see the money coming back across North Dakota, Minnesota or is the money coming back here?

Mr. HARDY. We have seen our interdiction of cash coming up through here to pay for the marijuana, but also a barter system where cocaine is exchanged for the marijuana. Cocaine market being in Vancouver B.C., and marijuana coming south.

Mr. SOUDER. And some case is pressure on Cascade National Park. Have you seen that at Glacier Waters and at all at boundary waters?

Mr. HARDY. Those two particular locations are normally between the ports interdiction. I don't have any first hand knowledge, but our ports of entry, again, have smaller seizures but nothing in the extent that Blaine is experiencing.

Mr. SOUDER. So Border Patrol would have that, but you have not gone that far yet. Do you have—are there in New York State we have a case where there is an Indian Reservation goes across both sides. Do you have any case on that at Grand Portage or west east?

Mr. HARDY. Yes. Grand Portage has an Indian reservation, Sudatse, International Peace Arch which is also located next to the Indian reservation. Also various in Montana, various reservations do extend toward the border. We haven't experienced the extent of difficulties that New York has had, but we recently had a very large seizure—amphetamines through Grand Portage which was typical of trying every path to bring that. That is a bulk commodity. It has to come by truck. And it did come by truck in cargo through Grand Portage.

Mr. SOUDER. Thank you. But we are—the main border crossings, but I was not sure on some of those. Anything else? Thank you very much. I appreciate your participation. We'll have additional questions.

Will the second panel please come forward.

Second panel. Let the record show that they responded in the affirmative. We need to have order in the room to carry on the hearing. We need——

Ms. MEREDITH. Thank you, Mr. Chairman.

Mr. SOUDER. Will everyone please be quiet. We are trying to conduct a hearing. If you can go outside. That is probably not the wisest thing to do, but somewhere outside. We can't get the transcript if there is not silence. She can't hear.

STATEMENTS OF VAL MEREDITH, MEMBER OF PARLIAMENT, HOUSE OF COMMONS; DAVID ANDERSON, PRESIDENT, PACIFIC CORRIDOR ENTERPRISE COUNCIL; TERRY PRESHAW, MEMBER, VANCOUVER BOARD OF TRADE; AND GORDON SCHAFFER, PRESIDENT-ELECT, WHITE ROCK & SOUTH SURREY CHAMBER OF COMMERCE

Ms. MEREDITH. Thank you. Mr. Chairman and Congressman Larsen, it is a pleasure for me to be testifying before your subcommittee today, although I must admit I am usually on the other side of the table. I also welcome you to this part of the continent. I hope you enjoy your stay, albeit a bit wet.

This area contains two of the busiest border crossings west of Windsor, Detroit; the passenger vehicle crossing at the Peace Arch, and combined commercial and passenger vehicle crossing 1 mile to the east. I don't imagine that there are many border crossings anywhere in the world that have a more beautiful setting than the Peace Arch crossing. In the middle of the conjoined states and Central Park is the Peace Arch itself, which stands as a symbol of our cross border friendship. There are two mottos on the Peace Arch, one stating, "Children of a Common Mother;" and the other stating, "Brethren dwelling together in unity." This is how many people in this area on both sides of the border have thought about each other as family. Quite different you might notice than the east coast and the eastern States.

Mr. Chairman, I understand you have had the opportunity to tour other parts of this border region and seen in many places the border is no more than a ditch. In an isolated world, that ditch would be sufficient to maintain the required level of security between our two countries. But today we live in a very globalized environment, and as events of September 11th showed, threats can come from anywhere. However, a fortified Canada/U.S. border will not increase security on this continent. Yes, security has to be increased, but not at the risk of jeopardizing the $400 billion U.S. in two-way trade that crossed our border last year.

Other witnesses with me will go into the details of economic importance of our border, but I would like to remind the subcommittee that $20 billion U.S. in American industrial output is exported to Canada each and every month. In the past our relatively open border has been viewed as forest by some individuals on both sides of the border. Illegal drug importation has been a two-way street. I believe you would find that Canada Customs drug bust at the border often exceed the number of seizures by their American counterparts.

Citizens on both sides of the border have expressed concern about the deplorable people smuggling industry, which has also been a two-way street.

In addition, many Canadians are concerned about the flow of illicit firearms that are smuggled into Canada. Criminal offenses in both countries—used properly the border is very effective law enforcement tool.

However all the issues seem minor in light of the event of September 11th. There is great cooperation locally with integrated border enforcement, and I am glad to see that the agreement with At-

torney General Ashcroft signed with our Solicitor General will give additional resources to these teams.

However, I am suggesting that we go beyond the piece meal approach of these agreements and develop a fully integrated border management agency. One way to describe this agency is as a civilian version of NORAD, a bi-national agency to protect our borders. As described in my written submission, which you have been provided with, this agency would provide both nations with a significantly increased security, not just physical barriers that jeopardize our bilateral trade, but through shared intelligence. Our immigration, Customs, and law enforcement, intelligence agencies on both sides of the border would have knowledge about the movement of everyone entering Canada and the United States. Key to this proposal is a separation of pre-clear, low risk travelers who voluntarily undergo pre-screening from individuals who show up at our borders as unknown entities. Using interactive biometric cards, this would allow real time delivery of intelligence among the various agencies.

By giving these low risk individuals expedited entry into our countries, our security forces can concentrate their efforts on high risk or unknown individuals. By extending coverage to low risk goods carried by pre-cleared companies, such a system should actually improve the movement of goods than was the case prior to September 11th. Mr. Chairman, this plan is a culmination of over 5 years of work on border traffic that I have been involved in.

In May 2000, I offered this report on trade corridors for Canada and U.S. parliamentary groups, and I have also provided copies of that for your committee to consider. My current proposal is just another extension of this report, but there appears to be greater inclination from members on both sides of our border to address these problems. While the events of September 11th are unparalleled tragedy, let us create something good out of this disaster. Thank you for allowing me this opportunity to present my written report and my verbal report.

[The prepared statement of Ms. Meredith follows:]

Written Submission
Of
Val Meredith, M.P.

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

Blaine, Washington
December 10, 2001

On November 1, 2001, the Right Honourable Joe Clark and I unveiled a border management proposal on behalf of the Progressive Conservative – Democratic Representative Coalition (the Coalition). Two of the three parts of this plan concern domestic Canadian issues: the creation of a new federal Ministry responsible for all civilian agencies involved in public protection and border management; and a new parliamentary oversight committee to monitor this new Ministry and the enforcement of new anti-terrorism legislation.

Bi-national Border Management Agency

The third aspect of our border management proposal is the creation of a bi-national border management agency. (This agency could, and ultimately should, include Mexico in a tri-national agency, but the creation of the agency should commence immediately, even if only Canada and the United States are ready.) Staffed jointly by representatives of the Ministry of Public Protection and Border Management and their American counterparts, the agency would monitor the entry of goods and people into and out of the North American continent and across the Canada – US border.

The agency would maintain a computer system that would monitor the arrival and departure of individuals and goods to and from the continent and across the Canada – US border. Low-risk individuals who wish to participate in an automated pre-clearance program would be issued with an interactive identification card that could be utilized at any airport, seaport or land crossing on the continent, which would expedite their travel with minimal delay. Similarly, low-risk companies that wish to participate in an automated pre-clearance program would be permitted to utilize standardized Intelligent Transportation System (ITS) technology to ensure that these goods are expedited with minimal delay.

This agency would, through the use of mutually agreed standards and the secondment of personnel to their sister agencies, ensure that the most intense scrutiny of goods occur as they enter the continent and avoid duplication of effort when goods transit land border crossings. Working with the appropriate federal, provincial and state officials, the agency would ensure that there is appropriate infrastructure at airports, seaports and land crossings, to separate low-risk, pre-cleared individuals and goods, from those that are not. In addition, where practical, the

agency would provide pre-clearance of airline passengers overseas, for flights destined to the continent.

This agency would not hire any operational staff directly, although each country would appoint senior managers to the agency. Representatives from customs, immigration, law enforcement and intelligence agencies from both countries would staff the agency. Other organizations (military, aviation security, etc.) would have liaison officers on an as needed basis. There would be a joint headquarters, funded by both countries, which would be staffed by representatives who have been seconded from their respective agencies.

Border Management Agency Computer System

Key to the Border Management Agency proposal is a centralized computer system. This system would monitor the movement of all individuals into the continent and across the Canada – US border and would do so in real time. To make this system manageable, low-risk individuals must be separated from high-risk individuals and unknown individuals.

High-risk individuals

All agencies would contribute the names, aliases and other identification information about individuals of interest to them to the Border Management Agency's computer system, which would be accessible by border inspection agents around the continent, as well as pre-clearance stations abroad. When an individual of interest is checked at an entry point or a border crossing, that information would be immediately relayed to the representative of the agency that has entered the data. The border inspector would refer the individual to a secondary inspection, at which time there would be direct communication between the border inspection staff and the appropriate department of the Border Management Agency. The various agencies would then jointly determine the appropriate course of action by following established protocols.

While the Border Management Agency would maintain the central computer, each agency would still maintain independent control of their databases; the sharing of information would be in accordance with appropriate legislation and regulation.

Low-risk individuals

Key to efficiency for the movement of people is an interactive identification card, for those individuals who have chosen to be pre-cleared. Individuals who choose to submit to pre-clearance will have a records check conducted by immigration, customs, law enforcement and intelligence agencies from both countries. The individual's photograph will be taken and stored electronically in the Border Management Agency's computer, as will the individual's fingerprints, retina scan and/or other biometrics.

When crossing the border, or arriving at an international airport or seaport, pre-cleared individuals would be separated from other passengers and directed to dedicated lanes. There they would utilize their interactive cards to activate the information stored in the computer

mainframe, and a match with the individual cardholders would be required to ensure expedited entry. Fraudulent cards would be irrelevant, as there must be a match with data on the Border Management Agency's mainframe computer to permit entry.

These pre-cleared individuals would be able to utilize their cards at any entry point into the continent, and the same card would be recognized by the US and Canada. This system would also satisfy Section 110 of the Illegal Immigration Reform and Immigration Responsibility Act, as every entry into, and exit from the country would be recorded. With low-risk individuals, there would be minimal delays at borders and other entry points, which should be sufficient to encourage eligible individuals on both sides of the border to voluntarily enrol.

Low-risk individuals would be subject to random checks or directed to a secondary inspection if new intelligence information is received about the individual.

Unknown individuals

Individuals who appear at the border who are deemed neither high-risk nor low-risk would be processed in the traditional manner. Most overseas visitors would either go through a visa application pre-screening or an expanded pre-clearance system at overseas international airports. American or Canadian residents not in possession of a low-risk, interactive card, or foreign nationals crossing the Canada – US border would have their information manually entered into the computer system. When these individuals re-cross the border, that entry would be cross-referenced to their earlier crossing.

This would obviously be a cumbersome system, so every effort should be taken to promote Canadians and Americans to enrol in the pre-clearance system. Applications should be available through travel agents and organizations like automobile associations. Both countries should contribute to an advertising campaign to encourage enrolment. In addition, a standardized waiver system should be implemented for those individuals with records for minor criminal offences in the distant pass, to enrol in the pre-clearance system if it can be demonstrated that they do not pose any threat to the security of either country.

Conclusion

Sharing of intelligence is key to increasing the security of both Canada and the United States. There are currently problems on both sides of the border, as the various security agencies do not always share their intelligence in a timely manner. The Coalition believes that by taking the relevant security agencies from both sides of the border and bringing representatives together in a joint Border Management Agency would alleviate much of this problem. This agency's computer system, providing real time service across the continent would allow both Canada and the United States to maximize their ability to prevent a reoccurrence of acts of terrorism.

Mr. SOUDER. Thank you very much for your testimony. Thank you for your participation and working with the U. S. Congress and the House of Commons and our Senate because I think that is an important long term way to keep continuing to work together and appreciate your participation today.

Mr. Andersson.

Mr. ANDERSSON. Thank you Chairman Souder, Mr. Larsen. And it is a pleasure and honor to be able to address you today. We are the Pacific Corridor Enterprise Council [PACE]. We were great supporters of the Peace Arch Crossing experiment when it first came into being. Unfortunately, it was a low tech experiment and as our border inspectors found, it deserved from time to time the nickname, the "paraphernalia" contraband express lane. We can't defend it any more. It is time to move on. We adopt and are enthusiastic about Mr. Larsen's comment. We need NEXUS and we need NEXUS now. We have conducted some research into what it would take to have NEXUS here. We listened with great interest to Mr. Coleman's comments. Meg Olson, a local from Blaine here in accessed information request, found some interesting numbers. It would take $172,000 to implement DCL installation factors, and five inspectors cost about $20,000 a month. And we would be happy to share those with Mr. Coleman, although presumably he has a copy.

But whatever we can do to move the agenda forward by enthusiastically supporting those who share—embrace the concept that when you drain the stream of legitimate business travelers, who are among the commerce of our two nations, then you allow our inspectors at the border to concentrate on the problems. And that is a concept that I believe you will find support for within the inspection agencies. With our biometrics that are available today we can do it. We can do it quickly, and I bet you we can do it in less than 90 days if we really put our mind to it.

On the Canadian side of the border, I spoke extensively with Canadian Customs Revenue Agency, which runs CanPass lanes. They have 66,365 individual enrollees. When you add their dependents, that comes nigh on the 140,000, 150,000 people who are willing to step up and enroll very quickly.

We endorse the legislation that the Senate has proposed introduced by Senators Kennedy, Brownback, Kyl, and Feinstein. That is bill S. 1749. Specifically we endorse and support the concept that dedicated commuter lanes should be made available to the business traveler free of charge. We submit that there are some great opportunities to move the program forward if you did that. And the dividends from having people quicker under the general stream and on to the dedicated commuter lane will yield dividends far in excess of the fees you would collect, the user fees.

We endorse the concept of what you can do away from the border you should, stated many times over by Demetre Papademetrio the Canadian delegate for international peace and restated several times by people on both sides of the border.

We have electronically included in our submission a copy of "Rethinking our Border," which is prepared by the Coalition for the Secure and Trade-Efficient Borders, a coalition of now, 53 and growing business organizations north of the line.

And finally in closing, we are proud members of the Americans for Better Borders. Our organization is a cross border organization of business people. Half of us are American, half of us are Canadian and we join 59 border organizations who are greatly in favor of continuing our billion dollar a day in business. Thank you for the opportunity to address you.

[The prepared statement of Mr. Andersson follows:]

PACIFIC CORRIDOR ENTERPRISE COUNCIL

K. David Andersson - President

WRITTEN SUBMISSIONS

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

December 10, 2001
Blaine, Washington

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ABOUT PACE

The Pacific Corridor Enterprise Council, better known in the Western United States and Canada as PACE, was chartered shortly after the 1989 US-Canada Free Trade Agreement came into force. PACE is a non-profit private sector organization that is managed with the objective of promoting the free trade interests of the private sector. It fosters and works toward the elimination of legal and political barriers to free trade between the two nations, especially, in the Pacific Northwest. PACE provides a forum for bringing together interested parties such as companies, community development enterprises, governments and educational institutions who share a vision of expanded economic opportunities through free trade.

PACE members represent a broad cross-section of business and community interests. They are business owners and senior executives of companies trading internationally and therefore, have an interest in promoting an environment conducive to sustained economic prosperity. They believe that free trade provides long term economic benefits to businesses, as well as, the communities they serve. The PACE trade council is an influential focal point for voicing to government the interests of the private sector on cross-border trade and economic issues.

PACE works to communicate and educate on issues, policies and laws that serve to create barriers and impediments to free trade. PACE sponsors or jointly sponsors forums on trade and cross-border economic issues. Bringing free traders together provides an opportunity for sharing information, challenges and successes. It also fosters the development of a business network that creates opportunities and furthers common interests.

PACE serves as a medium for drawing together federal, state and provincial political leaders and government officials to meet with private sector business people. This provides an opportunity for the business community, as opposed to single companies, to voice concerns and share information with government decision-makers. Businesses, through PACE, have an influential voice when working with policy and law makers to remove trade barriers and impediments. PACE's aim is to create a climate of mutual understanding of shared interests between stakeholders.

As a member of various decision making bodies, including boards and working groups, PACE promotes the ideals of free trade by influencing the direction and decisions taken by these groups. PACE co-operates on joint programs with the Vancouver Board of Trade, British Columbia Chamber of Commerce, Bellingham/Whatcom County Chamber of Commerce, the Greater Seattle Chamber of Commerce and many other organizations including Whatcom County Council of Governments.

PACE established the PACE Foundation, which is a consortium of universities, colleges and their Deans to promote free trade through expanding the body of knowledge on cross-border economic issues and by developing fields of study on free trade.

Business calls for integrated approach – security and trade are linked

Americans for Better Borders Coalition

PACE is proud member of the **Americans for Better Borders Coalition** led by the U.S. Chamber of Commerce.

America's borders, at land, sea and air, are our primary ports of entry for billions of dollars in goods and services; and millions of tourists, business visitors, workers and other foreign nationals who contribute to our national economy. The events of September 11 also indicate that some have used our borders as an entryway for these evil and malicious attacks. As a result, many have called for increased checks and "tightening" of our borders generally. While such proposals are understandable, and improvements **are** clearly needed, difficult questions remain about the potential severe impact to our economy of any improperly conceived system that does not deal realistically with the vast amount of legitimate traffic, including goods and people that cross our borders daily.

We believe that our borders can and should be a line of defense against those who pose security thoughts to this country, but borders must also allow for legitimate commerce and travel. Efficient allocation and use of technology, personnel and infrastructure resources can achieve both of these goals.

Congress and the border agencies (INS and Customs) need to evaluate any new measures implemented at the border for their potential negative impact on legitimate commerce, while maintaining the need for security. Managing the traffic flows by creating secure but expedited processes for low-risk cargo and passengers, using technology systems to "pre-clear" vehicles and passengers before reaching the borders, and investigating joint clearance processes with our northern and southern neighbors are ideas to be considered. And any system devised must be provided with adequate and sustained funding to ensure proper development, implementation, maintenance and growth into the future.

To this end, the U.S. Chamber founded the Americans for Better Borders coalition. The purpose of the Americans for Better Borders coalition is to unite regional business organizations and a wide array of companies and national trade associations representing manufacturing, hospitality, tourism, transportation, recreation and other industry sectors to work to ensure the efficient flow of exports and tourism across our borders while addressing national security concerns. The ABB was originally founded in 1998 and was successful in achieving a workable compromise on Section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.

ABB will be involved in lobbying Congress and working with the Administration on new initiatives for border inspections by both Customs and the Immigration and Naturalization Service to improve the security and efficiency of our borders.

We are proud to join with the following **Concerned Organizations**

Alcan Aluminum Corporation
Alliance of Automobile Manufacturers
Ambassador Bridge Authority
American Association of Exporters & Importers
American Bus Association
American Hotel & Lodging Association
American Immigration Lawyers Association
American Trucking Association
Association of International Automobile Manufacturers
Association of Washington Business
Bellingham (WA) City Council
Bellingham-Whatcom (WA) Chamber of Commerce
Bellingham-Whatcom Economic Development Council
Blue Water Bridge Authority
Border Trade Alliance
California Chamber of Commerce
Canadian-American Business Council
Canadian-American Border Trade Alliance
Caterpillar, Inc.
Chamber of Commerce of Canada
City of Bellingham (WA)
Council of Myrtle Beach (SC) Area Organization
DaimlerChrysler
Detroit & Canada Tunnel Corp.
Detroit (MI) Regional Chamber of Commerce
Distilled Spirits Council of the United States
Eastman Kodak Company
Ford Motor Company
Gemmex Intertrade America, Inc.
Greater El Paso Chamber of Commerce
Greater Kansas City Chamber of Commerce
International Council of Cruise Lines
International Mass Retail Association
International Trade Alliance
International Warehouse Logistics Association
McAllen (TX) Chamber of Commerce
Mexican Business Information Center
Myrtle Beach (SC) Area Chamber of Commerce
National Customs Brokers & Forwarders Association
National Industrial Transportation League
National Tour Association
Pacific Corridor Enterprise Council (PACE)
Passenger Vessel Association
Peace Bridge Authority

Plattsburgh-North Country (NY) Chamber of Commerce
Quebec-New York Corridor Coalition
S.K. Ross & Associates, PC
San Diego Regional Chamber of Commerce
Southeast Tourism Society
Strasburger & Price, LLP
The Mobile Accountant
Travel Industry Association of America
U.S. Chamber of Commerce
U.S. Council for International Business
U.S. Hispanic Chamber of Commerce
U.S.-Mexico Chamber of Commerce
United Motorcoach Association
Vermont Chamber of Commerce
Whatcom County (WA)

Coalition for Secure and Trade-Efficient Borders

PACE is also a proud member of the Canadian **Coalition for Secure and Trade-Efficient Borders** (the "Canadian Coalition") formed after September 11, 2001 by over 40 Canadian business associations and individual companies to help the Canada federal government successfully deal with border and security issues.

The purpose of the Canadian Coalition

- To recommend measures to facilitate the passage of low-risk goods and people across Canada's borders;
- To recommend ways to strengthen Canadian security and intelligence, immigration and refugee determination and border processing; and
- To increase cooperation between Canada and the U.S. and other allies to prevent the entry of terrorists, illegal immigrants, contraband and illegal goods into our countries.

Using a risk-based border management system that enables low-risk people and goods to move efficiently while focusing security resources on high-risk travellers and cargo. Such an approach would comprise three lines of security:

- Offshore interception;
- First point of entry into North America; and
- The Canada-U.S. border.

Cooperation with the United States should be based on the following principles:

- The security of Canadians and Americans is paramount;
- Security and trade are linked; Technology is an essential tool;
- Solutions must be bilateral in nature (given that the border issues between Mexico and the U.S. are different from those between Canada and the U.S.);
- Solutions must be balanced, workable and predictable; and
- The time for action is now.

The two Canadian Coalition Reports published to date:

Rethinking our Borders
Statement of principles, released November 1, 2001.

Rethinking our Borders: A Plan For Action
December 3, 2001

And the full text is available from the internet at:
http://www.the-alliance.org/coalition/english/reports.html

We are proud to join the following organizations and businesses:

Coalition Members (as of October 31, 2001)

Air Canada

Aerospace Industries Association of Canada

Air Transport Association of Canada

Association of Canadian Port Authorities

Association of International Automobile Manufacturers of Canada

Association of International Custom & Border Agencies

Automotive Parts Manufacturers' Association

Business Council on National Issues

Canada Post

Canadian Airports Council

Canadian Advanced Technology Alliance

Canadian Association of Importers and Exporters Inc.

Canadian Courier Association

Canadian Chamber of Commerce

Canadian Chemical Producers' Association

Canadian Council for International Business

Canadian Plastics Industry Association

Canadian Society of Customs Brokers

Canadian Steel Producers Association

Canadian Trucking Alliance

Canadian Vehicle Manufacturers' Association

Can-Am Border Trade Alliance

Cassels Brock & Blackwell

Fisheries Council of Canada

Forest Products Association of Canada

Food and Consumer Products Manufacturers' of Canada

Hotel Association of Canada

IBM Canada, Ltd.

Information Technology Association of Canada

Japan Automobile Manufacturers Association of Canada

Morrison Lamothe Inc

Ontario Trucking Association

Pacific Corridor Enterpirse Council

PBB Global Logistics

Business

Canadian Foundry Association

Canadian Federation of Independent Business

Canadian Fertilizer Institute

Canadian Industrial Transportation Association

Canadian International Freight Forwarders Association

Canadian Manufacturers & Exporters

Canadian Nuclear Association

Canadian Paper Box Manufacturers Association

Pratt & Whitney Canada

Private Motor Truck Council of Canada

Proctor & Gamble

Railway Association of Canada

Retail Council of Canada

Rodair International

SGS Canada

Shipping Federation of Canada

Toronto Board of Trade

Tourism Industry Association of Canada

Waive Enrollment Fees In The Dedicated Commuter Lane Programs

We are in support and endorse much of the Border Security/Visa Reform Bill, S. 1749 introduced by Senators Kennedy, Brownback, Kyl, and Feinstein.

The bill calls for the study of a North American Perimeter Program. This is positive and pro-active.

In addition Section 102 of the bill specifically allows Federal agencies involved in border security to waive enrollment fees for technology based programs to encourage alien participation in such programs. This provision would (if it becomes law) authorize INS to waive enrollment fees in the NEXUS dedicated commuter lane program that it plans on installing at local border crossings.

Can a new Dedicated Commuter Lane be Implemented at the Blaine Peace Arch and Pacific Highway Crossings in the Code One Red Security Environment?

The Code One alert in effect at U.S. land border crossings has had a sizable negative effect on U.S. trade and commerce. For example crossings into the U.S. at the Peace Arch Crossing (Blaine) are down more than 50% when the number of crossings in October 2000 (approx. 175,000) are compared to the number of crossings in October 2001 (approx. 80,000).

The Pacific Corridor Enterprise Council agrees with and adopts the U.S. Chamber of Commerce position on the following points:

· Each year, the INS inspects more than half a billion entries. (This number includes all categories of temporary visitors, green card holders, and U.S. citizens, and multiple crossings by the same individual.) The percentage of those who are found to be inadmissible is just over 1/10 of 1 percent. (Source: INS Monthly Statistical Report, July 2001.)

· More than 80% of all inspections are done at land borders (more than 400 million). Air inspections are second with just under 80 million annually. (Source: INS Inspections Statistics). 80% of land border inspections are same-day trips. (Source: North American Trade and Travel Trends).

· Approximately 800,000 border crossings are made daily between U.S. and Mexico; approximately 260,000 cross each day between U.S. and Canada. (Source: North American Trade and Travel Trends.)

· In 1998, the last year for which data is available, more than 30 million of those entrants were temporary visitors (nonimmigrant visas), and of those, more than 23 million were tourists, and more than 4 million were business visitors. (Source: 1998 Statistical Yearbook of the Immigration and Naturalization Service.)

· In 2000, international travelers spent $82 billion in the U.S., not including passenger fares and this supports 1 million U.S. jobs in the tourism industry. (Source: Tourism Industries/International Trade Administration, U.S. Dept. of Commerce, via Travel Industry Association web site, www.tia.org/ivis.)

· U.S. Consulates around the world reviewed 8,222,451 visa applications for temporary visitors in 1999. They also process over 700,000 green

card applications each year.

· Last year 127 million cars and 211,000 boats passed through our inspection ports.

· Trade between U.S. and Canada in 2000 was over $400 billion, averaging over $1 billion each day. Trade between the U.S. and Mexico in 2000 was over $248 billion. Canada and Mexico are now our #1 and #2 trading partners, representing more than 30% of U.S. international trade. (Source: North American Travel & Trends, U.S. Dept. of Transportation, Bureau of Transportation Statistics, 2001).

· Two-thirds of all NAFTA Trade is transported by trucks, at $429 billion in 2000, with Detroit/Windsor and Laredo/Nuevo Laredo seeing the highest volume on each border.

Mr. SOUDER. Thank you very much for your testimony.

Ms. Preshaw.

Ms. PRESHAW. And thank you Chairman Souder and Congressman Larsen for inviting me to participate in this forum. I am representing the Vancouver Board of Trade. The Board of Trade, of course, is comprised of hundreds of Canadian businesses with strong economic ties to the United States either in terms of trade and/or actually conducting business in the United States through their other subsidiary company. Invest in the United States and create jobs for Americans. And in this Northwest corridor they are particularly critical to our economic well being. These companies may not survive, and certainly won't be investing in creating those U.S. jobs if the current sorry state of the border is not properly remedied.

And let me say it one more time, NEXUS now. We need that dedicated commuter lane for business persons as soon as possible, and I agree with Mr. Andersson. I think we can get this done in less than 90 days if we really put our mind to it. Business travel must become a border priority. If it does not, again, our communities, our border community in the United States as well as Canada will suffer tremendously as they already have.

One of the things that would be helpful is that perhaps we could look at having more NAFTA officers available once we get other things straightened out. We used to have dedicated NAFTA officers at all of our ports of entry.

For various reasons, they are being allowed to disappear through attrition. Currently any officer is allowed to adjudicate NAFTA applications, assuming you know NAFTA applications are business oriented applications and very important way of Canadian business travelers getting to the United States to conduct their important business. If we could have more NAFTA officers, then we may be able to help streamline business traffic, and, you know, get these people in status so they can go to the United States and conduct that business.

I would like to move over to NEXUS. An idea we had was that to ensure that NEXUS is not abused by potential terrorists and such, we might want to consider in the future a system where there are random biometric measurements that could be requested at the site, wherever they measure the biometric information. For example, the card could have four different biometric measurements on it; voice scan, iris scan, palm scan, or specific fingerprint scan. But the person entering the United States would not actually know which biometric measurement was going to be asked for at the port of entry. That way, a terrorist could not, for example, you know, chop off somebody's hand, steal their card and try to get it that way. I think the random nature could effectively circumvent evil-doer's ability to plan around this program and we need to think about these things, because believe me, they are thinking ahead too.

The other idea we had for, well, ultimately helping business travel, but this could help everyone is perhaps you should consider streaming entry, that is using designated lanes for U.S. citizens, Canadian citizens or Canadian permanent residents, foreign visi-

tors. I don't know if this is, how workable this would be, but perhaps someone could look at it.

Finally, we are thinking that machine readable passports, making that the required entry and exit document for all seeking entry, could solve many problems in terms of the traveling of all visitors to the United States.

Oh, and my last point, you really need to raise those salary levels of INS officers so that the INS can retain the competent people that they already have on staff and hopefully attract some more.

Thank you very much. I appreciate the opportunity to address you.

[The prepared statement of Mr. Preshaw follows:]

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December 9, 2001

Mr. Mark Souder
Chairman
Subcommittee on Criminal Justice, Drug Policy and Human Resources
2157 Rayburn House Office Building
Washington, DC 20516-6143,

Re: Investigative Hearing on December 10, 2001

Dear Mr. Souder:

Thank you for the invitation to testify before the Government Reform Committee's Subcommittee on Criminal Justice, Drug Policy and Human Resources on issues relating to the border crossing at the port of entries between the State of Washington and Canada.

As a dual U.S./Canadian citizen and an attorney admitted to practice in the State of Washington and British Columbia, I have focused my law practice on business immigration. My partner, Ronald A. Zisman, and I have established a law firm that deals with businesses vitally interested in improving commerce between the U.S. and Canada. Many of our clients travel daily through the Washington/British Columbia ports of entry. Facilitating commerce, improving security and easing travel between the U.S. and Canada is critical to the corporations and individuals we represent.

After many years of travel and dealing with both U.S. and Canadian immigration and customs officials on a professional and personal level I wish to offer the following recommendations to the subcommittee:

1. Design and implement a voluntary **random** biometric preclearance program. For example, a system which could request one or two of a multiple of biometric measurements (such as voice scan, iris scan, or palm scan) on a random basis would prevent terrorists from using a stolen biometric card and the victim's chopped off hand to gain entry. The random nature effectively circumvents an evil-doer's ability to plan around this program.

2. Consider "streaming entry" using designated lanes for U.S. citizens, Canadian citizens, Canadian permanent residents, foreign visitors.

3. Make machine readable passports the required entry document for all seeking entry into the U.S. Then we will have an accurate database of all who enter and from which port of entry.

4. Increase trained, competent INS and Customs staffing to levels commensurate with the present facilities. Lack of trained, competent staff has been an ongoing problem for years. Raise the salary levels of INS so competent people can be retained.

5. Improve technological infrastructure. Harmonize database programs between the U.S. and Canada. Improve data sharing on both an intra-agency and inter-agency basis.

6. Harmonize visa and admissability standards between Canada and the U.S. We should be thinking "Fortress **North** America".

7. Reinstate the dedicated NAFTA officer concept but ensure adequate training and staffing; Consider negotiating with Canada to allow a means of "pre-adjudication" with respect to NAFTA applications.

I must apologize for not expanding on some of these ideas but I will be happy to provide further details if so requested.

Very truly yours,

Terry T. Preshaw

Mr. SOUDER. Thank you.

And I hope your testimony is not quite as gruesome, Mr. Shaffer, about cutting off hands.

Mr. SHAFFER. Thank you, Mr. Chairman, Congressman Larsen. Traditionally the job of all Chambers of Commerce is to increase business in the area. Since September 11th the businesses in South Surrey and White Rock restaurants, stores, and lodging is down approximately 35 to 40 percent. The contributing factor for this is not only the recession presently on both sides of the border, but also the lengthy delays at both the Peace Arch and truck border crossings.

It is true that security is paramount, which is good, but in order to provide an efficient flow to our citizens and commerce through the border certain remedies need to be addressed.

And I would simply suggest the first: A new reinstated pre-clearance and dedicated commuter lane to replace CanPass and PACE, currently known as NEXUS. This program could be implemented in 90 days.

Second, it is apparent that Customs control on the American side of the border is under staffed, with only two of six lanes normally open at all times. On the side going north, normally five lanes are open at all times. This means going north 10 or 15 minute wait. Coming south, up to 2 or 3 hours.

Third, the resulting consequence of this is less Americans are coming to Canada to shop, despite the fact that the U.S. dollar is worth over $1.50 in Canadian dollars.

Fourth, of all of the residents of Blaine, WA, that I have talked to, they tell me they love the exchange rate, but they don't come across the border to shop and dine because it is not worth the wait at the borders.

Fifth, Canadian business shipping merchandise to the United States via trucking has been losing profits due to the long delays at the border. I have talked to some local people in White Rock and South Surrey. All of their profits are being lost in paying the drivers time while they wait at the border for clearance. They say it is about four times what it was previous to September 11th.

And sixth, on both sides of the border we must work together to secure orderly fashion that our citizens and commerce can travel across the border to achieve our goals with security and without delays.

And I would say in closing, I thank you for being here today, and I do have a unique outlook on this because I can see it from both sides of the border, because I am both American citizen and Canadian citizen. Thank you very much.

[The prepared statement of Mr. Schaffer follows:]

To: Congress of the United States
House of Representatives
Committee on Government Reform
Subcommittee on Criminal Justice,
Drug Policy and Human Resources

E-mail: conn.carroll@mail.house.gov

From: Gordon A. Shaffer
President –elect
White Rock-South Surrey
Chamber of Commerce
British Columbia, Canada

E-mail: shaffers@sprint.ca

Subject: Hearing on Border issues

Since the tragic events of September 11th, everything has changed dramatically in both Canada and the United States of America.

The issue before us today is business across the border, particularly at the South Surrey - White Rock, British Columbia and Blaine Washington border crossings.

Business in South Surrey and White Rock restaurants, stores, and lodgings is down approximately 35 to 40%. The contributing factor for this is not only the recession presently effecting Canada and the United States, but also the lengthy delays at both the Peace Arch and truck border crossings.

It is true that security is paramount, which is good, but in order to provide an efficient flow of our citizens and commerce through the border, certain remedies need to be addressed.

First: A new reinstated pre-clearance and dedicated commuter lane programs to replace CanPass and Pace must be implemented, such as the "Nexus" program that is currently in place at the Ontario Sarnia-Ft. Huron border crossing.

Second: It is apparent that Customs control on the American side of the border is under staffed, with only two of the six lanes open to traffic most of the time, while going North into Canada five lanes are normally open. This means an approximately ten to fifteen minute waits entering into Canada, and often two to three hour waits entering into the United States.

Third: The resulting consequence of this is: Less American's are coming to Canada to shop despite the fact the U.S. dollar is worth well over $1.50 in Canadian dollars.

Fourth: Of all the residents of Blaine, Washington, that I have talked to, they all tell me the same thing: "The exchange rate is great, but the border delay's are just not worth the wait".

Fifth: Canadian business shipping merchandise to the United States via trucking are losing their profits through the long delays at the truck crossing's.

Sixth: On both sides of the border, we must work together in a secure and orderly fashion to insure that our citizens and commercial travel across our borders is achieved with security and without delay.

Sincerely,

Gordon A. Shaffer
President-elect
White Rock-South Surrey
Chamber of Commerce

Mr. SOUDER. Thank you for your testimony.

First let me ask for the record—I know I talked with Val about this. Would each of you support an implementation of the NEXUS system if someone, particularly if someone abused that there would be a stiffer penalty? And in, other words, in effect, if we are saying you have a special right. If you violate that right, you have twice the penalty you normally have for violations? Is each witness saying yes? Anybody has reservation about that?

Ms. MEREDITH. If I can respond to that, Mr. Chair. I would suggest that in order to expedite the NEXUS program or a program similar using biometric and interactive card there would have to be serious penalty for somebody who was fraudulently using that system. And certainly somebody abusing an expedited lane for commercial purposes, I would suggest that they remedy—discipline would have to also not only driver but the trucking organization and potentially the business, the corporation who hired the trucking outfit. I think it would have to be something very severe, so responsibility of selecting who is trucking and what kind of clearance the driver has would be shared not only with the driver but with the businesses as well.

Mr. SOUDER. How do business representative feel about that?

Mr. ANDERSSON. We agree wholeheartedly. In fact, there has been, I think there was a lifetime ban on abuse prior to September 11th. One additional feature that we learned from our local dedicated commuter lane guru in the INS, Ron Hayes, with the new technology the INS, if they are going to be administrating agency, can turn on and off cars, if they learn about an abuse of the system afterward. I think it is additional security feature.

Mr. SOUDER. One of the problems we have is in the—Champlain was the biggest drug bust in that border's history. Somebody using accelerated pass. Trucking company claimed that they did not know that the driver was doing it. He freelanced, so would you take that trucking company's privileges away?

Mr. SHAFFER. It would be on a case by case basis.

Mr. SOUDER. How? Obviously every company is going to say the individual was freelancing. Does this mean the company would have to have access to the clearance information?

Ms. MEREDITH. I would suggest, Mr. Chairman, if I may, that our legal systems do allow people to appeal decisions that are made. And if there was evidence, strong evidence, to show that the trucking company and driver, and truck company and perhaps the manufacturer whoever was, had no idea. But I do think there has to be a connection between—the onus should be on the person hiring the trucking company to make sure that they're using persons of high.

Ms. PRESHAW. But remember that when we are talking about the border what we take for granted in terms of due process does not necessarily apply. And perhaps there could be a safeguard built into the system to protect it in the border. Perhaps that is what should be done. Or maybe there should be like a three strikes you are out rule.

Mr. ANDERSSON. Add a little bit. There is not currently a pacing for trucks. Also we do support one, so in terms of what we are con-

templating, NEXUS now is just business traveler, so they would be individually liable for their own cars in any event.

Mr. SOUDER. Right. But I understand that and San Diego and other places we have experimented with flexibility for Congress and moving it if you were a regular person. Some—in Detroit, there are some that go back and forth 17 times in a day. And trying to figure out how to address that system and yet still hold somebody accountable and somebody has been in business. It is not an easy thing to work out. Fine to say, we are going to hold somebody accountable. At the same time you don't control your employees. On the other hand, don't even ask the question, you are not held accountable because then you have deniability. Three strikes you are out may work to some degree for some things. Certainly does not work if one of the three strikes was a terrorist that came and blew up the World Trade Towers. It is a difficult question. It is because we all agree with the concept, making the concept work.

A second problem on the—and I believe that is one that is fixable, but the business community needs to understand that there is an element of risk with this, and that if it is, if there is an abuse and we grant it, we accelerate the process and bring NEXUS into more, at least the major interstate crossing. If there is one anywhere in that border, the whole system is going to fall apart and retribution aspect, if it was a major breakdown it is going to be huge, in that our political pressure in the United States right now is zero tolerance, which is, impossible to achieve, and yet that is the political standard.

Attorney General, reason he keeps saying it is a risk this weekend, Rick says it is a high risk, is one failure and they're out. Because American people are being relatively tolerant. OK. You couldn't catch them September 11th, but they are not going to tolerate a second round; and, therefore, the political pressure on all of us is so high. It is why this stuff is moving very slowly.

Leads me to the second point. The other problem with NEXUS system is not with the Canadian side of the border. It is our intelligence systems are not interconnected in that what we know, for example, of those 19, to degree, and I assume that the one or two that moved across the United States, in fact, it looks like they may have moved back and forth four or five times and the others may be in the process. We were not tracking it so we don't know. That has caused a different attitude in the Congress as to how fast we are going to do the NEXUS because we are not confident that our intelligence systems right now are sophisticated enough to catch it as opposed to the actual agent at the border watching. And so, that is partly—it is not just a function of cost, which is a function or a function of, can we implement it in a sense of would it work on almost all cases?

But in a zero tolerance case, looking at whether our intelligence systems are ready and have all of the information, the Canadian border person, the Border Patrol is based in Burlington, VT. That is a long way from here in trying to figure out how to get that information in a system. Anyone want to comment on that?

Mr. ANDERSSON. Mr. Chairman, there are two dedicated commuter lines that remain in operation after September 11th. One is (inaudible) at our airports, use of biometrics. The other is Century

in San Diego that you mentioned. Both of them are virtually identical to the NEXUS program. So, we say there may be precedent. In any event, it would be inconsistent to leave those two running and not allow us to have NEXUS.

Ms. MEREDITH. Mr. Chairman, if you would allow me to refer to my written submission, if you read the written submission, you will find that it goes into greater detail of how a system could be used. I agree with you 100 percent that part of the problem is that the intelligence is not shared in real time. It is not shared here between Canadian agencies nor is it in the United States. What we need to do is figure out a way of getting that intelligence into a central data base that is not sharing the reasons why, but the names of persons of concern and the names of persons who are precleared so they have real time delivery with biometric readers. So that somebody comes in L.A. airport, the whole continent knows whether or not that person is being pre-cleared or person of interest.

I think that our concept of a civilian NATO would function, binational agency with all the various intelligence and policing agencies represented in that agency could deliver intelligence throughout the continent in real time. And having that at our disposal would certainly support a program like NEXUS. Not saying NEXUS is perfect.

My concern is whatever system we use, has to be used across the continent and has to be used in the perimeter of the continent so it is one system. Problem we have now is every agency has its own system. They don't talk to each other. The delay in talking to each other in the process is set in place. Just allow individuals to come into our continent and disappear. We have got to make sure that does not happen. I think the proposal I put before you in the written submission that I think is worth developing. And certainly seen support when I was in Washington last week and bringing it before the Department of Transportation, FAA and other agencies. Certainly the interest is there.

I think if we put our resources, combine our resources, and come up with a good product is much better than everybody going off and support different products that still don't talk to each other.

Ms. PRESHAW. I want to add, the Vancouver business community fully supports the perimeter clearance concept that Val has just discussed.

Mr. LARSEN. I want to ask the same question twice. I want you to put your Canadian citizen hat on. Has to do with language that perhaps we use in the United States about harmonization or compatibility of policies. My point of view, the fact is that we are dealing with a new kind of enemy that does not recognize traditional definition of sovereignty. The terrorists who attacked the United States don't necessarily identify themselves with any one country but with a thought. And so, if we are dealing with that new kind of threat, does not recognize traditional definition of sovereignty, how much, from a Canada citizen perspective, how much sovereignty, I suppose, are you willing to consider relaxing to help deal with that threat? And I ask that question because it is the same question, someone asking ourselves in the United States, how

much privacy rights do we give up, civil liberties? Where is the envelope end on that? Can you help me understand that?

Ms. PRESHAW. Well, certainly is a slippery slope, but nevertheless, I—the feedback that I am hearing from my Canadian friends and business acquaintances as such is notwithstanding some of the comments that have been made by, I believe, Christian, and Emily, couple of weeks ago, most are feeling that we are now North America. And we still retain here, well, up there in Canada, certain concepts and freedoms that are different from those of the United States, and there is no reason why we can't retain those up there.

But, security is a pressing concern, and I believe that both countries are willing to make some sacrifices in terms of perceived sovereignty issues and in terms of some personal liberties that we have all taken for granted. I believe most do envision that sacrifice will be demanded and will be gladly given. You will hear some kicking and screaming, but in the end I think that people will feel well served if we can ensure continental security.

Mr. LARSEN. Val, ask the same question of you.

Ms. MEREDITH. Yeah. I think the concept of sovereignty is a perception problem. What Canadians perhaps don't understand is that every state, including Canada, has the right to ask every individual who comes to our country questions. Any number of questions. Most of them, if not all of them, very personal questions. That is the right of the country when somebody wants to come into it.

For Canadian travelers, having just gone through a little study from the airline industry perspective, 94 percent of Canadians are already pre-cleared, pre-screened in our airports before they enter the United States. So U.S. authorities already have some fairly personal information about us before we even get on the airplane.

Now, there is some concern about more invasive information that will be asked to be shared. And I think that in the proposal that I made, it is voluntary. If somebody wants to sit in a 5-hour line up, that is their choice. If they choose not to, they are voluntarily giving up that information to whoever is asking, whether Canadian or American authority.

I think as far as a nation is concerned, if the information is not necessarily being shared, if the integrity of the RMCP information is still held in Canada, but the names of the people that they might have of interest are in the central data bank, and the same with the CIA, if the integrity of their information is maintained in their nation, then it is not a question of challenging sovereignty. I think there is a way to get around it. I think that we have done it before. I use NORAD as a great example. I think the sovereignty issue is perhaps misnomer, that it is concept as opposed to reality.

And I agree that Canadians see themselves on a continental basis. I think Americans now almost see themselves on continental basis. And I think there is a greater willingness now than there was pre-September 11th to deal with that—that wider perspective that we are family, that we are neighbors, we are allies, and it is time we started working together in a very real sense. The threat against your security is a threat against our security, and I think we realize that.

Mr. ANDERSSON. I see the light is red. Let me just add, in 1999 Canada passed pre-clearance act which cedes' sovereignty over cer-

tain space in our airport, our pre-clearance area. It does not go to the extent to permit gun carry, but it allows almost all other law enforcement activity to be carried out in those places.

And in addition, following Attorney General Ashcroft's visit to Canada recently, there may be some movement afoot to share CCRA data bases, and it would be very easy to. I mean, you have just seen yourself, the whole 110 debate, if you logged into the Canadians returning to Canada, check in with Customs on data base, and it is very simple to do. CPICK, the Canadian police checks, have been shared with INS and the Customs authority in the United States for years already. So most Canadians, if they don't know it, it won't hurt them. And you won't offend their sensibility.

Mr. LARSEN. For Mr. Shaffer. Do you see a difference in the hit the smaller businesses are taking versus larger?

Mr. SHAFFER. Absolutely. We have been talking to a lot of businesses in the area in the last few weeks, and it is the mom and pop business being hurt the most. I find that the much larger enterprises are actually doing a little better than last year at this time. But the small businesses, and not only the small ones, but what we were talking about this morning in our chamber meeting, something came up that was really, I didn't realize was happening is that the high end restaurants are suffering very much, but the fast food restaurants are booming so there is something saying there. The people are saving their money and just waiting day by day to see what is going to happen next.

Mr. SOUDER. Why would the larger businesses be up?

Mr. SHAFFER. I think the larger businesses are businesses where people need those things, not boutique where you go to buy something you just think you might want, but the larger businesses, and of course right now people are buying hard items. And automobiles are up because of the low rate for financing. A lot of companies are offering zero financing. Homes are selling 50 percent from a year ago because the mortgage rates are the lowest in 20 years.

Mr. ANDERSSON. I want to note a comment. When I met with business owners up at Point Roberts, the market place business was down 50 percent. Gas stations down 50 percent. Restaurant business 50 percent. It was very consistent, and maybe they meant beforehand and said, use the 50 percent number, but by the same token, I don't think they did. It is clearly comparing—when they compared September 1 to September 10, 2001 to 2000; and then September 12 to the date or day before the meeting 2001 to 2000, and clearly showing the direct impact of the line up at the border.

Mr. SOUDER. So——

Mr. SHAFFER. Everybody's waiting to see what is going to happen, and that is why all of us are—that we get a NEXUS program as soon as possible that is efficient but secure.

Mr. SOUDER. Is 35, 40 or 50 percent right around the border? Has it gone down in Vancouver as well? Is it proportionally less impacted at the border?

Ms. PRESHAW. No. It is very bad in Vancouver, what has happened. Even though the Canadian dollar is so low, and let me tell you, there are some major bargains to be had. It is—nobody is coming. Nobody comes up. One time I came up, because I come up

every other week, usually on Wednesday, I got to the Canadian border. There was no one there. And I had three Custom guys all to myself. One was chatting with me; other looking inside my car; and the third one, poor man, had to look in my trunk, and, you know, that was it. I was the only one. So I went up there, and I did my Canadian patriotic duty by buying lots of goods and bringing them back to the United States. Merchants are so glad to see anyone, but especially an American because we are virtually a nonexistent species up there now. And it is because the border is perceived as being a barrier, and not so much coming into Canada but trying to get out that is the problem.

Mr. SOUDER. You have any number, what this might be elsewhere?

Ms. PRESHAW. Well, typically, Whistler would be the next destination beyond Vancouver, and my understanding is definitely the numbers are down at Whistler also.

Mr. SOUDER. Mr. Andersson, do you represent manufacturers as well?

Mr. ANDERSSON. Yes, sir, we do.

Mr. SOUDER. And you heard about how the trucking companies are being impacted. Have you seen any manufacturing drop off? And can you tell has that drop off—let me ask the question several parts and you sort out which way you want to answer it. That we clearly had a softening of the economy about a year ago in the United States, so we were already having a trend line that was building. September 11th seems to have—simplest thing is to look at our stock market. Bottom fell out. Now it is almost back to where it was pre-September 11th, but still soft and certain part of that. Is it a similar pattern in the manufacture and retail? What are you kind of seeing as the impact? Probably trying to sort out what is the economy and what is the border.

Mr. ANDERSSON. The Coalition for Secure and Trade Efficient Border is Secretary is the Canadian Manufacturer of Exporter's Association, who have compiled statistics which I could try to give you back, but I think if you wanted to send that question to us we could provide you with very real particulars.

Mr. SOUDER. Also we may stay in touch with that to get a moving target to try to separate the questions. Intuitively you feel that the border is having a big impact and we all knew that. It is hard to quantify that as we are hearing different numbers at different border crossings across the country.

Ms. MEREDITH. My understanding, Mr. Chairman, when I was talking to some Customs people, the flow itself, the number of persons going using the border crossing has gone down since September 11th. The numbers are down, I understand, 20, 25, 30 percent, so we are not dealing with the volume that 4 hour line up. We are not dealing with volume we used to have. It is a reduced volume.

Mr. SOUDER. I want to do something a little different for just briefly. Mr. Hardy, could you come back up? I am not going to put you under these questions. You may have to come back, but if you could come up, I want to ask you a question or two on the—if you could also on the numbers of what Customs has seen on the trade.

Ms. FARON. Thank you——

Mr. SOUDER. And I need to swear you in so I can put it in the record.

[Witnesses sworn.]

Mr. LARSEN. Could you spell your name for the record.

Ms. FARON. F-A-R-O-N. We just got our figures from fiscal year 2001, and the truck numbers are down maybe 100,000 from fiscal year 2000, cars are down about 200,000 from last year.

Mr. SOUDER. What was it.

Ms. FARON. It was 3.3 million in 2000, cars. And it is 3.2 million so 500,000 down in fiscal year 2001 for cars in Blaine. That is just Blaine we are talking about, the two crossings in Blaine. And trucks in 2001 about 520,000 and last year it was about 490,000.

Mr. SOUDER. Did most of that drop seem to be in the last month?

Ms. FARON. I know for cars, they were down almost 40 in the last 2 months and the numbers of crossing compared to last year.

Mr. SOUDER. But you don't know trucks for sure. Could you get that?

Ms. FARON. Yes.

Mr. SOUDER. And Mr. Shaffer had said that sometimes going north five lanes were open and going south sometimes only two. Is that personnel problem or is it a——

Ms. FARON. It would normally be personnel. I think we have usually had more than two lanes open, but it is a matter of staffing. When we have staff available. We open as many lanes we can with the staff we have.

Mr. SOUDER. Do you have a request in for more staff to open more lanes? The reason I am asking the question is for all of the talk about 90 days, we are not going to get FBI and the CIA to talk to each other in 90 days—[laughter]; (unintelligible) it is not, in addition to getting the machinery and all of that kind of stuff up, we have to figure out other types of ways to short term deal with it. Do you have a request in to get additional help so more lanes can open on the weekends?

Ms. FARON. We just got nine additional bodies. Half of them are at school, so they won't be here until February. And when the new appropriation, State of Washington is getting 30 additional bodies. I don't know how that will shake out for Port of Blaine, but we will be getting more.

Mr. SOUDER. Do you see the Guard being able to relieve any of those functions to be able to open up lanes by not having a Custom Inspector?

Ms. FARON. I can see them helping at the ports that are normally closed. They could help secure staffing then, and that would free up inspectors to do other things.

Mr. LARSEN. Just a comment on the National Guard. Some—support moving the National Guard up here, but as a supplement and not a replacement for what we need here in terms of full-time staffing. Even the National Guard is going to be tested in terms of their ability to devote their time and resources as well.

Mr. SOUDER. The function—in reality, what we are trying to do is figure out multiple tiers here. One is a longer term, which is more technology plus some plusing up of staff. To the degree we can do joint things, that will be great. That is where we are clearly headed between the two Parliaments and Congress, and the Com-

mission. And when I was in Ottawa meeting with Solicitor General, Judiciary Committee and chairs trying to look at that and there is general agreement to try to do these kind of things.

We also short term problem. Short term it's, we are moving people in different ways. The Guard is really a combination until you can get permanent agents and/or equipment, they're not a long term solution. And we are wearing the Guard out all over. And also, quite frankly, while it gives some semblance of psychological security to some people and hopefully intimidates, it is not particularly comfortable at an airport, necessarily, to have people wondering around with automated rifles and machine guns or whatever either. It is not—yet at the same time a lot of what we are battling right now is psychological in these trade questions. Some of it is real in the sense of back up. And some of it is, I am worried there is going to be a line. I am worried that my airplane is not going to be safe. So we are trying to deal both with the psychological problem and the real problem. And to the degree we can figure out how to address the real problem, we are clearly not going to back off short term even a year, if ever, on the security clearance, so we have to figure out a way to address the other.

Ms. PRESHAW. Psychologically, it would certainly make everyone feel a lot better to have every single booth manned at those high travel times. I have never seen that.

Ms. MEREDITH. I would like to take this opportunity, Mr. Chairman and Congressman Larsen, to thank you for having a Canadian delegation appear before you. I think it is very important that we keep the dialog going between Canada and the United States. And thank you for very much for the opportunity.

Mr. SHAFFER. I would thank you gentleman also.

Mr. SOUDER. Thank you. Our nations are so incredibly interconnected and getting more so. We will always maintain our independence and all have our own little things that we are not about to give up our sovereignty about. But our trade interconnection is huge, and it's not just business trade. It is having do with the 1,400 nurses that come across from Windsor to Detroit. And all of a sudden they were being held up and the hospitals were not able to treat people. Tourism. One of the things I joke about in our Parliamentarian session are that our Florida Congressman probably have bigger, more Canadians in their districts then the write-ins in Canada that we have become so interconnected. So I appreciate you participating.

If the third panel will come forward: Honorable Georgia Gardner, Mr. Pete Kremen, Mr. Jim Miller, Ms. Pam Christianson, Mr. Barry Clement, and Mr. Jerry Emery. Remain standing.

Mr. SOUDER. Senator Gardner, have you lead off.

STATEMENTS OF GEORGIA GARDNER, SENATOR, WASHINGTON STATE SENATE; PETE KREMEN, WHATCOM COUNTY EXECUTIVE; JIM MILLER, EXECUTIVE DIRECTOR, WHATCOM COUNCIL OF GOVERNMENTS; PAM CHRISTIANSON, PRESIDENT, BLAINE CHAMBER OF COMMERCE; BARRY CLEMENT, PRESIDENT, NATIONAL TREASURY EMPLOYEES UNION, CHAPTER 164; AND JERRY EMERY, VICE PRESIDENT, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, NATIONAL INS COUNCIL, LOCAL 40

Senator GARDNER. Thank you. I appreciate the opportunity to speak to you today and present materials regarding border issues. I am happy to have you in my community, and it is my home town. For the record, I am Georgia Gardner. I am the State senator for the 42nd District, which is about two thirds of Whatcom County, and I have five different international border crossings in my district.

I am a resident in Blaine, and I have also owned a business in Blaine, and I am a Certified Public Accountant in the United States and chartered accountant in Canada, so I deal primarily with cross border individuals and businesses. So I have been an observer as well as a neighbor of this border for many, many years.

Prior to my 5 year service in the State legislature, I served 8 years on the Blaine City Council.

I have been very involved personally professionally, politically with the problems involved in being located on an international boundary. Our border communities are small towns just across the line from a huge population of the lower mainland of British Columbia, and I think this is mostly true of the Canadian, U.S. border clear across the country. In many ways British Colombians are partners in our economy, our best customers, and a great source of employers and employees.

Because jobs are limited in our small communities we have significant number of our residents who regularly work in British Columbia. We also have a large of number of B.C. residents that work in our business here.

St. Joseph Hospital in Bellingham, which is one of our largest employers in the county, is a 253 bed level 2 trauma center with 1,800 employees, 100 of whom live in British Columbia. And these workers range from physicians to nurses to housekeepers, technicians. And St. Joseph is dependent upon their ability to cross the border to get to work. Lives literally depend on them. I am attaching a letter from the hospital which more completely explains their concerns. Their story is much the same as other employers here in Whatcom County. Businesses depends on their employees' ability to get to work, and the individuals need to get home at night to spend time with their families.

We also depend on British Columbia customers as you heard from many of us here today. We have traditionally enjoyed a large number of our Canadian neighbors visiting to shop, eat in our restaurants, to buy gas and groceries. They stay in our resorts. They catch our trains and planes, and many own vacation property in our community. It is been a great partnership. They have the population, and we have the goods and services.

With the difficulties at the border, traffic south just is not moving. We have experienced a 60 percent or greater drop in retail businesses, and our restaurants and resorts are empty. I believe you stayed at the Inn at Semiahmoo. That has been a huge source of tax revenue for the city of Blaine, and we greatly miss their high occupancy rate. One of our businesses here in Blaine, International Cafe and Motel, has had to reduce its work force by two-thirds. That is a serious loss to a small community. This, unfortunately, is the norm. We are going to begin to lose businesses and jobs very quickly unless we can do something to increase the flow of traffic across the border.

We also have a lot of our products to take into Canada to sell. In fact, most of the Washington exports to Canada are to British Columbia. Again, we need to get them across the border to make a sale. Again, I am attaching a background sheet from the Washington State Commission on Trade and Economic Development. It gives more detail and statistics on trade and tourism between Washington and British Columbia.

I am very concerned about the four mainland border crossings in Whatcom County (Peace Arch Crossing, Pacific Highway Truck Crossing here in Blaine, the Lynden-Aldergrove Crossing and the Sumas Crossing). But I want to say a special word about Point Roberts. I think historically when the folks back east decided to make the boundary between Canada and the United States the 49th parallel, they didn't look at the map to see that little peninsula that has that tip that dips below the line.

Point Roberts is a 5 square mile piece of the United States, that is for all intents and purposes at this point completely cutoff from us. There are about 1,300 permanent residents. They are part of the Blaine School District. And the grades four through high school must come to Blaine. The problems at the border not only impact the school busses which must cross twice in each direction, but they also impact the ability of the students to participate in extracurricular activities and parents' ability to volunteer at the school. Our greatest concern is for students who are sick or injured and the parents can't get to them to take them home or to authorize medical attention.

We need help at the borders and we need it as quickly as possible. First, we hope that we can keep the full complement of personnel now assigned. We need the National Guard troops to assist, but we don't want to lose any of our existing inspectors. We need to open additional inspection lanes.

We need to reinstitute the dedicated commuter lane that you heard so much about this morning. And I would ask that the first priority in reinstating this is to give Point Roberts' residents and persons employed in Washington, while resident in British Columbia, first priority for getting clearance. Second priority should be for the visitors and commercial travelers. I know these folks are willing to go through whatever screening is necessary to have their free passage restored, and I hope we can move forward quickly with that.

Finally, I do want to mention that our small county has exceptional criminal justice expenses because we have to prosecute the cases at the border. Whatcom County has been hit especially hard

with the recession. We simply do not have the ability to cope with the budget that is attributed to the border. I have attached a statement from Whatcom County Prosecuting Attorney David McEachran which will give you astonishing figures. We are looking at approximately $2.3 million of our criminal budget that is directly attributed to the border.

We appreciate the additional security at the international boundary, and we support it. No one knows as well as we do the problems of living on the border. And we want to cooperate in any way we can—as we have in the past. We are used to being additional ears and eyes for the Border Patrol and other authorities. We understand crossing the line will never be what it was once. We very much appreciate the work you are doing and we appreciate the fact you have come to our community to talk with us. And I would be happy to answer any questions you might have.

[The prepared statement of Senator Gardner follows:]

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Senator Georgia Gardner
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December 10, 2001

The Honorable Mark E. Souder
Chairman
Subcommittee on Criminal Justice,
Drug Policy, and Human Resources
Congress of the United States
Washington, DC 20515-6143

Congressman Souder and Committee Members:

Thank you for the opportunity to speak with you today and to present materials regarding border issues. I am Georgia Gardner, State Senator for the 42nd Legislative District, which includes the City of Bellingham north to the Canadian border and includes Point Roberts. I have five international border crossings in my district.

I am also a resident of Blaine and, for fifteen years until 2000, I owned and operated a public accounting firm in Blaine. I am a Certified Public Accountant in the U.S. as well as a Chartered Accountant in Canada; therefore, much of my business was serving business and individuals who lived and did business on both sides of the border.

Prior to my five years' service in the State Legislature, I served eight years on the Blaine City Council.

I have been very involved, personally, professionally, and politically, with the problems involved with being located on an international boundary. Our border communities are small towns just across the line from the huge population area of the Lower Mainland of British Columbia. In many ways, the British Columbians are partners in our economy, our best customers, and a great source of both employers and employees.

Because jobs are limited in our small communities, we have a significant number of our residents who regularly work in British Columbia. We also have a large number of B.C. residents who work in our businesses here.

Recycled

St. Joseph Hospital in Bellingham, one of our largest employers, is a 253 bed. Level 2 trauma center with 1800 employees – 100 of whom live in B.C. These workers range from physicians, to nurses, to housekeepers, and St Joseph is dependent upon their ability to cross the border to get to work. Lives depend on them. I am attaching a letter from the Hospital more completely explaining their concerns. Their story is much the same as other employers here in Whatcom County. Businesses depend on their employees' ability to get to work and the individuals need to get home again at night to spend time with their families.

We depend on British Columbia customers. We have traditionally enjoyed a large number of our Canadian neighbors visiting to shop, to eat in our restaurants, and to buy gas and groceries. They stay at our resorts, they catch our trains and planes, and many own vacation properties in our communities. It has been a great partnership: They have the population and we have the goods and services.

With the difficulties at the border, traffic south just isn't moving. We have experienced a 60% or greater drop in retail business and our restaurants and resorts are empty. One Blaine business, the International Café, has had to reduce its work force by two-thirds. This unfortunately is the norm. We will start to lose businesses, and jobs, very quickly unless we can do something to increase the flow of traffic across the border.

We also have a lot of our products to take into Canada to sell – in fact most of the Washington exports to Canada are to British Columbia. Again, we need to get them across the border to make the sale. I am attaching a background sheet from the Washington State Commission on Trade and Economic Development giving more detailed statistics on trade and tourism between Washington and British Columbia.

I am very concerned about the four mainland border crossings in Whatcom County (Blaine Peace Arch, Pacific Highway Truck Crossing, Lynden-Aldergrove, and Sumas), but I want to say a special word about Point Roberts. When the folks back east decided to make the 49th parallel the boundary between the United States and Canada, I don't think they noticed the tip of the peninsula that dipped down below the line. This is a five-square-mile area which can only be accessed by private boat or by crossing two international borders.

Point Roberts has a population of about 1300 permanent residents. They are a part of the Blaine School District and all school children from grades 4 through high school must come to Blaine. (We were able to build a primary school at Point Roberts for kindergarten through grade 3 a few years ago.) The problems at the border not only impact the school buses which must cross twice in each direction, but they also impact the ability of the students to participate in extra-curricular activities and the parents' ability to volunteer at the school. The greatest concern is for students who are sick or

injured and the parents can't get to them in a timely fashion to either take them home or authorize medical attention.

We need help at the borders and we need it as quickly as possible. First, we hope we can keep the full complement of personnel now assigned. We need National Guard troops assigned to assist Customs and Immigration Inspectors. This will allow for the opening of additional inspection lanes.

We need to reinstitute a dedicated commuter lane. The first priority should be for Point Roberts residents and persons employed in Washington while resident in British Columbia. The second priority should be for visitors and commercial travelers. I know these folks are willing to go through whatever screening is necessary to have their free passage restored and I urge you to move forward as quickly as possible to implement such a program.

Finally we hope you will recognize our small county has exceptional criminal justice expenses because we must prosecute border related crimes. Whatcom County has been hit especially hard with the recession and we just don't have the ability to cope with these costs. At present, approximately 2.3 million dollars of our criminal justice budget can be attributed to the border. Whatcom County Prosecuting Attorney David McEachran has documentation, which is attached. We hope you will give consideration to giving us a grant or other funding to help pay the bills.

We appreciate the additional security at the international boundary and we support it. No one knows as well as we do the problems of living on the border. We want to cooperate in any way we can – as we have in the past. We are used to being additional eyes and ears for the Border Patrol; we are observant to what's happening in our neighborhoods and reporting suspicious activities. We understand that crossing the line will never be what it once was. We appreciate the work you are doing and we thank you for coming to our community to hear our voices.

Sincerely,

Georgia Gardner

Georgia Gardner
State Senator

Attachments: Mark Fowler, St. Joseph Hospital
Office Of Trade and Economic Development, Washington State
David McEachran, Whatcom County Prosecuting Attorney

PeaceHealth

St. Joseph
Hospital

December 3, 2001

Senator Georgia Gardner
P.O. Box 3349
Blaine, WA 98231

Dear Senator Gardner:

Thank you for your interest in expediting border crossings for our employees. St. Joseph Hospital is a 253 bed, Level 2 trauma center with over 1800 employees. We are one of the largest employers in Whatcom County and the only Level 2 trauma center between Vancouver, BC and Seattle, WA.

We currently employ about 100 individuals who must cross the border weekly for work. These workers range from Physicians, to nurses, to housekeepers…all essential to running a 24/7 Healthcare facility. Inherent in our Mission is Work/Life Balance. When staff spend hours waiting to cross the border in order to get to work and hours waiting to get back home a price is paid by that person, their family and the customers they serve. Life and death are a daily reality at the Hospital and any delay by critical staff could mean the difference between success and failure.

We depend on staff being able to cross the Canadian border in a timely way and take the role of assisting in that task seriously. We have run a shuttle bus and put employees up for the night in our efforts to help the situation. I'm convinced more help at the border stations would make a major impact for the good in the life of our Canadian employees and ultimately in the lives of those using the services of St. Joseph Hospital.

Please do not hesitate to contact me if you have further questions.

Sincerely,

Mark Fowler
Director, Human Resources

2901 Squalicum Parkway
Bellingham, WA 98225-1898

Tel. (360) 734-5400

Background on Washington and Canada Trade
(With specific breakdown for British Columbia)

Washington Exports to Canada

- Canada has consistently ranked as Washington's top 3rd export market the last three years - 1998-2000. Washington exported $3 billion in products in 2000, $2.9 billion in 1999, and $2.7 billion in 1998.
  (Source: MISER stats)

- Top five commodities exported from Washington to Canada:
  - Industrial machinery, computer equipment
  - Transportation equipment
  - Petroleum and coal products
  - Food and kindred spirits
  - Electronic, electric equipment

  (Source: MISER stats)

British Columbia Exports to Washington State

- In the year 2000, British Columbia exported $4.7 billion in products to Washington State ($3.7 billion in 1999 and $3.3 billion in 1998).
  (Source: Trade Statistics Canada).

- The top products exported from British Columbia to Washington State include: natural gas, lumber, electrical energy, motor vehicles, wood products, and salmon.
  (Source: Trade Statistics Canada).

British Columbia Imports from Washington State

- In 2000, $2.8 billion products were imported to British Columbia from Washington State. *(If you compare to Washington export statistics to Canada as a whole - $3 billion - the exports to British Columbia comprise almost all of these exports).*
  (Source: Trade Statistics Canada).

- The top products imported to British Columbia from Washington include: petroleum oils, road tractors, trucks, salmon, and lumber (these correspond closely to Washington State exports to Canada as a whole, but Trade Statistics Canada breaks down their products differently.
  (Source: Trade Statistics Canada).

Tourism

- Among the Canadian provinces, British Columbia delivers the bulk of Canadian travelers to Washington - with smaller portions originating in Alberta, Ontario and other provinces.

- The tourism division commissioned a study to evaluate the overall impact of tourism from Canada on Washington State's economy. According to this study, Canadians represented about 14 percent of all out-of-state travel to Washington in 1997. 85 percent of this travel is from Canadian travel to Washington through crossing the border by automobile for one day. In 1997, total expenditures by Canadians visiting amounted to $435 million.

Compiled by:
Washington State
Office of Trade and Economic Development
Martha Choe, Director

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December 7, 2001

Congressman Rick Larson
Bellingham, WA 98225

Re: Border Issues

Dear Congressman Larson:

I am writing about the impact that the United States/Canadian Border has on criminal cases presented to my office and handled in the criminal justice system in Whatcom County. The Border places pressure on law enforcement due to the fact that we have five ports of entry in our county, including the Peace Arch Port of Entry in Blaine, which is one of the busiest points of entry in the United States. Interstate 5, which begins on the United States/Mexican Border, goes through Whatcom County and ends its northern terminus at the United States/Canadian Border. We have many people that are wanted in the United States and use this route to leave the country. In addition, fugitives that are deported from British Columbia are sent to the United States through the Peace Arch Point of Entry. During the past few years we have seen the importation of drugs increase dramatically from British Columbia. In addition, we also have many non-drug cases that come to our county from the Border relating to stolen property and firearms. The recent terrorist activity has also highlighted the concern these Ports of Entry present to the security of the United States. For many years local and federal law enforcement agencies have arrested people who have violated the laws of the State of Washington in either entering this county or in the process of leaving. These cases have been referred to my office and prosecuted in Whatcom County.

The following chart describes this problem in numbers of cases:

pes of Cases	1999	2000	2001
Fugitive Cases	136	94	90[1]
Drug Cases	120	167	158[2]
General Non-Drug Cases	230	113	131[3]

These cases place a very great burden on all aspects of our criminal justice system. Law enforcement must deal with these offenders and they all end up in our jail. In addition, after we file charges on these individuals, they impact our court system, prosecutor's office and public defender's office.

Fugitive Cases: all of these defendants are wanted in other states when they are apprehended at the Border. We file Fugitive Complaints on them to send them to the demanding state. In 1999 we filed 136 Fugitive Complaints. These defendants average three court appearances and spend on average 24.5 days in jail. Our jail costs are $50 per day for each inmate

Border Drug Cases: marihuana appears to be the largest "cash crop" for British Columbia. Marihuana hemorrhages across the border in multi pound lots and either stays in Whatcom County or is transported south.[4] "B.C. Bud" is worth $3000 per pound in Whatcom County, $4,000 in King County and ,000 in California. We work with State and Federal agencies in handling these cases. The Washington State Patrol has also recently trained drug-sniffing dogs and handlers to work I-5. We have had a number of cases that have come from these canines and from emphasis patrols when a number of the dogs are working in Whatcom County. The cases that the drug sniffing dogs discover are almost all related to the Border traffic.

General Cases: we have cases involving stolen property [cars, credit cards, firearms], unlawful possession of firearms involving both adults and juveniles who are Canadian citizens. These cases totaled 230 in 1999 and 113 in 2000 and 131 as of October 25.

The impact from the Border has been very profound on the criminal justice system in this county and has taken many of our criminal justice resources. We have been impacted through law enforcement, jail services, court time, prosecutors and criminal defenders. I believe that this is a problem for the United States to address in the form of funding for our county to do this work. We are starting to stagger under this load and need, and should receive assistance from the Federal Government. In Whatcom County we are providing the first line of defense to protect our citizens from criminal activity in Whatcom County, the State of

[1] hese numbers are as of October 25, 2001.
[2] These numbers are as of October 25, 2001.
[3] These numbers are as of October 25, 2001.

Washington, and the United States. In my office I prosecute between 85%-90% of all drug cases that are developed by federal law enforcement agencies relating to the Border in our County. These agencies are United States Customs, United States Border Patrol, and the Drug Enforcement Agency. Agents from these agencies are in my office every day presenting cases, and developing cases for prosecution. This is definitely a federal problem, but the U.S. Attorney's Office has never handled these cases in the twenty nine years that I have been in the Whatcom County Prosecutor's Office. We are better situated to handle these cases in my office and in the Whatcom County criminal justice system. However, we need to have financial support to do this. Dollars would be better spent assisting our local criminal justice system rather than providing resources to the U.S. Attorneys Office or the Federal Courts, since these cases will never be handled by these agencies.

In Texas local prosecutors have been faced with the same problem and finally refused to handle cases relating to the Border between the United States and Mexico unless federal financial support was provided. This was accomplished last year and they have been provided financial support for their criminal justice system to handle these cases.

The following numbers represent the impact in dollars that the various parts of the Whatcom County criminal justice system are facing due to the Border impact:

District Court	$54,433
Superior Court	$146,585
Prosecuting Attorney	$215,962
Sheriff's Office	$756,372
Public Defender	$176,895
Jail	$945,570
Total Costs	$2,295,817

This problem is reaching a critical mass in Whatcom County and we need your assistance and financing from the Federal Government as soon as possible. The Border problem is a federal, state and local problem and is one that urgently needs to be addressed. This problem is not unique to Whatcom County in the State of Washington, but is shared by all of the Northern Tier counties in our State.[5] I have spoken to all of the prosecuting attorneys in these counties and they are also experiencing local impacts to the criminal justice system from Border criminal activity. Jerry Wettle, the Stevens County Prosecuting Attorney described the fact that the Stevens County Sheriff's Office actively patrols remote Border crossings in Stevens County. In addition, he has prosecuted seven felonies relating to drug smuggling and possession of firearms this year.

[4] Last week we intercepted a load of B.C. Bud that weighed 1,000 pounds. The week prior we seized a load of 200 pounds and a bus that was used to transport the marihuana.
[5] Okanogan County, Ferry County, Stevens County, Pend Oreille County.

As we increase our enforcement relating to drug smuggling and other criminal activity on the Border Whatcom County we are pushing the smugglers further east in our state. We have seen a number of cases that have been developed in the Ross Dam area of Whatcom County and also in Okanogan County.

The integrity of our Border is critical to insure the safety of our citizens. We have been fighting the battle to keep criminal activity out of our country, state and county for many years. This is a battle that can only be handled successfully through a federal and local partnership. I believe we have been faithful and diligent partners to the federal government for years in this battle and now need to have our federal partners support us financially in this effort. Any assistance your can give to us to achieve this goal will be greatly appreciated in this county and in the State of Washington.

Sincerely yours,

David S. McEachran
Prosecuting Attorney

Mr. SOUDER. Thank you very much for your testimony, and we will insert it into record, all your additional comments. I am convinced listening to westerners fight over water when in the Midwest we are always flooded, that the original goal of the 29th was California was going to build a canal and drain that portion and then it would have been connected.

Mr. Kremen.

Mr. KREMEN. Correct. Thank you, Chairman Souder and Mr. Larsen. I want to thank for the opportunity not only to address you today, but the fact that you are both here as Senator Gardner, just a couple of seconds ago, the fact that you are here and it is obvious to me and I am sure everyone else in this room that this is not what some might say would be a dog and pony show. You are actually here. You are sincere and genuine in hearing what our comments and suggestions are, and it is apparent that you, Mr. Souder, that in your travels in other border areas of the country have really been listening, and I am very impressed.

I really don't have any prepared oral remarks because I, at the urging of President Bush, took a 2-week trip on an airplane and arrived literally hours ago. My first 2 week vacation in 26 years. And I have an executive assistant who is extremely sensitive and compassionate and never called me to let me know that this was on my first day back. But let me have a feeble attempt at giving some oral testimony for your information and, hopefully, to benefit not only this community but the county as a whole.

The recent terrorist attack severely crippled not only the border area, but a lot of the country, but particularly this county. And I say that because this county is relatively small. When you compare it with the other two large ports of entry on the northern border, Detroit and Buffalo, we are extremely small. We have a population in Whatcom County of about 172,000, and we have up to 26 million crossings a year. Currently I think we are at about 15 million. That is an awful lot of traffic for a community the size of Whatcom County. So we have been inordinately affected by the events of September 11th, and when you add the local economy and the national economy to our overall economic climate, it is extremely weak, and that is at best.

We have, because of the, in spite of the fact that we produce about a third of the power consumed by the city of Seattle in Whatcom County, we had two of our largest employers shut down. One permanently, Georgia Pacific, 420 employees there. That is our sixth largest employer. Our second largest employer is still in idle mode. They are not producing aluminum. It is Alcoa. That is over 1,000 employees. Second largest employer in the county. When you add that all together, we need some help.

Border staffing is essential, and it needs to happen quickly. I appreciate the efforts of the good Congressman from Everett who represents the Second Congressional District. He is doing just a splendid job, especially when you consider this is your first term. And I am very grateful for everything you have been able to do, including the Pipeline Safety bill.

And Congressman Souder, I also want to thank you. This has meant a lot to this community.

But we need help, border staffing quickly. And you have heard about NEXUS, the dedicated commuter lane. That has to happen, and as quickly as possible. And one thing I want to bring to your attention, is that I do not believe, contrary to INS, that this is a premium service, and therefore, we need to charge for it. I think the charge would be counterproductive, especially if the charge were anything less—or more than minimal. The purpose of getting this done is to move commuters, screen, background check, across that border with ease and in a timely matter; and dedicate the resources for security where you need them. And so I submit to you that this is not a premium service. This is a service to help this country enhance and improve our security. And I hope you can look at this issue with those remarks when you are facing the deliberation hour.

I also would like you to consider that perimeter clearance is something that I believe ultimately long-term is something we should be doing. The mayor of White Rock, British Columbia, on the other side of the border, Hardy Staub, is also chair of the Greater Vancouver Regional District, has been working with me and others to encourage Canadian officials in Ottawa to see the value of perimeter clearance as well as adopting the joint NEXUS system. So this is a bi-national reference.

And I also want to commend you again for taking the time and really listening to what we have to say, and I just want to encourage you to use your wisdom, your courage, your resources to the best of your ability so this community, as well as the rest of the country, come out the better for all of the adversity.

[The prepared statement of Mr. Kremen follows:]

"VHATCOM COUNTY
EXECUTIVE'S OFFICE
County Courthouse
311 Grand Avenue, Suite #108
Bellingham, WA 98225-4082

Pete Kremen
County Executive

Efforts for Border Security and Access Intensify

Pete Kremen, Whatcom County Executive

The recent economic climate in Whatcom County – underscored by shutdowns at Georgia Pacific and Intalco – has been weak at best. It was exacerbated by the events of September 11.

The terrorist attacks hit our county particularly hard when long backups resulted in a 52% reduction in border traffic. The impacts on tourism and border related business have been profound.

Positive news may be coming from Washington D. C., however, through the hard work of our congressional delegation.

In November I traveled to Washington D.C. to meet with federal immigration officials and congressional leaders to press our case for economic assistance and border relief. I was joined by Jim Miller, Whatcom Council of Governments President and Bruce Agnew from the Cascadia Project of Discovery Institute. Andrew Wilkinson from B. C. Premier Gordon Campbell's office joined us via teleconference

What we learned was encouraging . . .

Border Staffing: Our region has been short staffed at the border for many years. Senators Patty Murray, Maria Cantwell and Congressman Larsen have made the enhancement of additional inspection agents and Border Patrol a top priority. Working with their colleagues across the US Canada border they added hundreds of new positions in the regular 2002 Appropriations measures and the Patriot Act, the anti-terrorist bill signed by the President.

They are working with the Administration to ensure that 25% of new border positions be dedicated to the Northwest. To provide immediate relief, 12 agents have been redeployed to Whatcom County.

PACE/CANPASS security upgrade: The popular dedicated commuter lane program has been closed since the attacks due to concerns over security. We obtained a commitment from senior INS leaders to consider upgrading the PACE security features after a bi-national review is completed early next year.

We need a more sophisticated commuter program that identifies car and driver with new technology developed at a Michigan/Ontario crossing through a joint Canadian/US "NEXUS" pilot project.

Office (360) 676-6717 County (360) 384-1403 FAX (360) 676-6775 TDD (360) 738-4555

In 1998, the Cascadia Project and Whatcom Council of Governments had received federal funding for an expanded PACE program. Much of the equipment has been purchased. Local chamber of commerce leaders and other border stakeholders who participate in the International Mobility and Trade Corridor project are anxious to begin the reenrollment process this winter for PACE and CANPASS cardholders.

Perimeter Clearance: Through the Canada US Partnership (CUSP) directed by Roger Simmons, Consul General of Canada and Hugo Llorens, U.S. Consul in Vancouver, B.C., we are exploring a North American "perimeter clearance" strategy. B.C. Premier Gordon Campbell has urged federal leadership to "put a ziplock" on our outer borders through a coordinated law enforcement and technology strategy. Recent announcements from Prime Minister Chretien are promising. Hardy Staub, Mayor of White Rock B.C. and Vice Chair of the Greater Vancouver Regional District (GVRD) has been working with me to encourage the Canadian officials in Ottawa to see the value of perimeter clearance as well as adopting the joint "NEXUS" system.

Simply stated, perimeter clearance would establish bi-national inspection zones at major air, sea and land ports of entry. When combined with joint U.S. and Canadian inspections and undercover operations at overseas ports of origin, this strategy provides a one-two punch to keep inadmissible aliens and illicit cargo from leaving on a plane or ship destined for North America. Perimeter clearance goes after terrorism and potentially dangerous cargo at the "point of origin" vs. the "point of entry."

We have invited Homeland Security director Thomas Ridge and Canadian Foreign Affairs Minister John Manley to join border inspection agencies and our congressional delegation in convening a bi-national forum in Bellingham next April to review the status of the initiatives outlined above.

After a period of difficult news, we hope that by spring Whatcom County citizens will be able to enjoy a more secure and accessible border and a more vibrant economy.

Mr. SOUDER. Thank you.

Mr. Miller.

Mr. MILLER. Thank you Mr. Chair, Congressman Larsen. My name is Jim Miller, and I am the executive director of the Whatcom Council of Governments, a regional planning organization as well as the federally designated Metropolitan Planning Organization for this region. I would like to thank you for your invitation to testify before you today. Today I would like to discuss the importance of secure, cross-border transportation for this bi-national region.

The United States and Canada are each other's largest trading partner. This relationship holds true for most U.S. States as well—37 States have Canada as their primary trading partner. That is a show stopper. I noticed on your committee list here, I believe about 17 States that are represented—over twice that many States have Canada as their largest trading partner. So while my comments today focus on the border's relevance to this community, the way our shared border is realized and managed by both Federal Governments is of national as well regional significance.

Whatcom County and Lower British Columbia are joined by a set of border crossings often referred to as the Cascade Gateway. This area has prospered from a long history of social and economic ties. Families, jobs, shopping, and recreation cross the border. As a result, Blaine is the third busiest auto crossing on the Northern border and the fourth busiest commercial crossing.

Border-related responses to the September 11th terrorist attacks aimed at critical security concerns, are, as currently staffed and supported, impairing the trans-border activities that characterize the region's people and businesses. Key aspects of the post-September 11th border include: Level-one alert status—meaning longer and more detailed inspections with two inspectors in each lane. There is no time line for returning to a lower alert level. Two, the region's pre-approved traveler programs, PACE and CANPASS, have been shut down. Before September 11th, approximately one-third of Interstate 5 border traffic crossed by way of these expedited dedicated commuter lanes.

Our enrollment compared to a combination of all of the other DCL's in the country, and then you add all that up and maybe multiply by two you still have more enrollees out here. It has been tremendously successful.

These changes to inspections policy by both countries and the resulting border wait-time (2–3 hours during peak travel periods), have resulted in steep declines in regional, cross-border travel. October 2001 automobile crossings here in Blaine have been cut in half, actually down 46 percent compared to October 2000.

Why do people in this region cross the border? A study completed by the Whatcom Council of Governments last year answers this question. About one-half of trips are made for recreation, about a third for shopping, and almost one quarter of trips are for work. All of these trips represent financial and social transactions that Whatcom County is built on. Since September 11th, half of the trips are not being made.

One institution hit hard by new border policies is our regional hospital. Senator Gardner touched on it also. St. Joseph's Hospital

in Bellingham employs a large number of nurses and other professionals who commute from Canada. With Level-one status and the shut down of PACE and CANPASS—which most cross-border commuters used to avoid backups—the hospital has scrambled to deal with new border transportation challenges and maintain patient care. And, the medium-term likelihood is that, without a return shorter trip-times, the travel costs of cross-border commuting will eliminate a labor market that employers in our community depend on.

Our heightened focus on land border security will not be sustainable if it trades on our social and economic relationships.

In the near term, the Whatcom County-Lower Mainland B.C. region desperately needs the following: One, enough Federal inspection agency staff to open all of the inspection booths that are currently built here—both for passenger and commercial traffic. Two, the reinstatement of a pre-approved travel program. Three, continued development and installation of pre-arrival clearance systems for cross-border trucks. Four, infrastructure to support secure, pre-arrival processing and clearance for both trade and travelers.

Meeting these needs depends on coordinated support from multiple sources.

Efficient levels of staffing for ports of entry will require increased funding. Unified port management would also improve staffing efficiency.

Pre-approval of goods and people, a vital component of a secured-mobility future, will depend most on interagency and international enforcement integration.

And funding for border infrastructure and operations should be increased in next year's USDOT border program. The upcoming reauthorization of TEA–21 should also include increased funding for borders.

The ultimate, near-term goal should be secured mobility through dramatically improved integration. The United States and Canada need to establish standards on continental security, harmonize and integrate intelligence and enforcement, and consequently diminish dependence on our shared border. In the United States, the border and border agencies are currently the focus of several reform proposals. During this window of opportunity, I urge Congress to pursue policies that recognize land-border ports of entry as distinct environments, enhance agency functions that are interdependent, and unify functions that currently overlap.

In conclusion, I am encouraged by several developments over the last few weeks, such as: The recently signed Joint Statement of Cooperation on Border Security and Regional Migration Issues—I did sign this last Monday.

And also the Senate Defense Appropriations bill which includes significant funding for INS, Customs, and Northern border facilities and technology.

These developments, while prompted by tragedy, provide an unprecedented opportunity to improve our nations' security by being strategic and cooperating more. If we allow our U.S.-Canada border to grow as a barrier rather than managed its maturation as a critical part of a broader strategy, we will trade our sustenance for our security.

Again, thank you for the opportunity to express these perspectives for this region. I am happy to take any questions you might have.

[The prepared statement of Mr. Miller follows:]

Statement of Jim Miller
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Before the Committee on Government Reform
Subcommittee on Criminal Justice, Drug Policy, and Human Resources

Blaine, Washington
December 10, 2001

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Blaine: Peace Arch	Blaine: Pacific Highway	
2000 Autos	2000 Autos	2000 Trucks
2,101,604	1,230,543	516,829

Data reflects southbound traffic. Data supplied by U.S. Customs, Blaine, WA.

Border-related responses to the September 11 terrorist attacks, aimed at critical security concerns, are, as currently staffed and supported, impairing the trans-border activities that characterize the region's people and businesses. Key aspects of the post-September 11 border include:

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These changes to inspections policy by both countries, and the resulting border wait-times (2-3 hours during peak travel periods), have resulted in steep declines in regional, cross-border travel. October 2001 automobile crossings here in Blaine have been cut in half (down 46 percent) compared to October 2000.

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Oct. 2000	172,051	98,554	50,992	68,511	390,108
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Change	-89,170	-35,081	-10,360	-16,891	-151,502
% Change	-51.8%	-35.6%	-20.3%	-24.7%	-38.8%

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One institution hit hard by new border policies is our regional hospital. St Joseph's Hospital in Bellingham employs a large number of nurses and other professionals who commute from Canada. With Level-one status and the shut down of PACE and CANPASS (which most cross-border commuters used to avoid backups), the hospital has scrambled to deal with new border transportation challenges and maintain patient care. And, the medium-term likelihood is that, without a return to shorter trip-times, the travel costs of cross-border commuting will eliminate a labor market that employers in our community depend on.

Our heightened focus on land border security will not be sustainable if it trades on our social and economic relationships.

In the near term, the Whatcom County-Lower Mainland B.C. region desperately needs the following:

1. Enough federal inspection agency staff to open all of the inspection booths that are currently built here – both for passenger and commercial traffic. Today, Peace Arch has eight passenger vehicle inspection booths. Typically, no more than three are open. Pacific Highway has six passenger vehicle and three commercial vehicle booths. Typically, no more than two of each are staffed.

2. The reinstatement of a pre-approved travel program. The NEXUS pre-approved travel program, currently being piloted at Port Huron-Sarnia, is likely representative of a more secure pre-approved travel program that is being considered for use in this region. This program provides an opportunity to restore mobility for frequent travelers as well as an opportunity to manage pre-approved travel jointly between the U.S. and Canadian inspection agencies. It is crucial however that reinstated pre-approval programs be free of charge. Pre-approved travel makes sense because, by batching low-risk travelers, we agencies can concentrate more on regular traffic. However, unless a significant share of total traffic participates in the program, neither mobility nor security is improved.

3. Continued development and installation of pre-arrival clearance systems for cross-border trucks. Regional initiatives will, very soon, enable electronic clearance by U.S. Customs of bonds on cross-border transshipments. Changes to laws and policy are needed so that

these successful systems can be expanded to facilitate a broader array of import and export shipments.
Additionally, projects like the International Trade Data System (ITDS) now being pilot tested in Buffalo, NY, need to be developed further and applied broadly. This program coordinates shipment, driver, and vehicle data among Customs, Immigration, and Transportation agencies of both countries and essentially turns one country's export data into the other's import data.

4. *Infrastructure* to support secure, pre-arrival processing and clearance for both trade and travelers. Pre-cleared trucks should not get stuck behind non-cleared trucks. This will require systems and infrastructure to allow more efficient traffic segregation at ports-of-entry.
Also, the potential for border brokerages (bonded agents of the Customs agencies) to be better integrated with pre-arrival information and inspection systems needs to be explored.

Meeting these needs depends on coordinated support from multiple sources.

Efficient levels of staffing for ports-of-entry will require increased funding. Unified port management would also improve staffing efficiency. Today, U.S. Customs *and* INS share responsibility for staffing the port-of-entry booths where passenger-vehicles stop and are screened for admissibility into the U.S. With both agencies' staffing levels in flux over the years, with each agency's inspectors operating under different work-rules, and with both agencies making annual budget requests based on separate staffing-analysis models, clear quantification of regional border inspection staffing needs has been elusive. This situation has likely contributed greatly to *both* agencies' difficulties in getting the attention and the staff they need.

Pre-approval of goods and people, a vital component of a secured-mobility future, will depend most on inter-agency *and* international enforcement integration.

And, funding for border infrastructure and operations should be increased in next year's USDOT border program. The upcoming reauthorization of TEA-21 should also include increased funding for borders.

The ultimate, near-term goal should be secured mobility through dramatically improved integration. The United States and Canada need to establish standards on continental security, harmonize and integrate intelligence and enforcement, and consequently *diminish* dependence on our *shared* border. In the United States, the border and border agencies are currently the focus of several reform proposals. These include multiple proposals to reorganize the U.S. INS as well as a recent Senate Bill (S. 1749) focused on border security and visa reform. During this window of opportunity, I urge Congress to pursue policies that recognize land-border ports-of-entry as distinct environments, enhance agency functions that are interdependent, and unify functions that currently overlap.

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Again, thank you for the opportunity to express these perspectives for this region. I am happy to take any questions you might have.

Mr. SOUDER. Thank you very much.

Ms. Christianson.

Ms. CHRISTIANSON. Chairman Souder, Congressman Larsen, and in Blaine we can't thank you enough because you have come so far, and I honestly didn't think this was a formal thing when I agreed to do this. I thought it was just another hearing. It is not.

Mr. SOUDER. If you make a false statement under oath, it is not more than 5 years.

Ms. CHRISTIANSON. Well, it is not my fault. Mail said that I had to turn it into our street address and post office sent it back, so it is not my fault.

In recent history Whatcom County, and particularly our city of Blaine, WA, have been hit by some hard times. In the last 2 or 3 years we have witnessed the decline of the Canadian dollar and the impact it has had on our small community. In the last year we have seen two major manufacturers and employers—Georgia Pacific and Alcoa Intalco Works—close their facilities due to rising costs of doing business in our county. And now in the last 3 months we have experienced the aftermath of the September 11th attack.

With the attack of our country came increased border security which literally brought our small town to a standstill. We are a community that relies a great deal upon business from our Canadian neighbors. Since the 11th, Blaine businesses report their sales being down almost 75 percent. One business had to lay off 13 of their employees. Restaurants and gas stations are probably the hardest hit but every business in town is feeling the effect.

Out city has one of the most beautiful marinas in the area and approximately 65 percent of the slips are rented by Canadian tenants. After the 11th, several boat owners have moved their boats because they were unable to get across the border to check on them. Now we are into winter, and they don't come down as often. It is not as big an issue. When spring hits they want to come down and use their boats, they won't have access.

A large number of our Canadian residents own weekend/vacation homes in Blaine and Birch Bay. These property owners are already dealing with the decline in their dollar and now difficulties in crossing the border to get to their homes. This seems to be the last straw and people are stating that "It's just not worth it anymore," and they are putting their homes up for sale.

As Georgia was saying, our school district is affected. The children of Point Roberts have to go to four times a day. Two coming and two going. Now the school busses have priority, so that is not—but the kids who are old enough to drive their own cars don't get that priority.

As we all heard, we want PACE open.

Mr. Anderson, of Mr. Larsen's office, spoke at our Chamber last week and explaining that if they reopened it, it would heighten security. If a third of the people are going through, you are not going to speed anything up, and so we understand that.

Another area of concern is the truck crossing. It is not just truck crossing coming from Canada to the United States. In Blaine they back all the way down around down the freeway, so you have truckers that are not willing to go to Point Roberts. In our business we accept deliveries for the lumber yard in Point Roberts, and then

they send a truck down or they have somebody come and get it. The other day we ordered some fence panels for them. It took him 2½ hours to deliver our fence panels. I believe UPS does not go to Point Roberts. So they're really suffering.

Again, it is not just us. It is White Rock. People are not going up there. They have wonderful restaurants but nobody is going. Nobody wants to wait. While things are definitely slower in our community, this letter is not about doom and gloom. Our local Chamber has launched a program to encourage residents to shop locally first and support the businesses in town. While these efforts are making a small difference, it is nothing compared to the difference more staff at our borders could make.

Every person in our community and neighboring communities across the border realizes the importance of keeping our borders secure. Now more than ever we know that the price of freedom is eternal vigilance. We would ask you to understand that in order for our communities to survive it is imperative that people are able to move freely between the United States and Canada without worrying about line-ups and excessive delays.

While our community is surviving at the moment—we would like for it to be thriving. We need your help in this matter. Please send more staff to help our Border Patrol and Customs Agents.

Thank you.

[The prepared statement of Ms. Christianson follows:]

Pacific Building Center

❖ 2677 Bell Road ❖ PO Box 3480 ❖ Blaine, WA 98231-3480 ❖
❖ Phone: (360)332-5335 ❖ Fax: (360)332-5778 ❖

December 9, 2001

To: Mr. Conn Carroll

In recent history Whatcom County and particularly our City of Blaine, Washington have been hit by some hard times. In the last two or three years we have witnessed the decline of the Canadian dollar and the impact it has had on our small community. In the last year we have seen two major manufacturers and employers (Georgia Pacific and Alcoa Intalco Works) close their facilities due to rising costs of doing business in our area. And now in the last three months we have experienced the aftermath of the September 11th attack.

With the attack on our country came increased border security which literally brought our small town to a standstill. We are a community that relies a great deal upon business from our Canadian neighbors. Since the 11th Blaine businesses report their sales being down almost 75%. One business had to lay off 13 of their employees. Restaurants and gas stations are probably the hardest hit but every business in town is feeling the effect.

Our city has one of the most beautiful marinas in the area and approximately 65% of the slips are rented by Canadian tenants. After the 11th several boat owners have moved their boats because they were unable to get across the border to check on them. Now that winter is upon us and the boating season has slowed down it is not as large of an issue. Once Spring arrives; however, it will be entirely different. If they cannot access their vessels they will move them closer to their homes.

A large number of Canadian residents own weekend/vacation homes in Blaine and Birch Bay. These property owners are already dealing with the decline in their dollar and now difficulties in crossing the border to get to their homes. This seems to be the *last straw and people are stating that "It's just not worth it anymore" and they are putting* their homes up for sale.

Our school district has also been affected by the border. We are in a unique situation where the children of Point Roberts attend the Blaine School District. These children have to clear customs four times daily (twice going to school, twice on the way home). While the school buses are given special priority, it is still very difficult for the parents of these children to attend functions at their schools, or pick up their child from school if they are ill. In some cases sick children stay at the school for the rest of the day because it takes their parents too long to get through the border.

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The biggest single complaint I have heard from both US and Canadian citizens is that people would like to have the PACE Lane re-opened. They understand that they may be searched or have to produce ID each time, they just want the lane that they *paid* for given back to them.

In speaking with Mr. Anderson of Washington State Representative Rick Larson's office he tried to convey that even if they opened a special commuter type lane, it would still be somewhat futile because about 33% of traffic has a PACE sticker. And a revised PACE Lane would require cars to stop instead of moving steadily through the border. Thus the third of traffic that are sticker holders will just be shifted to another single line that is just like the others. While this makes sense the general consensus is that people are not getting what they paid for.

Another area of concern is the delay for trucks trying to cross the border. Blaine has a brand new state of the art crossing, yet trucks are still backed up for several hours waiting to cross. Businesses in Point Roberts are having difficulty getting deliveries because the trucking companies are not willing to have pay their drivers to wait in long lines. We have been accepting deliveries for the lumber yard in Point Roberts and then they send their driver down, or use another delivery service from Bellingham. This results in increased business costs for businesses that are already suffering.

It is not just our side of the border that is feeling the effects of September 11th. The city of White Rock has the same problems and concerns that Blaine and all of Whatcom County share. In the past people would think nothing of going across the border to shop and/or have dinner in White Rock. Now due to long waits people forego the short trips across the border.

While things are definitely slow in our community this letter is not all about doom and gloom. The Blaine Community Chamber of Commerce has launched a program to encourage residents to shop locally first and support the businesses in town. **While these efforts are making a small difference it is nothing compared to the difference more staff at our borders could make.**

Every person living in our community and neighboring communities across the border realizes the importance of keeping our borders secure. Now more than ever we know that the price of freedom is eternal vigilance. We would ask you to understand that in order for our communities to survive it is imperative that people are able to move freely between the US and Canada without worrying about line-ups and excessive delays.

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While our community is surviving at the moment – we would like for it to be thriving. We need your help in this matter. Please send more staff to help our Border Patrol and Customs Agents.

Sincerely,

Pam Christianson

Pam Christianson
President
Blaine Community Chamber of Commerce

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Mr. SOUDER. Thank you very much.

Mr. Clement. You are vice president of——

Mr. CLEMENT. The National Treasury Employees Union. Local Chapter 164.

Mr. SOUDER. So you represent Customs.

Mr. CLEMENT. Customs. Chairman Souder, Representative Larsen, thank you for the opportunity to provide this testimony. I am one of the many U.S. Customs employees who serve as the first line of defense on the border between the United States and Canada.

I am the president of the National Treasury Employees Union, Chapter 164. I represent over 200 uniformed and non-uniformed employees of the U.S. Customs Service. My chapter covers 14 ports of entry, 13 of those are in the State of Washington. It stretches as far north as Vancouver, British Columbia—Vancouver Pre-clearance—as far south as the San Juan Islands and reaches as far east as Metaline Falls. Each of these locations specialize in a task essential to the Customs mission. Those tasks range from the clearance of passengers on planes, ferries—automobile and pedestrian—ferries, Amtrak, automobiles, boats, small boats, and pedestrians at land borders to the clearance of commercial merchandise at our commercial truck facilities, rail stations, seaports, and air cargo facilities.

To assist us with the threat assessment at the Northern border, Customs has installed an auditing system called COMPEX which takes a random sample of traveling conveyances. Our data tells us that in the Northwest, we have the richest environment for noncompliance in the country. Noncompliance is a term that identifies violations of customs or other agency law.

In light of the recent world and domestic events, Customs must tighten security at ports of entry. It is not acceptable to allow automobiles, trucks, and pedestrians through and around our checkpoints without inspection. This happens on a routine basis.

There are many solutions to preventing these problems, some are costly, and others are as simple as installing a metal gate to close a traffic lane as opposed to a single orange traffic cone. Surveillance cameras and plate readers, license plate readers that is, could be installed in locations where physical identifiers such as license plate numbers, the make, model, color, and possibly the identity of the occupants can be readily researched for intelligence and pursuit purposes. This would provide Border Patrol and other assisting agencies with a specific target to challenge those attempting to circumvent inspection and avoid detection. Without these tools we are limited and the security of the United States remains at risk.

Illegal entry into the United States is quite simple. We have miles of wooded areas between ports. These locations conceal the movements of traffickers and terrorists alike. Our only defense is the small number of Border Patrol Agents and Customs Agents that are understaffed and overwhelmed with their huge area of responsibility. This is not to mention the wide-open waterways of the Puget Sound and Pacific Ocean. At the area Port of Blaine, we have a telephone reporting system where a traveler on a small watercraft can call and report their arrival to the United States up

to 1 hour before they leave their residence. Those same systems are in place for small aircraft and hikers on international trails between the United States and Canada. The problem with these systems is that we have no control over when the report of arrival is made. Many report after they have reached their destination and returned to their home nearby. Even if we had the ability to send someone to their location to inspect them and their conveyance upon notification, the off loading of contraband or subjects of interest may have already occurred. Most of the smugglers encountered by Agents during enforcement operations don't even bother to call because the chances of getting caught are minimal. Recently the Bellingham Herald, a local newspaper, wrote an article identifying this same topic. I believe the name of the article was "The Simplicity of Entering the U.S. Unlawfully."

Commercial cargo at Blaine travels through a new $14 million facility. At this facility, a commercial truck with a container full of foreign goods can have its cargo cleared and entered into the United States in less than a minute. That same conveyance can be selected for inspection and required to back up to the loading dock or told to pull ahead to the mobile x-ray vehicle. After referral, the inspector has no capabilities to monitor the movement of the shipment because the layout of the facility is not conducive for continuous monitoring once it leaves the primary booth and the inspector's line of sight. This creates a huge security and safety issue. If a vehicle had a dangerous shipment that could cause harm to America, it could feasibly keep on going and not be detected until minutes later. Sometimes the cargo is legitimate, but it may contain contraband placed in the shipment by the driver or someone loading it. This is not only a problem at Blaine. Other facilities have less technology and worse security. It is important to note that truckers communicate with each other, and they know which port to go to minimize the likelihood of delay.

Rail cargo is a different topic. I would like to mention that we have less control of those shipments. At the area port of Blaine, we have no inspection facility for clearing the five cargo trains averaging 70 plus cars, or the Amtrak train from Vancouver to Bellingham.

Customs is not faring well on the legislative appropriations front. The information I am hearing from the media suggests that Customs is far from the focus of Congress. This is unpleasant news in that Customs has taken the lead on the Northern border in staffing major and remote ports of entry 24/7. Customs has staffed their cargo facilities to ensure that the billion-dollar commerce between Canada and Customs continues to flow at pre-September 11th levels. At the area of Blaine, this demand has forced staffing on the midnight shift to double. This translates to 10 Customs Inspectors staffing three locations and an 11th being reassigned to work both rail and cargo, while Immigration's staffing on the same shifts has only increased by 1. These additional assignments create even heavier demands on an already heavy work week.

Customs employees in Chapter 164 are a motivated group with a can-do attitude. They have embraced every new technology that has been rolled out by Customs. They have mastered that technology and become experts in use in a very short time. They work

long hours under less than ideal conditions. Inspectors work most holidays, and yet some inspectors volunteer to work 16 hours on holidays so that others can be home with their families. Throughout our chapter, inspectors routinely work two to three double shifts a week. I know of two inspectors who put off cancer treatments in the days after the events of September 11th, just so that they could do their part. Yet still after many long hours in the rain, wind, cold, and sacrifices, they remain professional in the face of adversity.

I would like to thank you for the opportunity to submit testimony on behalf of all of the members of the National Treasury Employees Union, Chapter 164.

[The prepared statement of Mr. Clement follows:]

Statement by:

Barry Clement
President of the National Treasury Employees Union
Local Chapter 164

December 10, 2001

Before

The Subcommittee on Criminal Justice, Drug Policy and Human Resources
Of the House Committee of Government Reform

Representative Mark Souder, Chairman
Representative Rick Larsen

Chairman Souder, Representative Larsen, thank you for the opportunity to provide this testimony. I am one of many U. S. Customs employees who serve as the First Line of Defense on the border between the United States and Canada.

I am the President of the National Treasury Employees Union, Chapter 164. I represent over 200 uniformed and non-uniformed employees of the U.S. Customs Service. My chapter covers fourteen ports of entry, thirteen of those are in the State of Washington. It stretches as far North as Vancouver, British Columbia (Vancouver Pre-clearance), as far south as the San Juan Islands (Friday Harbor) and reaches as far east as Metaline Falls, WA (near the Washington/Idaho state line). Each of these locations specialize in a task essential to the Customs mission. Those tasks range from the clearance of passengers on planes, ferries (both vehicle and pedestrian), Amtrak, small boats, and pedestrians at land borders to the clearance of commercial merchandise at our commercial truck facilities, rail stations, sea ports, and air cargo facilities.

To assist us with the threat assessment at the northern border, Customs installed an auditing system (COMPEX) which takes a random sample of travelling conveyances. Our data tells us that in the Northwest, we have the richest environment for noncompliance in the country. Noncompliance is a term that identifies violations of customs or other agency law(s).

In light of the recent world and domestic events, Customs must tighten security at ports of entry. It is not acceptable to allow automobiles, trucks, and pedestrians through and around our checkpoints without inspection. This happens on a routine basis.

There are many solutions to preventing these problems, some are costly, and others are as simple installing a metal gate to close a traffic lane as opposed to a single orange traffic cone. Surveillance cameras and plate readers need to be installed in locations where physical identifiers such a license plate number, the make, model, color, and possibly the identity of the occupants can be readily researched for intelligence and pursuit purposes. This would provide Border Patrol and other assisting agencies with a specific target to challenge those attempting to circumvent inspection and avoid detection. Without these tools apprehensions are limited and the security of the United States remains at risk.

Illegal entry into the United States is quite simple. We have miles of wooded areas between ports. These locations conceal the movements of traffickers and terrorists alike. Our only defense is the small number of Border Patrol Agents and Customs Agents that are understaffed and overwhelmed with their huge area of responsibility. This is not to mention the wide-open waterways of the Puget Sound and Pacific Ocean. The U.S. Coastguard is our primary defense there. At the area port of Blaine, we have a telephone reporting system where a traveler on a small watercraft can call and report their arrival to the U.S. up to one hour before they enter U.S. waters. Those same systems are in place for small aircraft, and hikers on international trails between the U.S. and Canada. The problem with these systems is that we have no control over when the report of arrival is made. Many report after they have reached their destination and returned to their home nearby. Even if we had the ability to send someone to their location to inspect them and their conveyance upon notification, the off loading of contraband or subjects of interest may have already occurred. Most of the smugglers encountered by Agents during enforcement operations don't even bother to call because the chances of getting caught are minimal. Recently the Bellingham Herald, a local newspaper, wrote an article identifying this same topic (The simplicity of entering the U.S. unlawfully).

Commercial cargo at Blaine travels through a new fourteen million-dollar facility. At this facility, a commercial truck with a container full of foreign goods can have its cargo cleared and entered into the U.S. in less than a minute. That same conveyance can be selected for inspection and required to back up to the loading dock or told to pull ahead to the mobile X-ray vehicle. After referral, the inspector has no capabilities to monitor the movement of the shipment because the layout of the facility is not conducive for continuous monitoring once it leaves the primary booth and the inspector's line of sight. This creates a huge security and safety issue. If a vehicle had a dangerous shipment that could cause harm to America, it could feasibly keep on going and not be detected until minutes later. Sometimes the cargo is legitimate, but it may contain contraband placed in the shipment by the driver or someone loading it. This is not only a problem at Blaine. Other facilities have less technology and worse security. It is important to note that truckers communicate with each other, and they know which port to go to minimize the likelihood of delay.

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Customs Employees in Chapter 164 are a motivated group with a can-do attitude. They have embraced every new technology that has been rolled out by Customs. They have mastered that technology and become experts in its use in a short period of time. They work long hours under less than ideal conditions. Inspectors work most holidays, and yet some Inspectors volunteer to work 16 hours on holidays so that others can be home with their families. Throughout our chapter, Inspectors routinely work two to three double shifts a week. I know of two Inspectors who put off cancer treatments in the days after the events of September 11, just so that they could do their part. Yet still after many long hours in the rain, wind, cold, and familial sacrifices, they remain professional in the face of adversity (For example: a foreign traveler who voices their negative feelings about the U.S. and its policies when they arrive at the inspection station).

I would like to thank you for the opportunity to submit testimony on behalf of all the members of the National Treasury Employees Union, Chapter 164, and I would be glad to answer any and all question you may have at this time.

Mr. SOUDER. Thank you for your testimony.

I want to make sure that both you and Mr. Emery take back to your fellow members how thankful both Mr. Larsen and I and all Members of Congress so your thoughts in Washington can be expressed. Our thanks as you work over time, work long hours, give up going in for cancer treatment. You are going above and beyond the call of duty and we appreciate that. I think that with Mr. Boehner on board, Mr. Ziegler clearly has been on the hill before and working it hard. Mr. Boehner, you are seeing more attention paid to these areas and you will. And some of the questions will bring some of this out. I want to make sure you take back to your members that, in fact, you are appreciated and you realize that we are only as safe in our country as the skill of your employees at detecting and catching those people like over at Port Angeles or others. Finding drug loads, focusing on the terrorist at the range.

I would like to point out, we are all paranoid about threats. We have had five people die. 17,000 people last recorded have died. Narcotic attacks in the United States. We are under that. We are at a point trying to stop that.

Mr. EMERY. My name is Jerry Emery and I am the vice president of Local 40, the American Federation of Government Employees.

Mr. Chairman and other honorable members of the subcommittee, thank you for allowing me this opportunity to testify before you about my knowledge of the Northern border immigration inspections process. I have proudly served the Immigration Services 20 years, 7 years in the deportation branch and 13 years as an inspector on both the Southern and Northern borders.

I am here today as a representative of all concerned employees and as their advocate. These employees are dedicated men and women who protect our borders and perform the task of enforcing the laws of the land while providing service to the traveling public. They serve as the first representative of the United States a traveler encounters upon arrival at our ports of entry, with the responsibility of preventing drug and alien smugglers, terrorists, and other inadmissible persons from entering this country.

Unfortunately, immigration inspectors are regularly frustrated in their efforts to perform their duties in a consistent manner. Their efforts to enforce the letter and spirit of the law, perform adequate inspections, or conduct system checks and interviews necessary to intercept and exclude criminal aliens, are hampered by an organizational interest in facilitation. This is demoralizing to the inspection staff and severely lowered the recruitment and retention rates. In addition, the fact that there is disparate pay and benefits between them, the Border Patrol, and other Federal agencies, inspectors are not afforded law enforcement status or eligibility to retire after 20 years of service.

I want to thank Mr. Coleman and Mr. Hayes for the support on this issue.

Currently, the more than 3,000 miles along the Northern land border of the United States is protected by a few understaffed ports of entry like the Peace Arch in Blaine, WA. The Peace Arch is an eight lane port of entry, my duty station, is manned by a cadre of highly trained and motivated individuals who take seriously the trust placed in them by the American public. The Port operates 24

hours a day, 7 days a week, 365 days a year, and is to date staffed with just 24 inspectors who must perform both primary and secondary inspections, expedited removal, and adjudicate visa packages and immigration benefits services. As land border inspectors, they also perform Customs and Agricultural inspections as part of their primary duties. They intercept and arrest criminal applicants, possible terrorists, and other violators of the law all the while providing the best service possible without complaining or failing in their duty to protect our borders.

This lack of manpower coupled with the higher security levels in light of the threat of future terrorist actions, has resulted in the traveling public being forced to wait many hours to enter the United States. This problem is not unique to one port of entry or the Northern land border. Airports and land border ports of entry throughout the country are chronically short-staffed and under funded.

The issue of increasing border security that we all face here today is extremely complex and no one person or group can provide the solution. I believe that a concerted and co-joined effort by the newly appointed Commissioner of Immigration and Naturalization Service and his staff, the Attorney General, the heads of other Federal agencies, lawmakers, and the public, a solution can be found. I do maintain that any realistic solution should involve meeting the appropriate staffing levels.

The employees of the INS applaud the new commissioner and your fellow Members of Congress for focusing on our issue. They remain dedicated to their commitment to the safety of those who place their trust in them and ask for your assistance and support in their effort to consistently enforce the immigration laws of this country.

[The prepared statement of Mr. Emery follows:]

STATEMENT

OF

JERRY B. EMERY

VICE-PRESIDENT

LOCAL 40

(BLAINE WASHINGTON)

NATIONAL IMMIGRATION AND NATURALIZATION SERVICE COUNCIL

OF THE

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

AFL-CIO

IMMIGRATION INSPECTIONS PROCESSES ON THE NORTHERN BORDER OF THE UNITED STATES

BEFORE THE

SUBCOMMITTEE OF

CRIMINAL JUSTICE, DRUG POLICY, AND HUMAN RESOURCES

OF THE

COMMITTEE ON GOVERNMENT REFORM

DECEMBER 10, 2001
1:30PM

Mr. Chairman and other honorable members of the subcommittee, thank you for allowing me this opportunity to testify before you about my knowledge of the Northern Border Immigration inspections Process. I have proudly served the past 20 years in the Immigration and Naturalization Service. The experience gained from 7 years in the Deportation branch and 13 years as an Inspector on both the Southern and Northern land borders has given me perspective from the managerial and employee standpoint.

I am here today as a representative of all concerned employees and as their advocate ask for increased accountability and oversight into the managerial practices of the INS. Those employees are dedicated men and women who protect out borders and perform the task of enforcing the laws of this land while provided service to the traveling public. They understand the mission of the Service and their dual role therein. They serve as the first representative of the United States a traveler encounters upon arrival at one of our ports of entry, with the responsibility of preventing drug and alien smugglers, terrorists, and other inadmissible person from entering this country.

Unfortunately, Immigration Inspectors are regularly frustrated in their efforts to perform their duties in a consistent manner. Their efforts to enforce the letter and spirit of the law, perform adequate inspections, or conduct the systems checks and interviews necessary to intercept and exclude criminal aliens, are hampered by an organizational interest in facilitation. Many times evidence of criminal intent or conduct goes undetected due to systems failures or lack of communication between the Service and intelligence agencies. Managers pressured to meet the rapidly increasing workload with inadequate inspection personnel and resources are forcing Inspectors to perform more inspections in less time, and choosing to release rather than detain suspected criminal aliens.

This has demoralized the Inspections staff and severely lowered the recruitment and retention rates. In addition, the fact that there is disparate pay and benefits between them, the Border Patrol, and federal agencies because Inspectors are not afforded law enforcement status or eligibility to retire after 20 years of service.

Currently, the more than 3000 miles along the Northern land border of the United States is protected by a few understaffed ports of entry like the Peace

Arch Port of Entry located in Blaine, Washington. The Peace Arch an eight lane Port of Entry, my duty station, is manned by a cadre of highly trained and motivated individuals who take seriously the trust placed in them by the American public. The Port operates 24 hours a day, 365 days a year, and is to date staffed with just 24 Inspectors who must perform both primary and secondary inspections, expedited removals, and adjudicate visa packages and immigration benefits services. As land border Inspectors, they also perform Customs and Agricultural inspections as part of their primary duties. They intercept and arrest criminal applicants, possible terrorists, and other violators of the law all the while providing the best service possible without complaining or failing in their duty to protect our borders.

At Peace Arch, Inspectors are now working standard 50 hour plus work week. The daily workforce consists of 4 to 6 Inspectors scheduled on the day shift, 4 to 6 Inspectors are on duty during the evening shift, while on the midnight shift, statistically one of the most dangerous tours of duty, the port is manned by 1 individual. There has been additionally detailed staff to help with support (4 Inspectors and 4 Border Patrol Agents).

This lack of manpower coupled with the higher security levels in light of the threat of further terrorist actions has resulted in the traveling public being forced to wait up to 7 hours on one weekend with at about a 1 to 4 hour wait on weekdays. This problem is not unique to one Port of Entry or the Northern land border, airports and land border ports entry throughout the country are chronically short-staffed and under funded.

The issue of increasing border security that we all face here today is extremely complex and no single person or group can provide the solution. I believe though, that through a concerted and co-joined effort by the newly appointed Commissioner of Immigration and Naturalization Service and his staff, the Attorney General, the heads of other federal agencies, lawmakers, and the public, a solution can be found. I do maintain that any realistic solution reached should involve meeting the appropriate staffing levels immediately and making provisions to transfer experienced Inspectors already employed by the Service to fill some of the Northern border positions, providing law enforcement coverage and benefits to Inspectors, and better information sharing technology.

The employees of the INS applaud the new Commissioner, you, and your fellow members of Congress for focusing on our issue. They remain dedicated to their commitment to the safety of those who place their trust in them and ask for your assistance and support in their effort to consistently enforce the immigration laws of this country.

That completes my testimony and I prepared to provide as accurate and truthful an answer your questions as my knowledge and experience permit.

Mr. SOUDER. Thank you very much for you testimony. And this is the final panel because you can see we have—both sides of the argument in the same panel how to reconcile, and the questions are going to be interesting in trying to work this through. Members of the Congress, for those who have to work in Washington—7 minutes on any subject is a miracle. And to be able to be here a whole day and hear actual debate internally, being able to have Customs and feel the question when another voice is raised, we don't even get that because we are too distracted with all sorts of voting and bells going off. This has been tremendously helpful for us to concentrate and we appreciate that. We were hoping in the Appropriations bill to try to work with the Civil Service Committee and Appropriation to get this problem fixed on the law enforcement status, but it is a little more complicated in relationship to trying to work with the different agencies.

But we are trying to address it. Mr. Ziegler brought it up twice at our subcommittee hearing. He clearly wants to address it the sense of Border Patrol. We are very aware of it because particularly this is kind of a new angle here today about not having job preference as much here. We already had a huge question, 60 Minutes or somebody did it. Not very pretty story, but we had problems so we know we have to address that question. How and when, we can't assure that right now, but there is a high degree of awareness.

Before September 11th—we call them cardinals, but chairman Rogers and Chairman Wolfe called a meeting of those interested in border issues. Normally—I think we had 30 or 40 members show up. And one of the things that Mr. Ziegler said, talking about tripling Border Patrol, he said, we lost five agents. What do you mean, you lost five agents? You are supposed to be adding. And there is a general awareness across the board about the challenge we have right now as we look at airport security, sky marshals, more people in the military potentially in the long term here, guards getting exhausted as we use them for everything. And we have to figure out how to pay for this.

Of course, being from Indiana, Ms. Daniels is a friend of mine, and just spoke at a big Republican dinner in Indiana. And everybody cheered when they said, cut the budget. Then afterward they come up to me and said, not our roads, our Security Trust Fund, by the way we need more tax relief, by the way we need more this and that. And that is our dilemma. Senator Gardner knows it is a constant pressure we are trying to work through in time past, but we are more conscious of this, and we are going to try to address it.

Let me ask a generic question first. Because in listening to the last panel and this panel actually, you all agree that the smaller businesses in the United States are being hurt more than the bigger business?

Mr. KREMEN. I think that is—that is just the way the economy is any more. I mean, it is pretty tough for ma and pa to make it anymore because everybody is gobbling up everybody else. But that is generic. Here we are all feeling the effects. Not only the economy but the ramifications from September 11th. It is across the border.

I don't know about British Columbia, but here it is across the border.

Mr. SOUDER. Let me ask a—driving up last night from Seatac Airport, if anybody doubts that the world has changed since September 11th, I had half my district at lunch today talking about a knife being pulled at Seatac Airport. Before that it would not have been a national story. It's a whole different world right now. In Bellingham and some of the other areas there are large business areas, malls, number of things, and further south some of the cities that some of the reason we are seeing that the traffic—in other words, the traffic may not be down 70 percent as a whole, but is part of that because the traffic that was going to Seattle is still going to Seattle or moving some of the bigger cities and smaller cities have been affected?

Senator GARDNER. I think if you look at the pattern, well, first let me start, Mr. Chairman, by saying, you would make your life a whole lot easier the next time you come to visit Blaine, if you will fly into the Bellingham Airport. It is much more pleasant. We see a pattern of the shoppers, if you will, people who want to go to the theater, want to go shopping, want to go to the restaurant, where they start coming down and they will go all the way down to the first Nordstrom store, which is in the north end of Seattle. So within that area you will see a lot of people coming. Obviously, they peel off along the way.

We get a lot of gas and grocery store people here in Blaine. We get a lot of people in our restaurants. Bellis Fair Mall, which is the big shopping mall in Bellingham, has a tremendous amount of Canadian shoppers there. But we still see people going south. One of the reasons, unfortunately, that we can sort of measure the impact in our local businesses, is that the economic down turn hit us a lot earlier than it did a lot of other places. Fully a year before the September 11th act, we had already seen the real restriction in our economy because of the two major layoffs. And what we have seen here in the Whatcom County area is really apart from the economic situation. It is more a part of the border, so when we say 50 or 60 percent, that really is a reflection of the loss of the Canadian shoppers.

Mr. SOUDER. Is part of that addition—good job of separating. I am trying to figure out some of this geographic. You are thinking, I am going to spend a Saturday and go down to Portland. The additional delay at the border may not be as significant if I am going across for lunch or I am going to gas up. In other words, are they seeing 70 percent drops further down?

Senator GARDNER. Yes. As for the Canadian shoppers, I would expect, yes, they are. Because the person that is going to come across just for gas or for groceries is just simply not going to come. But the person who might want to drive down to the first Nordstrom store, you are looking at 2 hours in the car just for driving time to the border. If you add travel time on the other side of the border and the border wait, there is no time to shop, so they don't bother. I think it is pretty well across the border.

The only time that I think people will brave it is if they are coming for a longer period of time. If they are planning to spend a weekend or if they are catching a plane to go fly down to Mexico

or to Alaska or something, then they are going to come across, but pretty much we are not seeing people if they have an opportunity, no.

Mr. KREMEN. I get the idea you have the impression that people primarily go to buy a couple of toys or a meal or see a movie. I mean, just the statistics that were given to us earlier today about the truck traffic. The decrease in the truck traffic is monumental. And I think that is kind of indicative of the whole situation across the whole set. It is not just what you would think would be someone just going to have dinner or a day trip. People in British Columbia that were doing a lot of business in the States and using this community kind of a satellite base, have either quit doing that or are contemplating quitting doing that because of the hassle, time, and as you well know, time is money, and it doesn't pencil out. It is a pretty severe situation here. More than you would think on the surface.

Mr. SOUDER. I am trying to sort out a little bit out—what is the difference between small and large and also the fact border change over longer periods since September 11th is not as great as you're right on the border here.

Mr. MILLER. Let me see if I can take a—roughly 70 percent of the passenger vehicles that cross the border go through Whatcom County, and I suspect——

Mr. SOUDER. What percent?

Mr. MILLER. Seventy percent. Now they are on their way primarily to Seattle. Now those numbers are based on surveys. But I suspect it has been across. And I agree with Senator Gardner, that more than likely, and I think I can check for you on that and check sources.

As far as large versus small, I would suggest that in this area because we are primarily, we have a few big concerns, Georgia Pacific, the university, and Intalco; but most of our business here, as across the United States, is made up of smaller businesses. But I suspect that because 37 States have Canada as their largest trading partner, that sooner or later this is going to hit all elements of the economy. And I think the dependence, the inner dependence between Canada and the United States, I don't think is really realized. I know that 85 percent of the Canadian international trade with the United States. But it goes both ways. So I suspect that it would be cross sector.

Mr. KREMEN. Keep in mind that the population in all of Canada, about 28 million people, 90 percent of those inhabitants live within 100 miles of the border. So they are naturally going to be affected somewhat.

Mr. LARSEN. Just a few facts. Washington State unemployment rate, 6.6 percent. That was the last number that came out, which apparently is the highest in the country. Last week it announced that the country unemployment rate was 5.7 and might go to 7 percent. We are already at 6.6, and we are likely to go higher. Boeing hasn't yet laid people off. Those people's first round is this Friday. We are just getting hit a little bit harder in Washington State.

With regards to Whatcom County, sort of been hit by the perfect storm. You know, last year it was the energy crisis that knocked, helped knock GP off the map, Georgia Pacific. And then, of course,

Intalco. And then you had the decline of the economy generally. Then September 11th. All of that contributed to the perfect storm of unemployment, if you will, and therefore hitting the small businesses, large businesses, all the way around. So my initial comments, I started out by saying you are unique geographically in Whatcom County. I think a good argument made about that.

I want to ask a few questions, if I may. First off, echo the comments Chairman Souder about the support for the people in the front line. I had a chance to meet with Mr. Ziegler as well. He is very committed to doing what he can to support INS employees, those on the front line. I haven't had a chance to talk to Mr. Bonner yet. He hasn't scheduled things so we were not able to meet, but I do plan to followup with that. There is support for people on the front line as a recognition that on the front line, when you are working 16 hour days, that is not something that anyone considers the norm. And I want to try to do something about that. Mr. Coleman, I want to ask you questions about that, about 16 hour days and your sacrifice. What kind of role do your members have in deciding what hours to work or not work? Sixteen hour day is a long day. Is it strictly volunteer?

Mr. CLEMENT. We have a volunteer system in Blaine where you pick the days you want to work and, hopefully, the scheduler can accommodate that. So say I take—this week I am taking Tuesday, Wednesday, and Thursday as a 16 hour day. Some people choose to work the 6th day as overtime. That is basically how it goes at our port. I don't know how it goes at Oroville. Hopefully it is the same.

Mr. LARSEN. Was that in place before the 11th?

Mr. CLEMENT. Yes.

Mr. LARSEN. Is your regular week a 48 hour week?

Mr. CLEMENT. No. Our regular week is 40 hour week. We kind of promise to volunteer for a double during that time. Right now we are up to two. We are putting two on top of that.

Mr. LARSEN. I have written a letter asking for 70 additional Customs Patrol. That is the number—Do you think that is a good number?

Mr. CLEMENT. I think that is a solid number. That is the Research Allocation Model? I have a lot of faith in that. It took 1 percent of our Customs—Customs' budget to come up with those numbers when we went through that audit.

Mr. LARSEN. We might as well use it.

Mr. CLEMENT. It was hard to take at the time, peel off 1 percent. We had a lot of argument about that.

Mr. LARSEN. Jim, you mentioned the term secured mobility. And we talked about that before. And we will be reauthorizing T–21 in about a year and a half or so. Talking about reauthorization, we have started talking about it and jump to that for a minute. What do you see differently in terms of mobility and transportation of infrastructure to address security generally?

Mr. MILLER. Well, generally I think that we have to improve our technology, whether it is NEXUS. I know we have some regional initiatives up here as far as bonded cargo, pre-clearance, and I think that has to be broadened. I think as far as reauthorization goes, you have a brand new program that in that the Border Sec-

tion 11.18, 11.19 both are funded from one pot of money. Initially started through the process. When it came out of Federal highways there was a firewall between those two. I believe the total on an annual basis is about $144 million, take down it is a net of about $120 million. So both borders around the country. I would suggest that the firewall be reinstored and that there be adequate funding for infrastructure that goes along with some of this technology. I mean, you have to have both. For example, you can't have technology pre-clearance without a lane separating pre-clear and non-preclear.

And then getting to question as to specifics in our area. We have through our IMPC up here at the border, all of the agencies, Federal, State, provincial, local governments and the private sector to identify and solve problems. And it has been tremendously successful. And I think that the infrastructure at the commercial crossings, for example, 543 has been identified as a top priority for the IMPC, for 3 or 4 years now. That really—get that fund in the next year or two. I think we could make this a model because it has technology. Soon as we get the staff. That is the first thing. But it has technology. It has the proper separation. It has security. It has been out there for a number of years. It is ready to go. We have $15 million of about a $25 million project. That money sits waiting for additional funds necessary, and that will do it for us.

Mr. LARSEN. Just to highlight the letter that Senator Gardner has attached. I had a chance to meet with the prosecuting attorney about this issue of funding and for the cases that they prosecuted and U.S. Attorney's Office could prosecute. I just want to highlight that as a, just another example of the problems that we are having in Whatcom County because of this compilation of events here. It is tough enough—as a former county elected official, it is tough enough to be at the bottom of this chain and being asked to do a lot of things. Problem—and Mr. Kremen outlined another example. Just another example of these mandates that the county elective have attempted to fulfill and Whatcom County is ever tougher.

Mr. MILLER. Mr. Larsen, I would like to comment on that. Mr. Souder. This is where the geographic and demographic is unique in our area. We are the third busiest border crossing between United States and Canada, yet the fourth busiest commercial crossing. Yet when you look at the level of activity you have here as opposed to Buffalo, Detroit, even on the southern border of the major crossings—San Diego, the infrastructure is usually the other way around. We have large U.S. cities that are on the border, and more able, I think, to absorb some of the criminal justice issues. Here we have a reverse. Here we have a huge population north of us and small infrastructure here to take care of the tremendous trade and movement across the border. And it does make us a little bit more difficult situation than you see at the other major border crossings. It is tough.

Mr. KREMEN. We also have a larger percentage than almost any other community of individuals who are denied access in Canada and they wind up, people with mental disabilities, mental problems, so it is a real strain on our human services department and our health department. And you add that with the collection of criminal elements because of the border town, etc., it really does

exacerbate the normal problems that your ordinary community has to deal with. And again, to underscore the difference between our community and say, Buffalo and Detroit, we just don't have the financial wherewithal or the ability to generate the kinds of local revenue to deal with these problems. I think we need some special focus and attention. And I am not looking for a handout, but I do think that there needs to be some reasonable deliberation on, well, maybe I will take.

Mr. SOUDER. I think maybe one of you can give us something to put in the record at this point that tells us why this is a wonderful place to live.

Ms. CHRISTIANSON. We have 1,300 people in Point Roberts. We have 3,500 in Blaine. We have about 7,000 in Lynden and 1,000 in Sumas. And it is so important to have you here and listen to our concerns because it is a wonderful place to live.

Mr. SOUDER. Before we close, there was something you said that I didn't understand with regard to the border crossing. In your second page you said you were talking about new commercial facility. And you said the inspector has no capabilities to monitor movement and shipment.

Mr. EMERY. Excuse me, sir. That's me.

Mr. SOUDER. Sorry. Can you explain what you mean by no capability to monitor? You mean once they go through they can run for it?

Mr. EMERY. Yes. Basically the primary lanes are facing straight north. And the truck has to take a 90 degree turn. Goes around the corner and you lose visual contact with it. And the loading dock is around on the west and set behind the building, so you can't see if your referral went into the loading dock or not. A lot of commercial carriers and stuff so you have some in-house formal way of making sure that goes, but when you get busy, you can't make sure if they are all parking where they are supposed to park.

Mr. SOUDER. Do you know of any cases where they just keep going?

Mr. EMERY. Yeah. They just keep going around the building and head on down the freeway. Once they get within a minute, a mile away from the border; 3 minutes will be off the freeway.

Mr. SOUDER. But you don't know of any cases at this point? What would you do to fix it?

Mr. CLEMENT. We call Border Patrol. Oh, what we do to fix it? Just technology, monitoring system, camera. It was a design flaw that we identified before the building went up.

Mr. SOUDER. Mr. Emery, the question I had for you were two. One was where you made a written testimony was a little stronger as you went through. You felt that your office put in pressure between trying to expedite traffic and do your clearance. Does that build on weekends?

Mr. EMERY. Yes, it does. From Friday through Sunday it does.

Mr. SOUDER. As a practical matter, do different agents decide which things they are going to check? Do you do more profiling, or what do you do?

Mr. CLEMENT. Each inspector has its own way of dealing with the amount of people that come in and out. We don't normally do a profiling kind of thing. It is—each officer has their experience,

and he uses that experience, and as we lose officers we lose that experience. When we lose that experience, people fall through the cracks.

Mr. SOUDER. You know, people think of profiling as a bad thing but I came across legalized marijuana and——

Mr. EMERY. I don't know how to answer that.

Mr. SOUDER. Do you find if you work a double shift, regardless of how hard you are focused, it is harder to concentrate?

Mr. EMERY. Yes, sir. The nature of our work makes us more focused. The more focused you are and the more you work the more tired you get. Yes.

Mr. SOUDER. The importance of us for retention and also not having people exhausted—I will get into particulars. You don't realize how close call it is. It is something you notice a little bit different on a flap. You think, I am going to go after that truck. Somebody is a little more nervous with a question, or you saw something weird in the back seat, and you want to check it. It is astounding how alert somebody has to be and experienced you have to be to catch them.

Mr. EMERY. That is true, sir. The longer you work at this job, the better at that you get. And if we can't retain those officers, especially up here we—our officers that are more experienced seek better pay grades, different agencies, they are going to go there. And giving our officers law enforcement coverage and grade structure, we are going to keep those officers up here.

Mr. CLEMENT. One thing on the retention. I just looked through the personnel here in Blaine. 18.9 percent of the inspectors at the end of 2002 will be eligible for retirement.

Mr. SOUDER. Is the scuttlebutt both of you are hearing is that people are likely to take that?

Mr. CLEMENT. The stress is wearing on people. I am hearing people say they are going to call it quits. They don't want to right now. They are vested.

Mr. SOUDER. Thank you all for your testimony. It has been helpful for us to learn nuances and Ms. Campbell personalized a number of things. Mr. Kremen, I believe, in his testimony said, a great line: The richest environment for noncompliance in the countries combined with businesses being devastated because you can't move across the border, and that is our dilemma in a nut shell. So we will do our best to address it, and it has been very helpful.

Mr. LARSEN. I just want to say thank you to the chairman for coming to Blaine, for recognizing that things like this are not just taking place east of the Mississippi but we have up here, help illuminate solutions. I am not a member of the committee, so I want to also thank you for the opportunity to participate in today's hearing, and I look forward to working with you.

Mr. SOUDER. Thank you. One of our biggest challenges—an illustration somebody coming all the way from southern Montreal coming across the ferry, New York Trade bombing, going the other direction. As you see movement back and forth across Canada, back and forth across the United States, and you see the cells moving in from Germany and Spain and connected in Rome and the Netherlands and Canada and the United States, all of a sudden we are

awful small. And all of a sudden you feel very vulnerable as Americans.

It is very similar to narcotics. And yet, you can't just say, stop. You are so interconnected at this point. It isn't just here it is interconnected. It is about 37 States. And many times, quite bluntly, one of the greatest strengths in Canada, and one of their irritations is that because we speak for the most part English, it's a little bit different in Quebec, that because we are very similar that we don't necessarily realize when there are Canadian owned businesses or Canadian exchanges as much as we are aware of other nations' investments and their connectivness. And we are learning that. This is one of the most valuable experiences if we do this right. I think we are all hearing this is likely somewhere in the next 6 months, whether it is Anthrax, whether it is another attack on Americans abroad, or whether it is something we heard like in Montreal, that this is likely to keep us more on edge. The uncertainly of all of this really makes it difficult to figure out what I learned, and at is No. 1 thing that business can look for is predictability. That is the No. 1 thing that we don't have right now.

Thank you very much for coming. And at this the hearing stands adjourned.

[Whereupon, at 4:55 p.m., the subcommittee was adjourned.]

[Additional information submitted for the hearing record follows:]

THE NATIONAL TREASURY EMPLOYEES UNION
Chapter 164
P.O. Box 1140
Blaine, WA 98230

January 17, 2002

Mr. Mark E. Souder
Chairman
Subcommittee on Criminal Justice,
Drug Policy and Human Resources
Congress of the United States
Washington, DC

Re: Field Hearing, " Improving Security and Facilitating Commerce at the Northern Border," Blaine, Washington.

Dear Mr. Souder:

Thank you very much for the opportunity to make a statement December 17, 2001 on behalf of NTEU Chapter 164, and I am honored to answer your follow up questions.

Q: How many new U.S. Customs Service Agents and Inspectors do you believe need to be assigned to your region?

A: The Resource Allocation Model (REM) recommends an enhancement of 70 Customs Inspectors at the Northern Border of Washington State by 2002. NTEU agrees with this survey and would like to see an enhancement across the Northwest Great Plains CMC. These inspectors would be part of 172 suggested by the REM to fulfill enforcement gaps from Washington to Minnesota. The Northwest Great Plains CMC would also need to enhance the Support Staff that services the inspectional work. This would add an additional 34 Support Staff to Northwestern Border Ports. This enhanced staff of professionals will be used to operate new technology arriving at our land borders in the near future. Currently, new technology is being turned out on a weekly basis, but our limited staff does not allow us to operate this "high tech" equipment the way it should be utilized. An example of this, is the Mobile X-ray Vehicle (VACIS- Vehicle Cargo Inspection System). U.S. Customs mandates that we need to process 180 vehicles per day through the VACIS in order to keep it in Blaine. Unless we get the bodies necessary so that we can staff it twenty-four hours a day, this state-of-the-art enforcement tool will be stripped from the Port of Blaine. The Blaine Cargo Facility is a twenty-four/seven operation. They operate around the clock including weekends and holidays with a staff of 20 inspectors to cover all shifts. VACIS requires a staff of three to operate it properly and it is used to select cargo for an intensive inspection. To operate this state-of-the-art technology for 16 hours-per-day, 6 days-per-week, it will require a staff of 8.5. This consumes 42.5% of the available staff assigned to the Cargo Facility. This outlines the emergency staffing needs on the Northern Border. All the high-tech equipment is ineffective if there is no staff to operate it or inspect the cargo referred by its usage.

Q: How quickly should new Agents and Inspectors be hired? Are their disadvantages to rapid hiring? If so, please describe these disadvantages.

A: The Office of Personnel Management (OPM) has put together a program called the Quality Recruitment Program. This program has been operational for about three years and OPM currently has a list to hire from. The main hurdle is arranging for quality recruits to accept employment at the GS-5/7 pay grade and explaining to them that the journeyman grade is GS-9. Candidates with high quality resumes are going to agencies that start their entry-level positions at higher grade levels and have rapid advancement to the higher GS levels (increased income potential), it also appears that law-enforcement coverage (6c) is a big factor. Currently Customs is losing quality inspectors to other agencies because advancement to higher grades are slow, no law enforcement (6) coverage, and Customs tends to hire from outside Customs for its (6c) covered agents rather than looking at its Customs inspector pool first. The Quality Recruitment hiring process is slow (application to actual start date can be as long as 3 years) and needs to be more timely, but it appears to be able to fill vacancies at this time.

Q: What improvements in pay and/or benefits do you believe should be implemented in order to improve recruitment and retention?

A: Law enforcement coverage (6C-20year retirement) and a Journeyman GS-12 grade for all Inspectors. Inspectors at Washington State land borders routinely take wanted individuals with active warrants into custody. When a person travels into the United States from Foreign, the first person they see is an Inspector. Inspectors arrest smugglers, terrorists, fugitives, and enforce state and local laws. Customs agents, FBI agents, State and Local Police, and other federal agencies pick up the prisoners for transport from Inspectors at the Ports of Entry daily. The prisoner has already been arrested, handcuffed and searched by the time other agencies with law enforcement (6C) coverage take custody of the individual. Customs Inspectors receive the same basic law enforcement training as other federal agencies at the Federal Law Enforcement Training Center (FLETC) in Glynco, Georgia. Yet, still they go unnoticed as a covered (6C) law enforcement agency by Congress. U.S. Customs Inspectors are the United States first-line of defense in identifying and taking into custody terrorists attempting to enter the United States. It is time for them to be recognized as a law enforcement entity and for them to receive the same benefits as others.

Thank you for allowing me to respond to your Subcommittee on Border Security. I would be happy to answer or clarify any inquiries you may have to assist in completing your hearing.

Respectively submitted,

Barry C Clement

Barry Clement
Chapter President – NTEU 164

Committee on Government Reform
Subcommittee on Criminal Justice, Drug Policy and Human Resources
"Improving Security and Facilitating Commerce at the Northern Border,"
Blaine, Washington

PERSONNEL ISSUES

Question: What additional personnel do you need to manage each of the border crossings and ports of entry in your region effectively?

Answer: Customs is adding 258 inspectors and 10 canine enforcement officer positions for the Northern Border and an additional 626 National Guard positions nationally, contingent on Department of Defense signing the memorandum of understanding. With these additions it is believed that the Northwest CMC will be able to manage the ports of entry more effectively.

Question: If you are unable to hire as many agents as you would like, how will you deploy the ones you have? How many will be assigned to deal with terrorism, and how many to deal with other problems such as narcotics smuggling and the smuggling of other contraband?

Answer: If we were unable to hire this additional staffing for some reason, we would be forced to redeploy our special agents to antiterrorism activities. Such redeployments will be both permanent and temporary. However, the degree of redeployment will depend upon the threat level and the definition of Customs role in the protection of our Nation's borders.

The demands on Customs to assist in antiterrorism efforts have been great. Currently, there are approximately 115 Customs special agents on loan to the Federal Aviation Administration's Air Marshal program for a 12 to 18 month period. Further, Customs has refocused the agency's financial investigative expertise toward tracking the funding sources used by terrorist organizations. The overall effect of such redeployments is unknown.

While Customs role in the war against terrorism may increase, the agency simply cannot decrease its efforts in the other priority areas in which it plays an integral and important role.

Question: For the record, please provide us with data concerning the prior occupations of new recruits in your region, including the percentages of new recruits who come from other federal law enforcement agencies, from state and local law enforcement agencies, and from the military.

Answer: Customs draws applicants for its positions from the same pool of candidates as other law enforcement agencies. We have a very active recruitment program for filling our entry-level positions and regularly recruit from colleges and universities, military organizations, job fairs, conferences, etc. We have been able to attract veterans, and for inspectors, have attracted applicants who have retired from the military. Although we tap other law enforcement organizations for higher graded positions, we do not believe there has been a serious impact on the losing organizations. Approximately 7 percent of the agents hired agencywide in the last 2 years were from other agencies.

Question: How many border crossings in this region are unstaffed for any period of time during the day or night? How do you handle unmanned stations? Do you shut them down, and if so, how (using orange cones, closing gates, etc.)? Do you monitor them using the Remote Video Inspection System? Do you have any estimates on how many people enter the United States through these unmanned crossings?

Answer: Under Code Red, all Customs ports of entry are staffed with a minimum of two armed officers 24 hours a day, 7 days a week. Armed officers include Customs Inspectors, Canine Enforcement Officers, Immigration and Naturalization Inspectors. Customs has also implemented new procedures to notify state and local law enforcement agencies when additional assistance is required.

Question: In addition to new personnel, to what extent will new infrastructure be required in your region? Do you see the need to expand the physical plant at the border crossings and ports of entry in your region, by increasing the number of car and truck lanes, expanding bridges, or building new warehouses?

Answer: Most of the facilities in western Washington are relatively new, modern facilities, with the exception of the Peace Arch crossing. Plans are underway by GSA to construct a new facility at that location in the next few years. In eastern Washington, construction has begun on a new facility in Oroville and there is relatively new joint U.S./Canada facility at Danville. Most of the other crossings are older buildings whose size and design are outmoded and in varying states of repair. Most do not have covered secondary areas for vehicle inspections.

None of the crossings have dedicated outbound inspection areas.

As for warehouses, Blaine, Sumas and Oroville are the only commercial centers in Washington. Cargo can be unloaded/inspected at facilities in Blaine and Sumas, although the Sumas dock is very small. Cargo in

Blaine can also be unloaded at the CES, as necessary. Oroville has no commercial inspection area at this time, but the new facility plans incorporate one.

There may be a need for an additional truck lane in Sumas if commercial traffic continues to increase. The facility was designed for two lanes, but only one was installed.

This region has five rail crossings, Blaine, Sumas, Laurier, Danville, and Boundary. There are no facilities at any of the crossings to examine rail freight. However, plans are well underway by the BNSF to build a facility in Blaine.

Question: During the hearing, we briefly discussed the efforts taken to screen passengers, luggage and cargo on trains crossing the border. For the record, please describe this process, and whether any changes are contemplated.

Answer: For the past several years, the Customs Service has been working with Amtrak to improve international train passenger processing into the United States. Amtrak trains cross the northern border from Canada into the United States at the following sites:

- Montreal, Canada to Rouses Point, NY;
- Toronto, Canada to Port Huron, MI;
- Toronto, Canada to Niagara Falls, NY; and
- Vancouver, Canada to Blaine, WA

Procedure prior to the September 11, 2001 attacks: In Blaine, the train travels directly from Vancouver and makes no other stops in Canada. Because of this, the Immigration and Naturalization Service pre-clears the Amtrak passengers in Vancouver for admissibility to the United States. INS also performs Interagency Border Inspection System checks on some of the passengers. Customs does not pre-inspect the Amtrak train in Vancouver.

- Customs inspectors conduct a "rolling inspection" by boarding the train when it arrives in Blaine and clearing the passengers as the train proceeds to Bellingham.

- The rolling inspection began under Commissioner Weise in 1993 with an agreement between Customs and Amtrak. As a condition of the rolling inspection, Amtrak was responsible for electronically transmitting advance passenger information to Customs in Blaine. The promise of APIS information was the main reason Customs entered into the agreement with Amtrak in 1993.

- Since the 1993 agreement, Amtrak has not provided APIS information to Customs. During that time, Customs has sent Amtrak numerous letters, culminating with a letter on October 11, 2000, from Customs Assistant Commissioner of Field Operations to the President of Amtrak, requesting the long promised APIS information.

- In June 2001, a letter was written from the Acting Commissioner of Customs to the Secretary of the Department of Transportation outlining the fact that Amtrak is not living up to its agreement.

Since the September 11, 2001 attacks: The Port of Blaine has been stopping the Amtrak train at the port of entry and holding the train for inspection. No "rolling inspections" have been conducted. These train inspections are completed in approximately 15 minutes. Blaine is receiving IBIS hits from INS in Vancouver.

Question: During the hearing, we discussed in some detail the proposed implementation of the "NEXUS" system at the Blaine border crossing. Will this system be installed in any other border crossings in your region?

Answer: The consulting firm Klynveld, Peat, Marwick, and Goerdeler (KPMG) was contracted by Customs, the Immigration and Naturalization Service, the Canada Customs and Revenue Agency, and Canada Immigration and Citizenship to conduct a comparative study of dedicated commuter lanes along the U.S./Canada border, including NEXUS. The NEXUS evaluation-working group, comprised of individuals from Customs, INS, CCRA, and CIC, will use the result of this study to make recommendations and determine the future of NEXUS. The preliminary recommendations of the NEXUS EWG, based on the KPMG study, indicate that the four agencies would like to expand a modified version of the NEXUS program across the U.S./Canada border starting in the Blaine Peace Arch Crossing area and Pacific Coast Highway. Once expanded to the Blaine area, expansion of other NEXUS programs would then be focused in the Detroit/Windsor, Michigan area and Buffalo/Niagara Falls, New York area.

Expansion of such programs will greatly depend on the outcome of the Shared Border Accord meeting on January 23, 2002, in Fort Lauderdale, Florida.

Question: For the record, please describe what plans U.S. Customs has for constructing commercial vehicle processing centers at the border crossings in your region.

Answer: Customs recognizes the advantages that a commercial vehicle processing center can offer in the steady flow of traffic on the land border. A CVPC offers a site where the paperwork of truck carriers may be reviewed in advance of arrival in the United States, in order to determine if the paperwork is sufficient and properly prepared. Currently, the model CVPC at the Peace Bridge in Buffalo is operated by the bridge authority, a private company, and not the Customs Service. It is staffed by bridge employees who review paperwork, fax information to American Customs brokers in advance of arrival, and provide an extra service to truck carrier companies that have chosen not to do the work internally in Canada. Customs fully supports the concept, but does not currently place its employees there or finance the operation. Customs is aware of the possibility of another large CVPC being opened near the Sarnia - Port Huron crossing in Ontario and Michigan, again operated by private industry. The Port of Blaine enjoys some similar benefits without an official CVPC since there is room for truck drivers to park there north of the border and walk across to Customs Brokers and have their paperwork prepared. Customs will be ready to work with the trade on establishment of a CVPC in the Northwest Great Plains Management area when interest arises, but will not be establishing one independently.

Question: What sorts of drugs are being smuggled across the border here? In what amounts are they being smuggled here? Where are they coming from? What parts of the United States are they usually headed to?

Answer: All types of illegal drugs are being smuggled into the United States through the ports of entry. Last year, Customs special agents and Inspectors in Blaine, Washington seized approximately 2,608 pounds of marijuana, 109 pounds of cocaine, 18.4 grams of hashish, 154.1 grams of methamphetamine, 4.8 kilograms of hallucinogenic mushrooms and nearly 82,600 pounds of methamphetamine precursor chemicals. In addition to these seizures they also seized ecstasy, steroids, and thousands of prescription drugs containing codeine.

These drugs are largely destined for distribution throughout the Northwest of the United States. However, information developed resultant of these seizures indicates that the drugs are occasionally destined for Pacific Coast cities, such as San Francisco and Los Angeles, California.

Question: Where is the smuggling usually taking place? Is most of it being conducted through the border crossings? In trucks or cars, or on foot? Is it going on in between the border crossings, along the border? If so, where?

Answer: All indications are that the smuggling organizations continue to use a variety of methods in their attempts to introduce narcotics and other contraband through our land border ports. This is due in large part to the vast and relatively isolated terrain that exists in the land border environment.

Privately owned vehicles constitute the majority of conveyances in which contraband is detected and seized. The number of seizures in trucks is beginning to parallel those in POV's. Seizures in trucks typically contain larger quantities of contraband, with more recent seizures being 300 to 900 pounds. Smuggling by individuals on foot continues to represent a smaller percentage of overall seizures, but it is on the rise.

Seizures on the border between ports of entry are generally the responsibility of the U.S. Border Patrol.

Smuggling by air and on the water is increasing. BC bud is coming into the States and is exchanged for cocaine that returns to Canada.

The number of outbound cocaine seizures is increasing, with recent seizures of over 100 kilos by land, 30 kilos by water and 20 kilos on remote trails between the ports of entry.

Question: Are you seeing a significant amount of illegal smuggling of pharmaceuticals from Canada? What kinds of pharmaceuticals are being brought here? Who is typically bringing them to the United States, and how are they doing it?

Answer: Each day the Customs Service seizes a wide range of prescription pharmaceuticals from citizens of the United States and Canada as they travel across the border. Such seizures are generally small and of personal use quantity (defined as 250 tablets or dosage units). They range through the gamut of drugs, from prescription acetaminophen (containing codeine) to Viagara.

However, Customs also seizes large quantities of prescription drugs that are sold on the black market or utilized as pre-cursors in the manufacture of other drugs. Examples of prescription drugs that are abused in the United States include GHB, which is also known as the "Date Rape Drug" and oxycontin. We also regularly seize large quantities of ephedrine or pseudoephedrine, which are precursor chemicals used in the manufacture of methamphetamine. These types of drugs are often mailed anonymously or smuggled across the border in cars or trucks. There have been two significant seizures of psedophedrine over the last two years in Blaine, totaling 37 kilos of tablets. These shipments were destined for

methamphetamine labs in the United States. Tablets of Ecstasy are at times commingled with seizures of BC Bud.

Question: What efforts does the Customs Service in your region take to keep local government, law enforcement, businesses and chambers of commerce informed of changes in policy at the border crossings and ports of entry?

Answer: The Director, Field Operations, Northwest Great Plains Customs Management Center, converses with local businesses as well as the local Congressional Delegation to discuss changes in Customs policy that may affect local or commercial operations. As an example, local Customs officials, in the attempt to provide a balance between the Customs enforcement mission and Amtrak's goal to offer an economically viable run from Canada, conduct meetings with Amtrak to develop alternatives for a satisfactory resolution and establish consistency throughout the Northern Border.

Customs also communicates at the port level with local federal government agencies, Immigration & Naturalization Service, Fish and Wildlife, and U.S. Department of Agriculture during their scheduled Port Quality Improvement Committee meetings to discuss many local issues. Topics vary and may include changes in Customs policy.

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