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DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR 2011

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

SUBCOMMITTEE ON HOMELAND SECURITY

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NOTE: Under Committee Rules, Mr. Obey, as Chairman of the Full Committee, and Mr. Lewis, as Ranking Minority Member of the Full Committee, are authorized to sit as Members of all Subcommittees.

STEPHANIE GUPTA, JEFF ASHFORD, JIM HOLM,
KARYN KENDALL, WILL PAINTER, and MIKE BIRSIC,
Staff Assistants

PART 2

DEPARTMENT OF HOMELAND SECURITY

	Page
Department of Homeland Security	**1**
Major Systems Acquisition	**197**
Intelligence Programs	**263**
Homeland Security Headquarters Facilities	**333**
Testimony of Members of Congress and Outside Entities	**407**

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PART 2

DHS

Acquisitions

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DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR 2011

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57–551 WASHINGTON : 2010

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DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR 2011

THURSDAY, FEBRUARY 25, 2010.

DEPARTMENT OF HOMELAND SECURITY

WITNESS

HON. JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND SECURITY

OPENING STATMENT OF CHAIRMAN DAVID PRICE

Mr. PRICE. The subcommittee will come to order.

Good morning, everyone. We are pleased to welcome Secretary Janet Napolitano this morning to kick off our hearings this year on Department of Homeland Security activities. All of this was supposed to happen in the middle of the snow 2 weeks ago, but we appreciate everyone's flexibility as we have rescheduled this hearing. This of course will be the first of a fairly closely scheduled set of hearings over the next few weeks, dealing with the full range of homeland security agencies.

Madam Secretary, your first year leading DHS has been full of major challenges to the security of our homeland, from the attempted bombing of an airplane on Christmas Day to the menace of an influenza epidemic; from the constant onslaught of cyberattacks on our governmental networks and critical infrastructure to the brutal violence associated with transnational drug cartels along our southwest border. I commend you for facing these tests head-on, bringing a Governor's practicality to the task of managing a myriad of competing needs and focusing on integrating homeland security missions and cultures into a unified team.

At the outset, I want to commend DHS for its response to the earthquake in Haiti as well. While almost every DHS agency has been involved, the Coast Guard captured our attention with their early arrival in devastated Port-au-Prince, their rapid assistance in evacuating victims, and their help to restore port operations to expedite delivery of critical supplies. So our appreciation goes out to you, to the brave men and women of the Coast Guard, and to the entire Department.

Similarly, I am very pleased that the U.S. Immigration and Customs Enforcement agency, ICE, has taken seriously this Committee's direction to prioritize the identification and deportation of convicted criminals. Between 2002 and 2007, ICE increased criminal alien removals by only 7 percent per year, even as noncriminal deportations surged by over 22 percent per year. Since the implementation of the Secure Communities program, the funding and the

impetus for which was initiated by this Subcommittee, criminal alien removals increased 12 percent in 2008 and another 18 percent in 2009. That is a remarkable achievement, and I am proud to support its continuation of this trend. Furthermore, the 2011 budget estimates that, after full rollout of the Secure Communities programs, 80 percent of ICE detention capacity will be dedicated to criminals awaiting removal from this country. So Madam Secretary, I commend you and Assistant Secretary Morton for your focus on the criminal alien issue and the impressive results ICE has achieved over the last year.

The fiscal year 2011 discretionary budget requests $43.6 billion for DHS, or a 2.7 percent increase over the comparable amount appropriated in 2010. In a tight fiscal environment, you had to make some difficult decisions, including some controversial cuts in an attempt to maintain efforts in some areas while ramping up our defenses in others.

Within the past year, we have witnessed a substantial rise in threats to our homeland from homegrown terrorists as well as threats from across the globe, including the recent Christmas Day incident. Based on this heightened threat environment and consistent with the lesson of the 9/11 attacks, DHS must focus on adapting to the next what-if scenarios, not just rely on measures that are currently in place. A critical measure of your Department's success is whether it can adapt as nimbly as our enemies.

I am pleased that your budget responds to these threats with a substantial increase for aviation security, with new funding for canine teams, advanced technologies and additional screeners, all to better detect dangerous objects. Yet while no one questions the need to close aviation security gaps, I want to ask you to explain the mix of funding that you have proposed and especially how a people-intensive approach with a 9 percent increase in staff is the right answer to a threat that is continually evolving.

Your budget request overall shows some difficult trade-offs which I hope we can explore fully today. On one hand, it is clear that you have taken to heart the need to find efficiencies, to reduce waste, to make difficult but necessary decisions about priorities. For example, the Department has made an excellent start with its plan to save money and improve oversight by reducing its reliance on contractor support by 3,500 personnel in the current fiscal year. I am also pleased that the budget request includes additional staff and funding for the Inspector General, whose diligent work allowed DHS to recover over $100 million in taxpayer funds last fiscal year and to secure 241 convictions for fraud and corruption.

Your budget includes many examples for programs that have been trimmed, stretched out, or suspended to achieve cost savings without significantly degrading critical security requirements. There is certainly ample evidence that some long-standing programs with significant past funding do deserve a closer look to determine whether they fit in with our country's priorities.

Nonetheless, we have questions about your direction in some areas, and we will look to you and the agencies we will hear from in the next weeks to provide insight and explanation.

For example, the amount requested for disaster relief will likely be depleted after 4 or 5 months into the next fiscal year. It is not

clear to me how the administration can continue to ignore the known costs of ongoing recovery activities associated with large disasters when formulating its requests. We are less than 5 months into the current fiscal year, and the administration has already had to request $5.1 billion in disaster funding to supplement what was appropriated for 2010. We had hoped that this new administration would not continue this flawed budgeting method. In the wake of Hurricanes Katrina, Rita, Wilma, Gustav, and Ike, the spend rate continues to be about $500 million per month, more than double the 5-year average assumed in your request. We need to understand how you expect to reconcile this problem.

While, as I mentioned, your budget significantly grows the transportation security workforce, we are seeing a leveling off within other agencies, particularly those involved in stopping drug and human trafficking along our southwest border. It is important to note that this budget would actually enhance ICE's workforce. In particular, the additional support staff funded in the budget would free agents up to spend more time investigating criminal activity, but it is also true that the level of violence across the southwest border has risen for the second straight year and we are making only a small dent in the volume of drugs and weapons moving both ways. While I commend the Department for the actions has it taken in conjunction with other Federal and international partners, I want to understand how progress will continue to be made.

Madam Secretary, you must not lose sight of important immigration detention reforms proposed in the report developed by Dr. Doris Shiro before she left the Department. While the budget includes several detainee health-related proposals, such as implementing an electronic medical records system and better intake screening, these reforms will not be implemented for at least a year. It is important to implement immediate reforms of day-to-day operations so that ICE detainees receive adequate medical care. We want to learn more about what you plan for that area.

Turning to an issue that has been a constant thorn in this Subcommittee's side, the Department appears to ignore repeated congressional direction to provide timely reports to this Subcommittee, including the Deepwater implementation plan, key spend plans for aviation security and border investments, and a strategy on how the Department will achieve meaningful and effective cargo and supply chain security.

The Congress requires these reports in order to make informed decisions about the Department's budget. These reports should also help the Department and your management team gain a better understanding of the work going on within the Department. So, in my view, it will be in all of our interests to clear up this logjam of reports.

Finally, with so many challenges facing the Department, you need your full leadership team onboard. Yet several of the largest agencies in the Department have operated for nearly a year with critical positions unfilled, including the Transportation Security Administration, U.S. Customs and Border Protection, and the Domestic Nuclear Detection Office. I understand that the reasons for these vacancies lie beyond your control. I have the greatest respect for the career management staff at DHS, but we are concerned that

key decisions and critical management actions may be delayed without politically accountable leadership.

As we begin our hearings to more closely examine the budget, it is important to note that no program or account will be off limits to scrutiny. Our obligation is to take a balanced, realistic approach, to weigh risks carefully, to make prudent investments in effective security. Madam Secretary, I have no doubt that you share this point of view, and I look forward to working with you again this year.

Since your full written statement will be entered into the record, I am going to ask you to limit your oral remarks to a 5-minute presentation. But before we begin I want to recognize our distinguished ranking member, Hal Rogers, for any comments he wishes to make.

[The information follows:]

COMMITTEE ON APPROPRIATIONS

David Price (D-NC), Chairman, Subcommittee on Homeland Security

EMBARGOED UNTIL DELIVERY (*Approx. 10:10 AM*)
Thursday, February 25, 2010

Media Contact: Andrew High
202-225-1784

OPENING STATEMENT OF CHAIRMAN DAVID PRICE
FY 2011 Department of Homeland Security Budget Hearing
February 25, 2010 / 10:00 am

This morning we are pleased to welcome Secretary Janet Napolitano to kick off our hearings this year on Department of Homeland Security activities. Madam Secretary, your first year leading DHS has been full of major challenges to the security of our homeland– from the attempted bombing of an airplane on Christmas Day to the menace of an influenza epidemic, and from the constant onslaught of cyber attacks on our government networks and critical infrastructure to the brutal violence associated with transnational drug cartels along our Southwest border. You have faced these tests head on, bringing a Governor's practicality to the task of managing a myriad of competing needs, and focusing on integrating DHS missions and cultures into a unified team.

At the onset, I must commend DHS for its response to the earthquake in Haiti. While almost every DHS agency has been involved, the Coast Guard captured our attention with their early arrival in devastated Port-au-Prince, their rapid assistance in evacuating victims, and their help to restore port operations to expedite delivery of critical supplies. So our appreciation goes out to you, to the brave men and women of the Coast Guard, and to your entire Department.

Similarly, I am very pleased that U.S. Immigration and Customs Enforcement has taken seriously this Committee's direction to prioritize the identification and deportation of convicted criminals. Between 2002 and 2007, ICE increased criminal alien removals by only 7 percent per year even as non-criminal deportations surged by over 22 percent per year. Since implementation of the Secure Communities program, funding for which was initiated by this Subcommittee, criminal alien removals increased 12 percent in 2008 and another 18 percent in 2009 – a remarkable achievement I am proud to support. Furthermore, the 2011 budget estimates that after full roll-out of the Secure Communities program, 80 percent of ICE detention capacity will be dedicated to criminals awaiting removal from the country. Madam Secretary, I commend you and Assistant Secretary Morton for your focus on the criminal alien issue and the impressive results ICE has achieved over the last year.

The fiscal year 2011 discretionary budget requests $43.6 billion for DHS, or a 2.7 percent increase over the comparable amount appropriated in 2010. In a tight fiscal environment, you have had to make some difficult decisions including some controversial cuts, in an attempt to maintain efforts in some areas while ramping up our defenses on others.

Within the past year, we have witnessed a substantial rise in threats to our homeland from home-grown terrorists, as well as from threats from across the globe, including the recent Christmas Day incident. Based on this heightened threat environment (and consistent with the lesson of the 9/11 attacks) DHS must focus on adapting to the next "what if" scenarios, not just rely on measures currently in place. So a critical measure of your Department's success is whether it can adapt as nimbly as our enemies. To be sure, I am pleased your budget responds to these threats with a substantial increase for aviation security, with new funding for canine teams, advanced technologies and additional screeners, all to better detect dangerous objects. Yet, while no one questions the need to close aviation security gaps, I would like you to explain the mix of funding proposed, and especially how a "people intensive" approach, with a 9 percent increase in staff, is the right answer to a threat that is continuously morphing.

The budget request overall shows some difficult tradeoffs, which I hope we explore today. On one hand, it is clear that you have taken to heart the need to find efficiencies, help reduce waste, and make difficult but necessary decisions about priorities. For example, the Department has made an excellent start with its plan to save money and improve oversight by reducing its reliance on contractor support by 3,500 personnel in the current fiscal year. I am also pleased the budget request includes additional staff and funding for the Inspector General, whose diligent work allowed DHS to recover over $100 million in taxpayer funds last fiscal year and secure 241 convictions for fraud and corruption.

Your budget includes many examples where programs have been trimmed, stretched out, or suspended to achieve cost savings without significantly degrading critical security requirements. There is certainly ample evidence that some longstanding programs, with significant past funding, deserve a closer look to determine whether they fit in with our country's priorities. Nonetheless, we have questions about your direction in some areas for which I hope you can provide insight and explanation.

For example, the amount requested for Disaster Relief will likely be depleted only four or five months into the fiscal year. It is not clear to me how the Administration can continue to ignore the known costs for ongoing recovery activities associated with large disasters when formulating its request. We're less than five months into the current fiscal year, and the Administration has already had to request $5.1 billion in disaster funding to supplement what was appropriated for 2010. We had hoped that the new Administration would not

continue this flawed budgeting method. In the wake of hurricanes Katrina, Rita, Wilma, Gustav and Ike, the spend rate continues to be about $500 million per month -- more than double the five year average assumed in your request. We need to understand how you expect to reconcile this apparent incongruity.

While, as I mentioned, your budget significantly grows the transportation security workforce, we're seeing a leveling-off within other agencies -- particularly those involved in stopping drug and human trafficking along our Southwest border. It's important to note that this budget would actually enhance ICE's workforce; in particular, the additional support staff funded in the budget would free agents up to spend more time investigating criminal activity. But it's also true that the level of violence along the Southwest border has risen for the second straight year, and we're making only a small dent in the volume of drugs and weapons moving both ways. While I commend the Department for the actions it has taken in conjunction with other federal and international partners, I would like to understand how progress will continue to be made.

Madam Secretary, you must also not lose sight of important immigration detention reforms proposed in the report developed by Dr. Dora Schriro before she left the Department. While the budget includes several detainee-health related proposals, such as implementation of an electronic medical records system and better intake screening, these reforms will not be implemented for at least a year. It is important to implement immediate reforms of day-to-day operations so that ICE detainees receive adequate medical care. I would like to learn more about what you plan for this area.

Turning to an issue that has been a constant thorn in this Subcommittee's side, the Department appears to ignore repeated Congressional direction to provide timely reports to this Subcommittee; including the Deepwater implementation plan; key spend plans for aviation security and border investments; and a strategy on how the Department will achieve meaningful and effective cargo and supply chain security. The Congress requires these reports in order to make informed decisions about your budget. These reports should also help you and your management team gain a better understanding of the work going on within your Department; so in my view it would behoove us all to clear up this logjam.

Lastly, with so many challenges facing the Department, you need your full leadership team on board. Yet several of your largest agencies have operated for nearly a year with critical positions unfilled, including the Transportation Security Administration, U.S. Customs and Border Protection, and the Domestic Nuclear Detection Office. While the reasons for these vacancies lie outside your control, and I have the greatest respect for the senior career management at DHS, I am concerned key decisions and critical management actions will be delayed without politically accountable leadership.

As we begin our hearings to more closely examine the budget, it's important to note that no program or account will be off limits to scrutiny. Our obligation is to take a balanced, realistic approach; to weigh risks carefully, and make prudent investments in effective security. Secretary Napolitano, I have no doubt that you share this point of view, and I look forward to working with you again this year.

Since your full written statement will be entered into the record, I ask you to limit your oral remarks to a five minute presentation. Before we begin, let me recognize the distinguished Ranking Member, Hal Rogers, for any comments he may wish to make.

# # #

OPENING STATEMENT OF RANKING MEMBER ROGERS

Mr. ROGERS. Thank you, Mr. Chairman; and, Madam Secretary, welcome to the hearing room. There are plenty of witnesses here that saw you come in on crutches and that you did not acquire those crutches while here, and we assure you that we will protect your ankles at all cost.

Secretary NAPOLITANO. Thank you.

Mr. ROGERS. This is the seventh year of the Department, seventh year of this Subcommittee, Mr. Chairman, and the Subcommittee continues its nonpartisan, bipartisan effort to aid the Department in affecting homeland security, something I am very proud of and want to see continue.

However, Madam Secretary, to put it mildly, I am very concerned about the budget request and, frankly, as well as the current state of the Department, some of which was alluded to by the Chairman.

The Christmas Day terrorist attack punctuates what has been a steady stream of challenges to our homeland security within the last year, including several al Qaeda-led attacks, multiple homegrown terrorist plots, escalation of the murderous drug war along the southwest border, an outbreak of swine flu, numerous cyberattacks—thousands, actually—and horrific natural disasters all across the country, as well as the recent catastrophic earthquake in Haiti. And then, just last week, all of our Nation's intelligence chiefs testified before the Senate that the likelihood of an al Qaeda attack occurring in the U.S. over the next 3 to 6 months is "certain."

In the face of all this, I am troubled by what appears to be a greater emphasis upon political correctness, global public opinion polls, and other domestic priorities, rather than a serious focus downrange for the next terrorist threat, the next natural disaster, or the next unprovoked attack on the American people.

That brings me to your budget request for next year. One look at this budget suggests the administration's plan for moving forward through the current threat environment is to severely cut our frontline security capabilities, grow DHS's administrative offices with double-digit increases, delay investments in critical operational assets, avoid true visible budgeting for key programs, ignore congressional mandates and reporting requirements, and waste $250 million on the cost of security for terror trials.

Madam Secretary, with threats confronting us at every turn, when our country needs fiscal discipline from its government, this budget proposal is simply indefensible. In the 7 years that we have examined DHS budget requests, I don't think I have seen a proposal that so poorly prioritizes and so badly fails to address the realities that our country is currently facing.

More to the point, there are many aspects of this budget that I find questionable.

First, in the wake of the Christmas Day terrorist attack, the administration has submitted a proposal for aviation security that spends tens of millions of dollars more on staffing than it does on advanced technology or the systems that screen foreign travellers. How can the President honestly believe such a costly and reac-

tionary approach will effectively address our strategic needs in aviation security?

Second, in the midst of a drug war, how can you propose to significantly decrease the interdiction capabilities of the Border Patrol and Coast Guard but request to increase the funds for bureaucrats in Washington, D.C., virtually every office within headquarters?

Third, how can the Congress even contemplate the administration's substantial cuts to SBInet and Deepwater when the investment plans and oversight reports required by law have been completely ignored?

And, finally, at a time of persistent threats and record deficits, what is the justification for severely reducing everything from port and cargo security to infrastructure protection and cybersecurity and then, at the same time, wasting $250 million on security costs for trying terrorists on U.S. soil?

Closing Guantanamo Bay and trying terrorists in civilian courts might win the popular vote in France and Norway, but it won't deter one single terrorist, and it won't make this country any safer. The American people don't support bringing terrorists to their hometowns or trying them in civilian courts, and I have serious reservations about supporting any bill that includes funding for such purposes.

Now having said all of this, and I know the country is going through some very rough economic times and the sad state of the Nation's finances will necessitate difficult trade-offs, I certainly agree with President Obama when he states that we must live within our means, a principle that must apply to homeland security as well. But the foremost role of government, the foremost role of government is to provide for the safety and security of the country and its citizens.

I have said many times since 9/11, we must get our security right. We must find a way to balance our scarce resources across our competing priorities and numerous vulnerabilities in order to confront every threat with relentless tenacity, purpose, and rigor. While I realize the enormity of this chore, it is a duty the American people are counting on us to fulfill, and there is no room for failure. There is no margin here.

Madam Secretary, I know you have a tough, often thankless job, all the more reason we must avoid throwing more money and more government at programs that won't improve our security. Sadly, however, this 2011 budget request misses the mark and makes me sincerely question the administration's priorities.

Mr. Chairman, I think we certainly have our work cut out for us this year. I look forward to asking many questions today and in the future.

Mr. PRICE. Thank you.

Madam Secretary, please proceed.

[The information follows:]

OPENING STATEMENT

CONGRESSMAN
Hal Rogers

FIFTH DISTRICT • KENTUCKY

Offices in
Washington, D.C.
Somerset, Prestonsburg,
Hazard

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Opening Statement
Committee on Appropriations
Subcommittee on Homeland Security

FY 2011 Budget

Witness:
Secretary Janet Napolitano

10:00 AM | Thursday | February 25, 2010 | 2359

Thank you, Mr. Chairman and welcome to Secretary Napolitano.

INTRODUCTION

Madam Secretary, to put it mildly, I am very concerned about DHS's FY11 budget request as well as the current state of the Department.

The Christmas Day terrorist attack punctuates what has been a steady stream of challenges to our homeland security over the past year, including:

⇒ Several al Qaeda-led attacks;
⇒ Multiple homegrown terrorist plots;
⇒ Escalation of the murderous drug war along our Southwest Border;
⇒ An outbreak of Swine Flu;
⇒ Numerous cyber attacks; and
⇒ Horrific natural disasters all across our country as well as the recent catastrophic earthquake in Haiti.

And then, just last week, all of our Nation's intelligence chiefs testified before the Senate that the likelihood of an al Qaeda-led attack occurring in the U.S. over the next 3 to 6 months is "certain".

In the face of all of this, I'm troubled by what appears to be the Administration's greater emphasis upon political correctness, global public opinion polls, and other "domestic priorities", rather than a serious focus down-range for the next terror threat, the next natural disaster, or the next unprovoked attack against the American people.

FY11 BUDGET

That brings us to today and DHS's FY11 budget request. One look at this budget suggests the Administration's "plan" for moving forward through the current threat environment is to:

⇒ Severely cut our frontline security capabilities;

⇒ Grow DHS's administrative offices with double-digit increases;

⇒ Delay investments in critical operational assets;

⇒ Avoid true, visible budgeting for key programs;

⇒ Ignore Congressional mandates and reporting requirements; and

⇒ Waste $200 million on the cost of security for terror trials

Madam Secretary, with threats confronting us at every turn, when our country needs fiscal discipline from its government, this budget proposal is simply indefensible.

In the seven years that I have examined DHS's budgets, I don't think I've seen a proposal that is so poorly prioritized and that so badly fails to address the realities our country is currently facing.

SPECIFIC CONCERNS

More to the point, there are many aspects of this budget that I find questionable:

First, in the wake of the Christmas Day terrorist attack, the Administration has submitted a proposal for aviation security that spends tens of millions of dollars more on staffing than it does on advanced technology or the systems that screen foreign travelers. How can the President honestly believe such a costly and reactionary approach will effectively address our strategic needs in aviation security?

Second, in the midst of a drug war, how can the Administration propose to significantly decrease the interdiction capabilities of our brave Border Patrol agents and Coast Guard personnel, but request to increase the funds for bureaucrats in virtually every office within DHS's headquarters?

Third, how can the Congress even contemplate the Administration's substantial cuts to SBInet and Deepwater when the investment plans and oversight reports required by law have been completely ignored?

And finally, at a time of persistent threats and record deficits, what is the justification for severely reducing everything from port and cargo security, to infrastructure protection and cybersecurity, and then, at the same time, wasting roughly a quarter of a billion dollars on security costs for trying terrorists on U.S. soil?

⇒ Closing Guantanamo Bay and trying terrorists in civilian courts might win the popular vote in France and Norway, but it won't deter one, single terrorist and it won't make this country any safer;

⇒ The American people don't support bringing terrorists to their hometowns or trying them in civilian courts, and I have serious reservations about supporting any bill that includes funding for such purposes.

CONCLUSION

Now, having said all that, I know our country is going through some rough times and the sad state of the Nation's finances will necessitate difficult trade-offs. And, I certainly agree with President Obama when he states, "we must live within our means" – a principle that must apply to homeland security as well.

But, the foremost role of government is to provide for the safety and security of the country and its citizens.

So, as I've said many times since 9/11, we must get our security right.

⇒ We must find a way to balance our scarce resources across our competing priorities and numerous vulnerabilities in order to confront every threat with relentless tenacity, purpose, and rigor.

While I realize the enormity of this chore, it is a duty the American people are counting on us to fulfill and there is no room for failure.

Madam Secretary, I know you have a tough, often thankless job – all the more reason we must avoid throwing more money and more government at programs that won't improve our security. Sadly, however, this FY11 budget request misses the mark and makes me sincerely question the Administration's priorities.

Mr. Chairman, I must say that we certainly have our work cut out for us this year, and I look forward to asking many questions later today.

Thank you, Mr. Chairman.

###

STATEMENT OF THE HONORABLE JANET NAPOLITANO

Secretary NAPOLITANO. Thank you, Mr. Chairman and Representative Rogers. I look forward to those questions, because I think the characterization that you have just made of the President's budget request is, respectfully, off the mark. The budget for the Department focuses our resources where they could be put to the most efficient and effective use in securing the American people.

The total Fiscal Year 2011 budget request for the Department is $56.3 billion, equating to a more than a 2-percent increase over last year's funding, indicating the President's commitment to securing the Nation even in the midst of tight fiscal times. But fiscal discipline requires that we invest our resources in what works, that we cut down on redundancy, that we eliminate ineffective programs, and we make improvements across the board.

While this budget will not go into effect until next October, the events of the past months underscore the importance of the investments in our mission and our ongoing activities. The attempted attack on Northwest Flight 253 on Christmas was a powerful illustration that terrorists—specifically al Qaeda and its affiliates—will go to great lengths to try to defeat the security measures that have already been put in place since September 11.

This administration is determined to thwart those plans, to disrupt, dismantle, and defeat terrorist networks by employing multiple layers of defense, working in concert with one another to secure the country. This is an effort not just limited to the Department of Homeland Security. It involves federal agencies across the board.

Now, as President Obama has made clear, the administration is determined to find and fix vulnerabilities in our system that allowed the events of December 25 to occur, and the budget prioritizes these security enhancements.

The Department is also working hand-in-hand with our Federal partners to respond to a number of other issues, in particular, most recently the devastation and loss of life in Haiti.

This year, for the first time, the Department produced a Quadrennial Homeland Security Review. It is a long-term vision for the homeland security enterprise. It identifies five major mission areas: preventing terrorism and enhancing security, securing and managing the borders, smart and effective enforcement of our Nation's immigration laws, safeguarding and securing cyberspace—by the way, I think that is the first time a review process has specifically identified cyberspace—and then, fifth, ensuring our Nation's resiliency to disasters.

My written statement that we have submitted for the record contains a more exhaustive list of what the budget contains and the activities we have under way. I would like to point out a few.

To prevent terrorism and enhance security, the budget request enhances multiple layers of aviation security. This is a critical investment made evident by the failed Christmas Day attack. We want to advance and accelerate the installation of advanced imaging technology machines and the personnel who are necessary to run them. We want to make sure that there are canine teams,

more Federal Air Marshals, and more behavior detection officers on our international flights and in our domestic airplanes.

To secure and manage our borders, the request actually strengthens initiatives that have resulted in concrete border security successes over the past year. We expand the Border Enforcement Security Task Forces, the BEST teams that have proven so very effective along the southwest border in particular, with seizures that are in record numbers of contraband in every major category. We are utilizing an intelligence-based approach to the drug cartels in Mexico, and the budget contains monies to put more intel analysts to work on that very issue. It also contains monies to protect Customs and Border Protection staffing levels to make sure that we not only sustain Border Patrol along the southwest border but that we meet the congressional mandates along the northern border.

In addition, the border efforts are enhanced by the purchase and installation of license plate readers, which this committee approved last year, more canine teams, southbound inspection of vehicles and the train, the use of mobile imaging systems, and, as I already mentioned, doubling the personnel on the BEST teams. We are at an unprecedented level of cooperation with Mexico on the battle against the cartels, and I would be happy to discuss that with you in the Q&A part of this morning.

In addition, we have for the Coast Guard provided $1.4 billion for recapitalization. I have been on Coast Guard vessels now from Charleston to Kuwait. The vessels are antiquated. They are old. Our servicemen and -women should not have to work in these surroundings. This budget provides for the National Security Cutter number five, while decommissioning four of the most antiquated cutters. That decommissioning is responsible for a great part of some of the personnel loss that you mentioned.

In terms of enforcement and administration of the Nation's immigration laws, the budget requests further several initiatives under way. For example, it requests monies to strengthen the E-Verify system, which is the program we are using to ensure that businesses are hiring a legal workforce. 185,000 employers are now signed up on E-Verify. They are registering at a little over 1,000 employers per week.

Now we also want to expand Secure Communities, Mr. Chairman. I know that you mentioned that in your remarks. We want to, at the end of this year, be at 270 jurisdictions that will have Secure Communities in their jails and prisons. This allows us to identify those who are already incarcerated who must be removed from the country. Indeed, the number of criminal alien removals and removals in this past year is a record number.

To safeguard and secure cyberspace, the President's budget request includes a total of $379 million for our National Cybersecurity Division to identify and reduce vulnerabilities in key cyber networks. We have eliminated some one-time expenditures from last year. Particularly, we have already paid for the data center migration that you appropriated last year, and we also have received from OPM the authority to direct hire 1,000 computer or cybersecurity experts which we hope will facilitate building up that civilian cyber workforce that we need.

And to ensure resilience to disaster, the President's budget request includes support for the DRF, the Disaster Relief Fund, with a $5.1 billion supplemental in addition to what we are requesting for 2011. It also includes monies for Pre-Disaster Mitigation grants to support state, local, and tribal governments.

Finally, let me turn to the question of administration, because you raised that. This Department, as you know, is the third largest department of the Federal Government. We are, in essence, building the plane while we are flying it. When the Department was created, it was composed of 23 different agencies spread around the capital region and elsewhere, in more than four dozen buildings in the District alone.

The budget contains monies to further the construction of a consolidated headquarters in St. Elizabeths. This is important. It contains monies to put program managers and procurement officers in place. It looks like it is in my headquarters budget, but these people will actually be out in the components.

Why is that important? It is important that we have that administrative infrastructure in place so that we make sure that we make smart and efficient use of the tax dollars that you appropriate.

And, indeed, without trying to offer an excuse, the issue of reports was raised. We have 400 mandated congressional reports, I think more than any other department. This is something that we will continue to work with the Chairman on and you, Congressman Rogers. We want to get you accurate information. We want to get you speedy information.

But there is a huge administrative and oversight aspect to this, in part because the Congress itself has not changed its committee structure to match the creation of the Department of Homeland Security, and I think it is fair to point that out. That was a recommendation of the 9/11 Commission. It is a recommendation that has not yet been followed.

We will continue to employ the efficiency review initiative in our Department. We have already identified millions of dollars of cost savings and avoidances that we can have so our money goes where it is most needed, which is the mission areas that we have and the priorities that we have set.

I believe the President's budget furthers those mission areas and supports those priorities. So I am happy to be here with you today. I look forward to your questions. Thank you, Mr. Chairman.

[The information follows:]

Statement for the Record

The Honorable Janet Napolitano

Secretary
United States Department of Homeland Security

Before the
United States House of Representatives
Subcommittee on Homeland Security Appropriations

February 25, 2010

Mr. Chairman, Congressman Rogers and Members of the Subcommittee:

Let me begin by saying thank you for the strong support you have provided me and the Department this past year. I look forward to another year working with you to make certain that we have the right resources to protect the homeland and the American people and that we make the most effective and efficient use of those resources.

I am pleased to appear before the Subcommittee today to present President Obama's Fiscal Year (FY) 2011 Budget Request for the Department of Homeland Security (DHS).

As you know, the attempted attack on Northwest Flight 253 on December 25 was a powerful illustration that terrorists will go to great lengths to try to defeat the security measures that have been put in place since September 11, 2001. This Administration is determined to thwart those plans and disrupt, dismantle and defeat terrorist networks by employing multiple layers of defense that work in concert with one another to secure our country. This effort involves not just DHS, but also many other federal agencies as well as state, local, tribal, territorial, private sector and international partners. As President Obama has made clear, this Administration is determined to find and fix the vulnerabilities in our systems that allowed this breach to occur – and the FY 2011 Budget Request prioritizes these security enhancements.

The Department is also working hand-in-hand with our federal partners to respond to the devastation and loss of life in Haiti following the January 12 earthquake. Collaboration within DHS among our many components has allowed us to leverage unprecedented resources and personnel to assist with the humanitarian efforts in Haiti, once again demonstrating what these offices can accomplish together. The FY2011 Budget Request strengthens the ongoing work in each of our Department's offices to fulfill our unified mission.

I will now summarize the FY 2011 budget request along with some of our key accomplishments from last year.

FY 2011 BUDGET REQUEST

The FY 2011 DHS budget will strengthen efforts that are critical to the Nation's security, bolster the Department's ability to combat terrorism and respond to emergencies and potential threats, and allow DHS to tackle its responsibilities to protect the Nation and keep Americans safe.

DHS executes a wide array of responsibilities in its unified security mission. To bolster these efforts, DHS collaborates and coordinates with many partners—state, local and tribal governments and law enforcement agencies, international allies, the private sector and other federal departments. These partnerships are essential to DHS' ability to fulfill its security mission.

The FY 2011 budget continues efforts to use our resources as efficiently and effectively as possible. We must exercise strong fiscal discipline, making sure that we are investing our resources in what works, cutting down on redundancy, eliminating ineffective programs and making improvements across the board.

To institutionalize a culture of efficiency across the Department, DHS launched the Department-wide Efficiency Review Initiative in March 2009. One major element of the Efficiency Review is

the Balanced Workforce Strategy, a three-pronged approach to ensuring that the right workforce balance is achieved. First, we are taking steps to ensure that no inherently governmental functions are performed by contractors. Second, we put in place rigorous review procedures to ensure that future activities do not increase our reliance on contractors. Third, we are coordinating workforce assessments across the Department to seek economies and service improvements and reduce our reliance on contractors. In FY 2011, the Department will continue executing the Balanced Workforce Strategy by converting contractor positions to federal jobs.

DHS secures the United States against all threats through five main missions, each of which is strengthened by this budget:

- *Preventing Terrorism and Enhancing Security*: Guarding against terrorism was the founding mission of DHS and remains our top priority today. A key element of preventing terrorism is recognizing the evolving threats posed by violent extremists and taking action to ensure our defenses continue to evolve to deter and defeat them.

- *Securing and Managing Our Borders*: DHS monitors our air, land and sea borders to prevent illegal trafficking that threatens our country, while facilitating lawful travel and trade. We will continue to strengthen security efforts on the southwest border to combat and disrupt cartel violence and provide critical security upgrades—through infrastructure and technology—along the northern border.

- *Enforcing and Administering our Immigration Laws*: DHS is responsible for enforcing the Nation's immigration laws while streamlining and facilitating the legal immigration process. In FY 2011, we will continue to strengthen enforcement activities while targeting criminal aliens who pose a threat to public safety and employers who knowingly violate the law.

- *Safeguarding and Securing Cyberspace*: The Department defends against and responds to attacks on the cyber networks through which Americans communicate with each other, conduct business and manage infrastructure. DHS analyzes and reduces cyber threats and vulnerabilities, distributes threat warnings, coordinates the response to cyber incidents and works with the private sector and our state, local, international and private sector partners to ensure that our computers, networks and cyber systems remain safe.

- *Ensuring Resilience to Disasters*: The Department provides the coordinated, comprehensive federal response in the event of a terrorist attack, natural disaster or other large-scale emergencies while working with federal, state, local and private sector partners to ensure a swift and effective recovery effort. DHS will continue its increased efforts to build a ready and resilient nation by bolstering information sharing, providing grants and training to our homeland security and law enforcement partners and further streamlining rebuilding and recovery along the Gulf Coast.

Ensuring shared awareness of risks and threats, increasing resilience in communities and enhancing the use of science and technology underpin these national efforts to prevent terrorism, secure and manage our borders, enforce and administer our immigration laws, safeguard and secure cyberspace and ensure resilience to disasters.

The total FY 2011 budget request for DHS is $56.3 billion in total funding; a 2 percent increase over the FY 2010 enacted level. The Department's FY 2011 gross discretionary budget request[1] is $47.1 billion, an increase of 2 percent over the FY 2010 enacted level. The Department's FY 2011 net discretionary budget request is $43.6 billion,[2] an increase of 3 percent over the FY 2010 enacted level. For purposes of comparison the Overseas Contingency Operation funding and transfer from the National Science Foundation are not included in the FY 2010 enacted level.

The following are highlights of the FY 2011 Budget Request:

PREVENTING TERRORISM AND ENHANCING SECURITY

- *Advanced Imaging Technology (AIT)*: An increase of $214.7M is requested to procure and install 500 advanced imaging technology machines at airport checkpoints to detect dangerous materials, including non-metallic materials. This request, combined with units the Transportation Security Administration (TSA) plans to install in 2010, will mean a total of 1,000 AIT scanners are providing AIT coverage at 75 percent of Category X airports and 60 percent of the total lanes at Category X through II airports.

- *Transportation Security Officers (TSOs) to Staff AITs*: An increase of $218.9M is requested for additional Transportation Security Officers (TSOs), managers and associated support costs to operate additional AITs at airport checkpoints. Passenger screening is critical to detecting and preventing individuals carrying dangerous or deadly objects and materials from boarding planes.

- *Federal Air Marshals (FAMs)*: An increase of $85M is requested for additional FAMs to increase international flight coverage. FAMs help detect, deter and defeat terrorist and other criminal hostile acts targeting U.S. air carriers, airports, passengers and crew.

- *Portable Explosive Trace Detection (ETD)*: An increase of $60M is requested to purchase approximately 800 portable ETD machines ($39M) and associated checkpoint consumables ($21M).

- *Canine Teams*: An increase of $71M and 523 positions (262 Full-Time Equivalents, or FTE) is requested to fund an additional 275 proprietary explosives detection canine teams, 112 teams at 28 Category X airports and 163 teams at 56 Category I airports.

- *Behavior Detection Officers (BDOs)*: An increase of $20M and 350 BDOs (210 FTE) is requested to further enhance TSA's Screening Passengers by Observation Techniques program. The FY 2011 request includes a total of 3,350 officers to enhance coverage at

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[1] Gross Discretionary funding does not include funding such as Coast Guard's retirement pay account and fees paid for immigration benefits

[2] This does not include fee collections such as funding for the Federal Protective Service (NPPD), aviation security passenger and carrier fees (TSA), credentialing fees (such as TWIC – TSA), and administrative costs of the National Flood Insurance Fund (FEMA).

lanes and shifts at high risk Category X and I airports and expand coverage to smaller airports.

- *Domestic Nuclear Detection Office Systems Engineering and Architecture*: An increase of $13.4M is requested to fund systems engineering efforts to address vulnerabilities in the Global Nuclear Detection Architecture, the multi-layered system of detection technologies, programs and guidelines designed to enhance the Nation's ability to detect and prevent a radiological or nuclear attack.

- *Radiological/Nuclear Detection Systems*: An increase of $41M is requested for the procurement and deployment of radiological and nuclear detection systems and equipment to support efforts across the Department.

- *Law Enforcement Detachment Teams*: An increase of $3.6M is requested to bring deployable U.S. Coast Guard Law Enforcement Detachment (LEDET) teams to full capacity. LEDETs help prevent terrorism, secure U.S. borders, disrupt criminal organizations and support counter drug missions overseas. In FY 2009, for example, LEDETs aboard U.S. naval and partner nation assets accounted for more than 50 percent of total maritime cocaine removals.

- *2012 Presidential Campaign*: Total funding of $14M is requested for startup costs associated with the 2012 Presidential Campaign including training for candidate/nominee protective detail personnel. The Secret Service will also begin to procure and pre-position equipment, services and supplies to support candidate/nominee protective operations throughout the country.

- *Secret Service Information Technology*: Total funding of $36M is requested for the Information Integration and Transformation program. This funding will allow the Secret Service to successfully continue its comprehensive Information Technology (IT) transformation and provide a multi-year, mission-integrated program to engineer a modernized, agile and strengthened IT infrastructure to support all aspects of the Secret Service's mission.

SECURING AND MANAGING OUR BORDERS

- *Journeyman Pay Increase*: In the spring of 2010, DHS will implement the journeyman pay increase, raising the journeyman grade level for frontline Customs and Border Protection (CBP) Officers (including Border Patrol agents and Agricultural Specialists) from GS-11 level to the GS-12 level. An adjustment to the base of $310.4M will fund the full-year impact of the salary and benefit requirements associated with this implementation.

- *CBP Officers*: An increase of $44.8M is requested to fund 318 CBP Officer FTEs within the Office of Field Operations and 71 support FTEs for CBP. The decline in the number of passengers and conveyances entering the United States in FY 2009 resulted in an almost 8 percent decrease in revenues from inspection user fees. CBP, therefore, has fewer resources to maintain critical staffing levels for CBP officers. The proposed funding will

allow CBP to maintain staffing for critical positions to protect the United States at its ports of entry.

- *Border Enforcement Security Task Forces (BESTs)*: An additional $10M is requested to establish BESTs in three additional locations: Massena, NY; San Francisco, CA and Honolulu, HI. These multi-agency teams work to identify, disrupt and dismantle criminal organizations posing significant threats to border security, including terrorist groups, gang members, and criminal aliens.

- *Intellectual Property Rights (IPR) Enforcement*: An increase of $30M is requested to support CBP and ICE IPR enforcement efforts. This includes information technology systems that support IPR activities and implementation of the 5-year IPR Plan. An increase of $5M is also requested for the Immigration and Customs Enforcement (ICE)-led National Intellectual Property Rights Coordination Center (IPR Center). The IPR Center brings key U.S. government agencies together to combat IPR violations that threaten our economic stability, restrict the competitiveness of U.S. industry and endanger the public's health and safety. ICE will also use these funds to focus on disrupting criminal organizations through the internet and support for anti-counterfeiting efforts.

- *Intelligence Analysts*: An increase of $10M is requested to fund 103 Intelligence Analysts for CBP. This staffing increase will support 24/7 operations of CBP Intelligence Watch, Operations Coordination and the Commissioner's Situation Room.

- *Coast Guard Asset Recapitalization*: A total of $1.4B is requested to continue recapitalization of aging Coast Guard surface and air assets. Included in this request is $538M for production of the Coast Guard's fifth National Security Cutter to continue replacement of the 378-foot High Endurance Cutters fleet. Also included is $240M for production of four Fast Response Cutters to continue replacement of the 110-foot Class Patrol Boat fleet. The Fast Response Cutters have enhanced capability, high readiness, speed, and endurance, which will allow them to quickly and effectively respond to emerging threats. Additionally, $40M is requested to purchase one Maritime Patrol Aircraft (MPA) HC-144A. The HC-144A will address the Coast Guard's MPA flight hour gap by providing 1,200 hours every year per aircraft. Finally, $13.9M is requested for improvement and acquisition of housing to support military families.

ENFORCING AND ADMINISTERING OUR IMMIGRATION LAWS

- *E-Verify*: A total of $103.4M and 338 FTEs is requested for the E-Verify Program. In FY 2011, U.S. Citizenship and Immigration Services (USCIS) will develop and implement an E-Verify portal that will provide a single-user interface for the program's products and services. In addition, USCIS will enhance E-Verify's monitoring and compliance activities through analytical capabilities that will support more robust fraud detection and improved analytic processes and will continue developing system enhancements in response to customer feedback, surveys, mission requirements and capacity needs.

- *Secure Communities*: Total funding of $146.9M is requested to continue FY 2010 progress toward nationwide implementation of ICE's Secure Communities program—which involves

the identification, apprehension and removal of all Level 1 criminal aliens in state prisons and local jails through criminal alien biometric identification capabilities. Secure Communities, in cooperation with federal, state and local law enforcement agencies, will provide a safeguard to American communities by removing those criminal aliens from the United States who represent the greatest threats to public safety and by deterring their re-entry through aggressive prosecution.

- *Immigrant Integration*: A total of $18M is requested to fund USCIS Office of Citizenship initiatives, including expansion of the competitive Citizenship Grant Program to support national and community-based organizations preparing immigrants for citizenship, promoting and raising awareness of citizenship rights and responsibilities, and enhancing English language education and other tools for legal permanent residents. The Office of Citizenship will support the implementation of the Immigration Integration program and lead initiatives to educate aspiring citizens about the naturalization process, monitor and evaluate the administration and content of the new naturalization test, and develop educational materials and resources for immigrants and the organizations that serve them.

SAFEGUARDING AND SECURING CYBERSPACE

- *National Cyber Security Division (NCSD)*: Total funding of $379M is requested for the NCSD to support the development of capabilities to prevent, prepare for and respond to incidents that could degrade or overwhelm the Nation's critical information technology infrastructure and key cyber networks. These funds will identify and reduce vulnerabilities, mitigate threats and ensure that cyber intrusions and disruptions cause minimal damage to public and private sector networks.

- *National Cyber Security Center (NCSC)*: A total of $10M is requested for the NCSC to enhance cyber security coordination capabilities across the Federal Government including mission integration, collaboration and coordination, situational awareness and cyber incident response, analysis and reporting, knowledge management, and technology development and management.

ENSURING RESILIENCE TO DISASTERS

- *Disaster Relief Fund (DRF)*: The budget seeks funding of $1.95B, an increase of $350M for the DRF. The DRF provides a significant portion of the total federal response to victims in declared major disasters and emergencies.

- *Federal Emergency Management Agency (FEMA) Facilities*: An additional $23.3M is requested to address critical FEMA real estate needs. By FY 2011, the capacity of FEMA facilities will be unable to accommodate key mission responsibilities and staff. FEMA also faces a critical need to maintain and repair aging and deteriorating national facilities. To address these needs, FEMA has developed a 5-year capital plan to begin critical regional facility acquisitions and repairs.

- *Pre-Disaster Mitigation Grants*: Total funding of $100M is requested to provide program support and technical assistance to state, local and tribal governments to reduce the risks

associated with disasters, support the national grant competition and provide the required $500,000 per state allocation. Resources will support the development and enhancement of hazard mitigation plans, as well as the implementation of pre-disaster mitigation projects.

- *Flood Map Modernization*: A total of $194M is requested to analyze and produce flood hazard data and map products and communicate flood hazard risk. The funding will support the review and update of flood hazard data and maps to accurately reflect flood hazards and monitor the validity of published flood hazard information.

- *Rescue 21*: A total of $36M is requested for the Rescue 21 system, enabling the U.S. Coast Guard to enhance preparedness, ensure efficient emergency response and rapidly recover from disasters. The Rescue 21 system replaces the U.S. Coast Guard's legacy National Distress and Response System and improves communications and command and control capabilities in the coastal zone. The system is the foundation for coastal Search and Rescue and enhances maritime situational awareness through increased communications ability with mariners and other responders.

MATURING AND STRENGTHENING THE HOMELAND SECURITY ENTERPRISE

- *St. Elizabeths Headquarters Consolidation*: To streamline the Departments core operations, $287.8M is requested to consolidate executive leadership, operations coordination and policy and program management functions in a secure setting at St. Elizabeths. The Department's facilities are currently dispersed over more than 40 locations throughout the National Capital Region (NCR). This consolidation at St. Elizabeths will reduce the fragmentation of components and will improve communications, coordination and cooperation across all DHS headquarters organizations.

- *Lease Consolidation – Mission Support*: A total of $75M is requested to align the Department's real estate portfolio in the NCR to enhance mission performance and increase management efficiency in conjunction with St. Elizabeths Headquarters Consolidation.

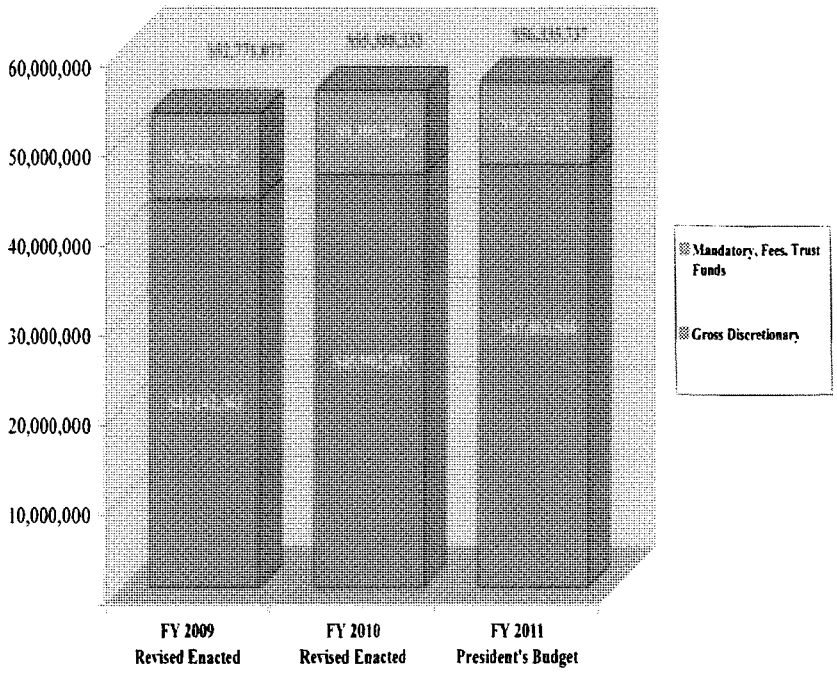
- *Data Center Migration*: A total of $192.2M is requested for the continuation of system and application migration of legacy data centers to two enterprise-wide DHS Data Centers to meet current and anticipated data service requirements. Funding will also be utilized for upgrading infrastructure requirements.

- *Acquisition Workforce*: The FY 2011 request includes an increase of $24.2M to strengthen the Department's acquisition workforce capacity and capabilities. The increase is requested to mitigate the risks associated with skill gaps of the acquisition workforce, ensure that the Department achieves the best terms possible in major acquisitions and improve the effectiveness of the workforce.

- *Science and Technology (S&T) Safe Container (SAFECON)/Time Recorded Ubiquitous Sensor Technology (TRUST) R&D*: A total of $8M is requested for the S&T SAFECON and TRUST programs. These initiatives develop high reliability, high-throughput detection technologies to scan cargo containers entering the country for weapons of mass destruction, explosives, contraband and human cargo.

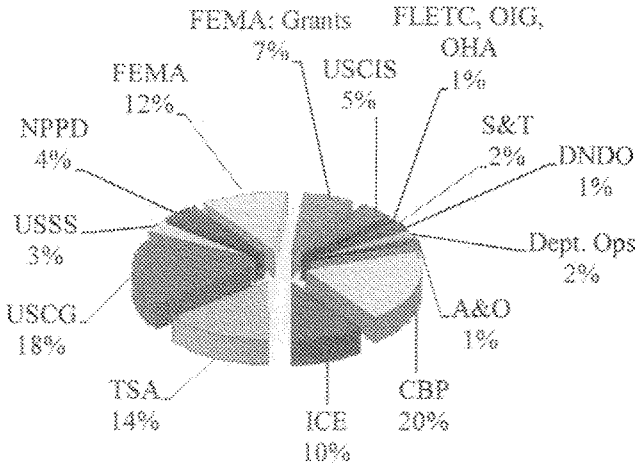
- *Grants*: A total of $4B is requested for grant programs to support our nation's first responders. This funding assists state and local governments in the prevention of, protection against, response to and recovery from incidents of terrorism and other events.

TOTAL BUDGET AUTHORITY
Dollars in Thousands



- FY 2011 Gross Discretionary funding increases by $1.1 billion, or 2 percent, over FY 2010.
- There is an decrease of $123 million, or 1 percent, in estimated budget authority for Mandatory, Fees, and Trust Funds over FY 2010.
- Excludes supplemental funding and rescissions of prior-year carryover funds.

FY 2011
Percent of Total Budget Authority by Organization
$56,335,737,000



Notes: Departmental Operations is composed of the Office of the Secretary & Executive Management, the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Office of the Undersecretary for Management, the Office of the Chief Financial Officer, the Office of the Chief Information Officer and the National Special Security Event Fund.

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

	FY 2009 Revised Enacted [1]	FY 2010 Revised Enacted [2]	FY 2011 President's Budget	FY 2011 +/- FY 2010 Enacted	FY 2011 +/- FY 2010 Enacted
	$000	$000	$000	$000	%
Departmental Operations [3]	$ 659,109	$ 802,931	$ 1,270,821	$ 467,890	58%
Analysis and Operations	327,373	335,030	347,930	12,900	4%
Office of the Inspector General	114,513	113,874	129,806	15,932	14%
U.S. Customs & Border Protection	11,250,652	11,449,283	11,180,018	(269,265)	-2%
U.S. Immigration & Customs Enforcement	5,968,015	5,741,752	5,835,187	93,435	2%
Transportation Security Administration	6,992,778	7,656,066	8,164,780	508,714	7%
U.S. Coast Guard	9,624,179	10,122,963	10,078,317	(44,646)	0%
U.S. Secret Service	1,640,444	1,702,644	1,811,617	108,973	6%
National Protection and Programs Directorate	1,188,263	2,432,755	2,361,715	(71,040)	-3%
Office of Health Affairs	157,621	139,250	212,734	73,484	53%
Federal Emergency Management Agency	5,971,159	6,194,268	6,527,406	333,138	5%
FEMA: Grant Programs	4,220,858	4,165,200	4,000,590	(164,610)	-4%
U.S. Citizenship & Immigration Services	2,876,348	2,859,997	2,812,357	(47,640)	-2%
Federal Law Enforcement Training Center	332,986	282,812	278,375	(4,437)	-2%
S&T Directorate	932,587	1,006,471	1,018,264	11,793	1%
Domestic Nuclear Detection Office	514,191	383,037	305,820	(77,217)	-20%
TOTAL:	$ 52,771,076	$ 55,388,333	$ 56,335,737	$ 947,404	1.71%
Less Rescission of Prior Year Carryover Funds:[4]	(61,373)	(40,474)	-	40,474	-100%
ADJUSTED TOTAL BUDGET AUTHORITY:	$ 52,709,703	$ 55,347,859	$ 56,335,737	$ 987,878	2%
SUPPLEMENTAL:[5]	$ 3,354,503	$ 295,503	$ -	$ (295,503)	$ -
Less Rescission of Prior Year Carryover Funds:[5]	$ (100,000)	$ -	$ -	$ -	

1/ FY 2009 revised enacted reflects
- Net reprogramming/transfer adjustments for OSEM ($17.4 million), OIG ($16.0 million), CBP ($-24.1 million), ICE ($16.4 million), TSA (14.4 million, USCG ($.400 million), USSS ($.2.5 million; NPPD ($70 million), OHA ($.430 million), FEMA ($-39.5 million)
- Technical adjustments to revise footnote fund estimates for ICE - Immigration Inspection User Fee ($7.0 million), ICE - Detention and Removal Examination Fee ($3.4 million), ICE - Breached Bond/Detention Fund ($15.0 million), TSA - Transportation Threat and Credentialing - Registered Traveler (-$10.0 million), TSA - Transportation Threat and Credentialing - Transportation Worker Identification Credentials ($22.7 million)
TSA - Transportation Threat and Credentialing - HAZMAT (-$3.0 million)
TSA - Transportation Threat and Credentialing - Alien Flight School ($1.0 million), CIS ($183.4 million), USCG ($7.9 million)
- Realignment of USCG Operating Expenses Ending and Pursuant to P.L. 110-53 reflects TSA realignment of funds for 9/11 Commission Act implementation ($7.675 million - Aviation Security, $2.825 million - Surface, $2.5 million - Support)
- Scorekeeping adjustments for a rescission of prior year unobligated balances from USCG - AC&I (-$20.0 million)

2/ FY 2010 revised enacted reflects
- Technical adjustments for TSA Aviation Security Fees of ($128.9 million), USCG Health Care Fund ($5.3 million)
- Scorekeeping adjustment for a rescission of prior year unobligated balances from USCG - AC&I (-$5.400 million)
- For comparable purposes, excludes USCG Overseas Contingency Operations ($241.5 million) and National Science Foundation transfer to USCG of $54.0 million

3/ Departmental Operations is comprised of the Office of the Secretary & Executive Management, the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Office of the Undersecretary for Management, the Office of the Chief Financial Officer, the Office of the Chief Information Officer, and the National Special Security Events Fund (NSSE)

4/ Pursuant to P.L. 110-329, reflects FY 2009 rescissions of prior year unobligated balances: Analysis and Operations (-$21.373 million)
TSA (-$31.0 million), FEMA - Cerro Grande (-$9.0 million)
Pursuant to P.L. 111-83, reflects FY 2010 rescissions of prior year unobligated balances: Analysis and Operations (-$2.4 million), TSA (-$4.0 million)
Counter-Terrorism Fund (-$5.6 million), FEMA ($-5.6 million), S&T ($-6.9 million), DNDO (-$8.0 million)

5/ In order to obtain comparable figures, Net Discretionary, Gross Discretionary, and Total Budget Authority excludes
- FY 2009 supplemental funding pursuant to P.L. 110-252: USCG ($112 million)
- FY 2009 supplemental funding pursuant to P.L. 111-5 (ARRA): USM ($200 million), OIG ($5 million), CBP ($600 million), ICE ($20 million), TSA ($1.0 billion), USCG ($240 million), FEMA ($650 million)
- FY 2009 supplemental funding pursuant to P.L. 111-8: USSS ($100 million)
- FY 2009 supplemental funding pursuant to P.L. 111-32: CBP ($51.2 million), ICE ($66.8 million), USCG ($119.5 million), FEMA ($150.0 million)
- Pursuant to P.L. 111-32 reflects FY 2009 rescission of prior year unobligated balances FEMA (-$100.0 million)
- FY 2010 Overseas Contingency Operations funding provided to P.L. 111-83: USCG ($241.5 million)
- FY 2010 Supplemental funding pursuant to P.L. 111-117: USCG ($54.0 million)

NET DISCRETIONARY AUTHORITY BY ORGANIZATION

Excludes Discretionary Offsetting Fees & Mandatory, Non-Offsetting Fees, & Trust Funds

	FY 2009 Revised Enacted [1]	FY 2010 Revised Enacted [2]	FY 2011 President's Budget	FY 2011 +/- FY 2010 Enacted	FY 2011 +/- FY 2010 Enacted
	$000	$000	$000	$000	%
Departmental Operations [3]	$ 659,109	$ 802,931	$ 1,270,821	$ 467,890	58%
Analysis and Operations	327,373	335,030	347,930	12,900	4%
Office of the Inspector General	114,513	113,874	129,806	15,932	14%
U.S. Customs & Border Protection	9,803,667	10,134,554	9,817,117	(317,437)	-3%
U.S. Immigration & Customs Enforcement	5,005,615	5,436,952	5,523,800	86,848	2%
Transportation Security Administration	4,369,358	5,129,505	5,724,000	594,495	12%
U.S. Coast Guard	8,104,707	8,541,749	8,466,537	(75,212)	-1%
U.S. Secret Service	1,415,444	1,482,644	1,571,617	88,973	6%
National Protection and Programs Directorate	1,188,263	1,317,755	1,246,715	(71,040)	-5%
Office of Health Affairs	157,621	139,250	212,734	73,484	53%
Federal Emergency Management Agency	2,777,560	2,963,268	3,292,860	329,592	11%
FEMA: Grant Programs	4,220,858	4,165,200	4,000,590	(164,610)	-4%
U.S. Citizenship & Immigration Services	152,490	224,000	385,800	161,800	72%
Federal Law Enforcement Training Center	332,986	282,812	278,375	(4,437)	-2%
S&T Directorate	932,587	1,006,471	1,018,264	11,793	1%
Domestic Nuclear Detection Office	514,191	383,037	305,820	(77,217)	-20%
TOTAL:	$ 40,076,342	$ 42,459,032	$ 43,592,786	$ 1,133,754	2.67%
Less Rescission of Prior Year Carryover Funds: [4]	(61,373)	(40,474)	-	40,474	-100%
Mandatory, Fees, and Trusts	12,694,734	12,929,301	12,742,951		
ADJUSTED TOTAL BUDGET AUTHORITY:	$ 52,709,703	$ 55,347,859	$ 56,335,737	$ 987,878	2%
SUPPLEMENTAL: [5]	$ 3,354,503	$ 295,503	$ -	$ (295,503)	$ -
Less Rescission of Prior Year Carryover Funds: [5]	$ (100,000)	$ -	$ -	$ -	

1/ FY 2009 revised enacted reflects:

- Net reprogramming/transfer adjustments for OSEM ($17.4 million); OIG ($16.0 million); CBP ($-24.1 million); ICE ($16.4 million); TSA (14.4 million); USCG ($.400 million); USSS ($ 2.5 million); NPPD ($30 million); OHA ($.430 million), FEMA ($-39.5 million).

- Technical adjustments to revise fee/trust fund estimates for ICE - Immigration Inspection User Fee ($7.0 million); ICE - Detention and Removal Examination Fee ($1.4 million); ICE - Breached Bond/Detention Fund ($15.0 million); TSA - Transportation Threat and Credentialing - Registered Traveler (-$10.0 million), TSA - Transportation Threat and Credentialing - Transportation Worker Identification Credentials ($22.7 million); TSA - Transportation Threat and Credentialing - HAZMAT (-$3.0 million); TSA - Transportation Threat and Credentialing - Alien Flight School ($1.0 million); CIS ($185.4 million); USCG ($7.9 million).

- Realignment of USCG Operating Expenses funding and Pursuant to P.L. 110-53 reflects TSA realignment of funds for 9/11 Commission Act implementation ($3.675 million - Aviation Security, 13.825 million - Surface, $2.5 million - Support)

- Scorekeeping adjustment for a rescission of prior year unobligated balances from USCG - AC&I (-$20.0 million).

2/ FY 2010 revised enacted reflects:

- Technical adjustments for TSA Aviation Security Fees of ($128.9 million); USCG Health Care Fund ($5.0 million).

- Scorekeeping adjustment for a rescission of prior year unobligated balances from USCG - AC&I (-$.800 million).

- For comparability purposes, excludes USCG Overseas Contingency Operations ($241.5 million) and National Science Foundation transfer to USCG of $54.0 million.

3/ Departmental Operations is comprised of the Office of the Secretary & Executive Management, the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Office of the Undersecretary for Management, the Office of the Chief Financial Officer, the Office of the Chief Information Officer, and the National Special Security Events Fund (NSSE)

4/ Pursuant to P.L. 110-329, reflects FY 2009 rescissions of prior year unobligated balances: Analysis and Operations (-$21.373 million); TSA (-$31.0 million); FEMA - Cerro Grande (-$9.0 million)

Pursuant to P.L. 111-83, reflects FY 2010 rescissions of prior year unobligated balances: Analysis and Operations (-$2.4 million); TSA (-$4.0 million); Counter-Terrorism Fund (-$5.6 million); FEMA ($-5.6 million); S&T ($-6.9 million); DNDO (-$8.0 million)

5/ In order to obtain comparable figures, Net Discretionary, Gross Discretionary, and Total Budget Authority excludes:

- FY 2009 supplemental funding pursuant to P.L. 110-252: USCG ($112 million)

- FY 2009 supplemental funding pursuant to P.L. 111-5 (ARRA): USM ($200 million), OIG ($5 million); CBP ($680 million), ICE ($20 million); TSA ($1.0 Billion); USCG ($240 million), FEMA ($610 million);

- FY 2009 supplemental funding pursuant to P.L. 111-8: USSS ($100 million).

- FY 2009 supplemental funding pursuant to P.L. 111-32: CBP ($51.2 million); ICE ($66.8 million); USCG ($139.5 million); FEMA ($130.0 million).

- Pursuant to P.L. 111-32 reflects FY 2009 rescissions of prior year unobligated balances. FEMA (-$100.0 million)

- FY 2010 Overseas Contingency Operations funding provided in P.L. 111-83: USCG ($241.5 million);

- FY 2010 Supplemental funding pursuant to P.L. 111-117: USCG ($54.0 million),

KEY FY 2009 ACCOMPLISHMENTS & REFORMS

In 2009, our 230,000 employees strengthened existing efforts and launched new initiatives to meet our five key responsibilities: guarding against terrorism; securing our borders; engaging in smart, effective enforcement of immigration laws; preparing for, responding to and recovering from disasters of all kinds; and building a mature and unified Department.

DHS has emphasized three cross-cutting approaches to achieve these aims—increasing cooperation with federal, state, tribal, local, private sector, and international partners; deploying the latest science and technology to support our mission; and maximizing efficiency and streamlining operations across the Department.

As a result, we have made major advances in addressing new and emerging threats to keep our homeland safe, fostering lawful trade and travel and continuing to build a ready and resilient nation able to meet the challenges of the 21st century. The following are some key initiatives accomplished this past year.

Guarding Against Terrorism and Threats to Cyber Networks and Critical Infrastructure

Protecting the American people from terrorist threats is the founding purpose of the Department and a top priority. Over the past year, DHS has continued to guard against terrorism by enhancing explosives detection and other protective measures in public spaces and transportation networks, working with the private sector to protect critical infrastructure and cyber networks from attack, improving detection of chemical, biological, radiological, and nuclear materials, and building information-sharing partnerships with state and local law enforcement that enable law enforcement to better mitigate threats.

- Fulfilling a key 9/11 Commission recommendation, TSA began implementing Secure Flight, which prescreens passenger name, date of birth and gender against government watch lists for domestic and international flights.

- TSA achieved the 9/11 Act requirement of screening 50 percent of air cargo transported on domestic passenger aircrafts by February 3, 2009. Currently, 100 percent of cargo is screened on more than 95 percent of flights originating in the United States and 100 percent of all baggage is screened for explosives

- The Domestic Nuclear Detection Office directly trained more than 3,600 federal, state and local officers and first responders in radiological and nuclear detection and began demonstrating the first-of-its-kind Cargo Advanced Automated Radiography System, which aims to detect special nuclear materials and shielding material in cargo at ports of entry.

- DHS opened the new National Cyber Security and Communications Integration Center—a 24-hour, DHS-led coordinated watch and warning center that will improve national efforts to address threats and incidents affecting the Nation's critical IT and cyber infrastructure.

- DHS worked with the Office of Personnel Management to attain new authority to recruit and hire up to 1,000 cyber security professionals across the Department over the next 3 years to

help fulfill DHS' broad mission to protect the Nation's cyber infrastructure, systems and networks.

- S&T partnered with the U.S. Secret Service, industry and academia to digitize more than 9,000 ink samples to expedite the investigation of criminal and terrorist activities by reducing matching times from days to minutes.

- DHS held the 5-day National Level Exercise 2009—the first national level exercise to focus on terrorism prevention—in conjunction with federal, state, local, tribal, private sector and international partners.

- In accordance with the Chemical Facilities Anti-Terrorism Standards Act (CFATS), which allows DHS to regulate the security measures at high-risk chemical facilities, DHS is working with 2,300 facilities on strengthening security measures. In 2009, DHS received Site Security Plans from over 900 regulated facilities.

- DHS signed agreements to prevent and combat crime with Italy, Greece, Portugal and Spain. These agreements allow for the exchange of biometric and biographic data to bolster counterterrorism and law enforcement efforts while emphasizing privacy protections.

- DHS and Spanish Interior Minister Perez Rubalcaba signed a Declaration of Principles formalizing the Immigration Advisory Program—which identifies high-risk travelers at foreign airports before they board aircraft bound for the United States.

- DHS forged partnerships with Germany and Spain to facilitate scientific research and collaboration to combat transnational threats.

- DHS and Canadian Public Safety Minister Peter Van Loan announced a series of cooperative initiatives between the United States and Canada to address terrorism and organized crime while expediting the lawful flow of travel and trade—including a biometric data sharing initiative also involving Australia, the United Kingdom and, eventually, New Zealand.

Securing our Borders while Facilitating Lawful Travel and Trade

In 2009, DHS continued to strengthen security on the Southwest border through additional manpower and new technology to disrupt the flow of illegal drug, cash and weapon smuggling that fuels cartel violence in Mexico. The Department also reinforced security on the northern border while facilitating lawful travel and trade.

- The Obama administration announced the Southwest Border Security Initiative, a joint effort of the Departments of Homeland Security, Justice and State to crack down on Mexican drug cartels by enhancing border security through additional personnel, increased intelligence capability and better coordination with state, local and Mexican law enforcement authorities. As of December 8, 2009, CBP has seized more than $38.3 million in southbound currency—an increase of more than $29.3 million compared to the same period in 2008. In total thus far in 2009, CBP and ICE have seized more than $101.7 million and nearly 1.59 million

kilograms of drugs—an increase of more than $48.2 million and more than 423,167 kilograms of drugs compared to the same period in 2008.

- DHS implemented the Western Hemisphere Travel Initiative for land and sea travel to the United States, increasing border security while facilitating lawful travel and trade by requiring U.S. and Canadian citizens to present a passport or other approved secure document that denotes identity and citizenship when crossing the border.

- DHS and the Department of Justice joined with the Office of National Drug Control Policy to release the National Southwest Border Counternarcotics Strategy, the Obama administration's strategy to stem the flow of illegal drugs and their illicit proceeds across the southwest border and reduce associated crime and violence.

- The Department announced the expansion of Global Entry—a CBP pilot program that streamlines the screening process at airports for trusted travelers through biometric identification—as a permanent voluntary program at airports across the United States. Global Entry reduces average wait times by more than 70 percent and more than 75 percent of travelers using Global Entry are admitted in less than five minutes.

- DHS launched a joint Coast Guard-CBP effort to use Predator Unmanned Aerial Systems (UAS) to provide improved surveillance of the United States' maritime borders. DHS will conduct the first UAS operations along maritime borders in 2010.

- DHS, the Department of Justice and the Government of Mexico signed a Letter of Intent to develop a coordinated and intelligence-driven response to the threat of cross-border smuggling and trafficking of weapons and ammunition. This first-of-its-kind arrangement leverages the combined investigative capabilities of ICE, the Bureau of Alcohol, Tobacco, Firearms and Explosives and the Attorney General of Mexico to combat violence and criminal activity along the U.S.-Mexico border.

- Through Global Entry, DHS launched a first-of-its-kind initiative with the Netherlands to open membership in U.S. and Dutch expedited air travel programs to citizens of both countries in an effort to streamline entry processes for pre-screened fliers.

Engaging in Smart, Effective Immigration Law Enforcement

Over the past year. DHS has strengthened its immigration enforcement activities, targeting criminal aliens and employers who violate the nation's immigration laws. while making improvements to the legal immigration system.

- DHS implemented a new, comprehensive strategy to reduce the demand for illegal employment and protect employment opportunities for the Nation's lawful workforce by targeting employers who knowingly hire illegal workers through investigations, prosecution and civil and criminal penalties. Since January 2009, DHS' new worksite enforcement policies have led to 1,897 cases and 2,069 Form I-9 inspections targeting employers, 58 companies and 62 individuals debarred, and 142 Notices of Intent to Fine totaling $15,865,181 issued.

- DHS is reforming the immigration detention system, enhancing security and efficiency nationwide while prioritizing the health and safety of detainees. New initiatives include creating an Office of Detention Policy and Planning to ensure uniform conditions of confinement, medical care and design; implementing a medical classification system; centralizing all detention facility contracts under ICE headquarters' supervision; developing a plan for alternatives to detention; more than doubling the number of federal personnel providing onsite oversight at the facilities where the majority of detainees are housed; creating two advisory boards comprised of community and immigration advocacy groups; and establishing an independent Office of Detention Oversight reporting directly to the ICE Assistant Secretary.

- DHS expanded the Secure Communities initiative—which uses biometric information to target criminal aliens in U.S. correctional facilities—from 14 to 107 locations in 2009, reflecting an increased emphasis on identifying and removing criminal aliens who pose the greatest threat to public safety. To date, the program has identified more than 111,000 aliens in jails and prisons who have been charged with or convicted of criminal offenses.

- USCIS and the FBI cleared the backlog of a year or more for background checks on people seeking to work and live in the United States or become citizens—reflecting DHS' commitment to quick, thorough and fair adjudication of immigration applications. The vast majority of these checks are now answered within 30 days. At the end of fiscal year 2009, USCIS also reduced the backlog of pending immigration applications and petitions by more than 90 percent and reduced average processing times for naturalization applicants by nearly 5 months as compared to FY 2008.

- USCIS launched a redesigned website—available in English and Spanish—which provides a one-stop location for immigration services and information, including real-time alerts on the status of immigration applications via text message and e-mail.

- USCIS increased employer participation in E-Verify, the nation's preeminent employment eligibility verification system, from 88,000 companies at the end of FY 2008 to more than 177,000 employers today.

Preparing for, Responding to and Recovering from Disasters

In the event of a terrorist attack, natural disaster or other large-scale emergency, the Department provides a coordinated, comprehensive federal response and works with federal, state, local, and private sector partners to ensure a swift and effective recovery effort. This year, DHS increased efforts to build a ready and resilient nation by providing grants and training to our homeland security and law enforcement partners, coordinating the federal government's response to H1N1, and streamlining rebuilding and recovery along the Gulf Coast.

- DHS led the federal response to the H1N1 outbreak, creating regional coordination teams comprised of representatives from DHS and the Departments of Defense and Health and Human Services to oversee, coordinate and execute national incident management responsibilities. DHS also coordinated outreach efforts to congressional, state, local, tribal, private sector and international officials regarding the H1N1 outbreak.

- Since January 20, 2009, Louisiana and Mississippi have received more than $2.1 billion in public assistance from DHS, including $125 million for debris removal and emergency protective measures, $935.5 million in public works and infrastructure projects, $258 million for mitigation activities to increase resilience and more than $542 million for K-12 education. In addition, more than 6,000 displaced households in Louisiana and Mississippi have been transitioned to permanent housing.

- To cut through red tape and streamline and expedite the decision-making process for public assistance for recovery efforts in the Gulf Coast, DHS established two joint public assistance teams and a new arbitration process to resolve longstanding issues over public assistance funding. Over the past 10 months, the Joint Expediting Team and the Unified Public Assistance Project Decision Team have resolved 156 projects, distributing more than $100 million dollars to support the repair and replacement of fire and police stations, schools like the Southern University of New Orleans and Holy Cross School, libraries and other infrastructure critical to the recovery of Gulf Coast communities.

- FEMA has responded to 47 declared disasters since January 21, 2009, including the Red River flooding in North Dakota and Minnesota, the September flooding in Georgia and the earthquake and tsunami that struck American Samoa.

Unifying and Maturing DHS

Six years since the Department's creation, DHS' goal remains the same: one enterprise dedicated to a shared vision for homeland security. Over the past year, DHS implemented a series of wide-ranging efficiency initiatives that leverage the economies of scale in DHS in order to recover millions of dollars and create a culture of responsibility and fiscal discipline. At the same time, the Department leveraged new technology to improve DHS operations, coordination and outreach.

- DHS broke ground on its new headquarters at the St. Elizabeths Campus. While DHS currently operates in more than 40 offices around the National Capitol Region, the consolidated headquarters will unify DHS' many components into one cohesive department and is expected to save taxpayers $163 million over the next 30 years.

- DHS launched the Efficiency Review Initiative to improve efficiency, streamline operations and promote greater accountability, transparency and customer satisfaction through a series of initiatives—including eliminating non-mission critical travel, renegotiating contracts, utilizing government facilities instead of private rentals, reducing printing and postal mail and maximizing the use of web-based communication, training and meetings, implementing energy efficiencies in DHS facilities and maximizing DHS' buying power to receive the lowest price possible when acquiring office supplies and software licenses. These initiatives collectively are expected to lead to hundreds of millions of dollars in cost avoidances. This past year, DHS identified more than $100 million in cost savings including $22 million by eliminating non-mission critical travel; $16 million by utilizing software licensing agreements DHS-wide; $7 million through the mandatory review of contracts; $9 million by eliminating redundancy in processing mariner credentials; $8 million by consolidating the DHS sensitive-but-unclassified portal system; almost $4 million by posting documents online or using e-mail in lieu of printing and postal mail; $2 million by streamlining boat maintenance and support schedules; $2 million by utilizing government facilities instead of

private rentals; almost $2 million by increasing energy efficiencies at facilities and many more examples across the Department.

- S&T launched the Virtual USA initiative, an innovative, information-sharing initiative that helps federal, state, local and tribal first responders communicate during emergencies by linking disparate tools and technologies in order to share the location and status of critical assets and information—such as power and water lines, flood detectors, helicopter-capable landing sites, emergency vehicle and ambulance locations, weather and traffic conditions, evacuation routes and school and government building floor plans—across federal, state, local and tribal governments.

Selected DHS High Priority Performance Goals

Preventing Terrorism and Enhancing Security

- **Improve security screening of passengers, baggage, and employees while expediting the movement of the traveling public (aviation and surface transportation security).**

  FY2011 Initiatives include deploying new technology, law enforcement and canine assets at domestic airports, enhancing checkpoint technology, implementing the Transportation Workers Identification Credential (TWIC) program—which requires transportations workers to obtain a biometric identification card to gain access to secure areas of transportation facilities, and strengthening our Visible Intermodal Prevention and Response (VIPR) teams— which use unpredictability to deter, detect, and disrupt potential terrorist activities, will help us to achieve these goals.

Securing and Managing Our Borders

- **Prevent terrorist movement at land ports of entry and maritime borders through enhanced screening while expediting the flow of legitimate travel.**

  FY2011 initiatives include implementing the Western Hemisphere Travel Initiative by deploying new technology. upgrading our processing capabilities at border checkpoints, and enhancing information sharing among law enforcement, as well as continuing recapitalization of aging Coast Guard surface and air assets to quickly and effectively respond to emerging threats.

Enforcing and Administering Our Immigration Laws

- **Improve the efficiency of the process to detain and remove illegal immigrants from the United States.**

- **Improve the delivery of immigration services.**

  FY2011 initiatives include increasing our targets for detaining and removing dangerous criminal aliens from the United States through our Secure Communities program—which uses biometrics to identify and remove criminal aliens incarcerated in state and local jails—by four percent per

year. Additionally, we will improve the delivery of immigration services by modernizing our adjudication process for new immigrants and potential citizens.

Ensuring Resilience to Disasters

- **Strengthen disaster preparedness and response by improving FEMA's operational capabilities and enhancing State, local and private citizen preparedness**

  In FY2011, FEMA will continue to enhance its training programs to help state and local entities prepare for all types of disasters. FEMA is also developing a national strategy to house up to half a million households within sixty days of a disaster—increasing current capacity by 200 percent.

Maturing and Strengthening the Homeland Security Enterprise

- **Mature and unify the Homeland Security Enterprise through effective information sharing.**

- **Improve acquisition execution across the DHS acquisition portfolio, by ensuring key acquisition expertise resides in major program office and acquisition oversight staffs throughout the Department.**

  In FY2011, our efforts will focus on information sharing across all departmental components. Additionally, the department is undertaking an initiative to enhance the capability and capacity of its acquisition workforce to ensure that major acquisition projects do not exceed cost, schedule, and performance objectives.

We will focus on these goals over the next two years and continue to work closely with the Office of Management and Budget in the monitoring and reporting of milestones and performance measures associated with them. As we continue the Bottom-Up Review associated with the QHSR, we may update these goals and associated measures.

CONCLUSION

The FY 2011 budget proposal reflects this administration's continued commitment to protecting the homeland and the American people through the effective and efficient use of DHS resources. As outlined in my testimony today, the Department will build on past successes in several areas including information sharing with our partners, aviation and port security measures and immigration reform efforts.

Thank you for inviting me to appear before you today. I look forward to answering your questions and to working with you on the FY 2011 Budget Request and other issues.

AVIATION SECURITY

Mr. PRICE. Thank you, Madam Secretary.

Let me begin with a couple of related questions in the area of aviation security.

It doesn't surprise anyone, of course—especially following the December 25 incident—that you would request a sizable increase for aviation security. As both I and the Ranking Member commented, it is striking how people-dependent this request is and how heavily it is tilted toward new personnel—6,650 new positions—excluding the classified Federal air marshal figure. That would be the largest hiring effort since TSA federalized the screener workforce.

So one question I want to ask you has to do with the mix of people and technology that is involved here. How do you justify that? Then how do you balance resources between this heavy domestic focus on people and technology and the international nature of the threat that we face? Only Federal air marshals and a small increase in international aviation security personnel are included on the budget on the international side. So I would like for you to comment on that mix of people and technologies and also the heavy domestic focus here.

And then, fill us in a bit more than you have in your statement about your own international focus. In January, you went to Spain to discuss the Nigerian bomber plot and related issues with European security officials. You were in Geneva meeting with international airlines on aviation security. Last week, you went to Mexico to engage Western Hemisphere governments on the same issues. Your European trip resulted in a U.S.-European Union declaration on strengthening the civil aviation system through better information collection, sharing, and technical cooperation. There is an April meeting scheduled to discuss specific measures to achieve these goals. And the Mexican trip resulted in a joint agreement with Canada and six Latin American countries for greater airplane security, biometric use, and information sharing.

This international focus is understandable and commendable. Help us understand its significance and its thrust going forward. What consensus have you reached about the kind of airport security procedures to be used for international flights here and abroad? What can you tell us about the kind of advanced information that is going to be required going forward of airlines and airplanes? And also any information sharing practices that have been agreed upon by the cooperating nations.

I would be happy to hear whatever you have to say this morning and perhaps a fuller account for the record of the status of these international discussions and the way they relate directly to some of the shortcomings that these recent incidents have highlighted.

Secretary NAPOLITANO. Well, thank you, Mr. Chairman.

Let me, if I might, break your question into two parts: one, the international and then, the funding for what is happening in our domestic airplanes.

Umar Farouk Abdulmutallab got on a plane in Lagos, Nigeria. He transferred in Amsterdam, and he was flying to Detroit. What that illustrated is that the aviation system is a global system. Indeed, the Department of Homeland Security has a very limited role

overseas, which is why in the budget proposal you see the heavy emphasis on domestic, not international.

To compensate for that, we have embarked on a very aggressive international outreach working with ICAO, which is the international aviation wing of the U.N., to increase aviation screening, airport standards, information sharing and collection around the world.

We started in Europe, because they had a ministerial meeting that was already set. They allowed aviation to become the agenda item. We reached a Western Hemispheric agreement last week with major countries of the Western Hemisphere, others will join.

Next week, we will go to Tokyo to meet with the countries of Asia. We have meetings also planned for Africa and the Middle East.

The goal is to have global standards agreed to region by region that are then represented globally by the General Assembly of ICAO in the early fall. This will do us several things. One is, it will improve information and advance passenger information sharing and collection about passengers and passenger vetting; secondly, it will help create global standards for airport screening, which can then be audited and enforced; and, thirdly, it will I think embody a worldwide recognition now that al Qaeda and its affiliates are still focused on aviation as a central target. That is why while this budget contains monies for VIPR teams and other equipment and personnel for surface transportation, you see the heavy investment in aviation.

And of course we don't do the screening abroad. We don't handle what happens at Schiphol Airport in Amsterdam, for example.

We have to work in the international environment to get some of those things done. We are working with the air carriers themselves. They have, obviously, a vested interest in this. And so IATA, which is the international—it is the international airlines who are non-U.S. flagged and also with the U.S.-flagged air carriers and their CEOs on this.

[The information follows:]

Following the events of December 25, 2009, TSA developed an aggressive timeline and corresponding strategy to build upon its already strong engagement and outreach efforts at the international level. The Secretary has attended meetings in Mexico City for Latin America and is currently in Japan for an Asian Ministerial. Follow-on meetings will occur in Africa in April and an undetermined date in May in the Middle East. Additionally there have been extensive meetings with the International Civil Aviation Organization (ICAO) at a global level, regional AVSEC groups and a series of bilateral meetings with EU countries, Asian nations, Latin American countries and African nations.

Focusing on 10 priority areas designed to effect the greatest change in international aviation security, TSA strives to raise awareness of the threat and encourage specific enhancements in security measures worldwide. Priority areas include developing a common view of the threat; enhancing international standards; conducting audits; encouraging the use of technological and non-technological measures; developing cooperative agreements for information sharing; providing training and technical assistance; and working with host governments to enhance their authorities for aviation. This targeted coordination and collaboration will continue to advance our key security objectives. One critical element of this strategy is working within the construct of the ICAO to ensure new and emerging threats are incorporated into future amendments of Annex 17 (Security) to the Convention on International Civil Aviation, which is the guiding document for security requirements for international aviation.

ADVANCED IMAGING TECHNOLOGY

In terms of our domestic airlines, yes, you saw an increase in personnel at the TSA. Those are associated with what is necessary to operate the AITs, the Advanced Imaging Technology machines, on a 24/7 basis; and there is a formula for that.

We had, prior to Christmas, planned to be rolling out AITs. They are the next iteration of technology. They are objectively better than relying on a magnetometer. They pick up powders, liquids, other anomalies that a passenger may be trying to bring on a plane, but they needed personnel trained to operate them. So a great part of that is associated with the rapid acceleration of the deployment of the Advanced Imaging Technology.

Mr. PRICE. The formula being five FTEs to operate each AIT machine around the clock?

Secretary NAPOLITANO. Right. And we can give you the staffing plan. These machines have been piloted, obviously. But it is for a 24/7 operation.

Mr. PRICE. Well, I do think the December 25 incident highlighted the good work this Subcommittee and your Department have done in providing for the deployment of hundreds of these machines. This has been under way for some time now. The piloting is completed, and we have a deployment plan. But, of course, this gives us an impetus to step this up, to make it more comprehensive, and your budget does reflect that.

It is expensive, though. It is a big item, and it has probably led to some trade-offs in other areas that we are going to need to evaluate.

Secretary NAPOLITANO. Indeed, Mr. Chairman, and we will look forward to working with the Subcommittee and the staff on that as you go through the appropriations process.

But in looking at the amount of machines that are out there, what could actually physically be purchased and installed in Fiscal Year 2011 so that we could get all the way down really to category X, category one, two, and even some of the category three airplanes, this was the staffing that we estimated was required.

Mr. PRICE. Thank you.

Mr. Rogers.

GROWING HEADQUARTERS FUNDING AT EXPENSE OF OPERATIONS

Mr. ROGERS. Madam Secretary, there is an alarming disparity in the budget request. Double-digit increases for headquarters offices' staff but cuts to virtually every major operational security program—border security, port security, cargo security, infrastructure protection, cybersecurity. And at a time when our intelligence community is projecting a certain al Qaeda attack in the U.S. in the next 3 to 6 months, the budget request proposes funding priorities and trade-offs that are at best curious and at worst dangerous. For example, notable funding imbalances that I wanted to mention to you:

Your headquarter's offices, including the Offices of the Secretary and Executive Management, Office of the Under Secretary for Management, CFO, CIO are requested to increase by $468 million—58 percent—and at a time when you are proposing $200 million for se-

curity costs associated with bringing the terrorists from Guantanamo here for trial.

You are also proposing to decrease Customs and Border Protection by $309 million, over a 3 percent cut. The Coast Guard will be cut by $31.6 million. Infrastructure protection, including cybersecurity, is proposed to decrease by $18 million-plus.

Your office staffing is proposed to be grown by 576 full-time equivalents, a 35 percent increase. I think we are all here certainly saying you need personnel to try to tie together the disparate pieces of homeland security, but this is way beyond what I think is necessary.

The Coast Guard would be cutting 1,100 personnel, and I can't fathom what the game plan here is. For example, in fiscal 2011, while we are, in my judgment, wasting the $200 million on terror trial protection, CBP air and machine operations are cut by 3.2 percent, key operational assets from Coast Guard are being decommissioned, including four of the twelve 378-foot high-endurance cutters. That is one-third of the HEC fleet. You are cutting four HU–25 fixed-wing aircraft, five HH–65 helicopters, and five of the 13 maritime safety and security teams, including the ones located in New York, New Orleans, and Anchorage, the sites of two of the largest-ever disasters in American history, 9/11 and Katrina, and sites near two of the Nation's vital oil pipelines, the LOOP terminal off Louisiana and the Alaska pipeline shipping terminal in Valdez.

I know that you say that the Coast Guard cuts are to make room for new investments, but the Coast Guard's acquisitions are also decreased by $155 million, or 10 percent. New investments are being prolonged. The net result is a huge loss in the operational capability in fiscal 2011 until toward the end of fiscal 2011.

The Coast Guard tells me in questioning that its capability to interdict smuggled cocaine will decline, that the amount of cocaine removed will decline by 11 percent due to the loss of these assets. In fiscal 2009, the four 378-footer ships that are proposed to be decommissioned contributed to the removal of 35,000 pounds of cocaine and 400 pounds of marijuana, estimated value of close to $500 million.

I don't understand the priorities that are represented in this budget with regard to these matters, among others. Can you help me with them?

Secretary NAPOLITANO. Yes. I really appreciate the opportunity to do that, because I really believe that it is superficially easy to say you are increasing bureaucrats and decreasing folks who actually do the mission, and nothing could be further from the truth.

Here is the fact of the matter. As I suggested in my opening statement, yes, you are right. There is an increase of "headquarters staff" but these are individuals who are not actually, many of them, at headquarters. They are making sure that we have good program management, procurement management and that we are integrating and migrating together the myriad data systems that we inherited in this Department. It is part of creating the structure of the Department out of which operations arise.

And I will tell you, as a former governor, you have got to have some of these personnel to make your operations the most efficient, the most intelligent and effective that you can.

The number had to go somewhere, so I guess it is easy to pick on headquarters. But these are folks that are designed to make sure we spend the dollars you appropriate in the best possible way.

With respect to CBP, I know there has been some issue about cutting Border Patrol agents? We are not. We will not. And I think a clarification document has been submitted to the Committee.

[The information follows:]

These materials were provided to the Committee on March 9, 2010.

With respect to cyber, we have eliminated some one-time expenses. For example, you gave us the money last year to help us integrate into what is called the NCCIC, our cybercapacity. We don't need to do that this year.

Some of those things are also attributable in CBP. I mentioned license plate readers. You gave us the money to buy more license plate readers for the border. Those are very useful law enforcement tools, but we have bought them. They are there. They are installed. They are being used. We don't need to repeat that expenditure in a tight fiscal year.

And if I might close, Representative, on the Coast Guard. You used the number 1,100. There is actually an add-on in other areas. I think the net is 783 personnel.

Let me address in particular the reduction—the consolidation, really, of the MSSTs. You know, one of the challenges that we have is to make sure that we are operating efficiently even as we perform our mission. There is no bigger supporter of the Coast Guard than I am, and they do a remarkable job at many, many things. The MSSTs are simply being consolidated. Why? Because they can cover regionally.

Let me use New York as an example. We suggest that that MSST be consolidated and consolidated up to Boston. That was a proposal that emanated from the Coast Guard. Why? Well, because they already have a huge Coast Guard footprint in New York Harbor, and a third of the time they were being deployed not even in the New York area. They were being deployed elsewhere. It was considered by the Coast Guard leadership better to have fewer teams that have a more regional focus. I believe that you can accomplish that mission out of those teams with fewer of them regionally designed; and that, indeed, is what the Coast Guard leadership proposed.

Mr. ROGERS. Well, in closing, Mr. Chairman, we are delighted to give you money to fill these vacant management positions at the Department. As the Chairman has mentioned, there are several major pieces of homeland security who are leaderless at this point, including TSA for over a year, amongst others. We have no problem giving money for filling those positions.

But you know, last year—this is the second year in a row that you have proposed a budget that focuses more upon the bureaucrats in Washington than the frontline operators, a prioritization that Congress rejected last year and I have confidence we will reject again this year. When are you going to learn that we are not

going to fund these enormous increases in personnel in headquarters as opposed to—and while you are cutting Coast Guard and other frontline operations?

Secretary NAPOLITANO. Congressman, if I might just add—I must not be communicating clearly.

Mr. ROGERS. No, you are not.

Secretary NAPOLITANO. So let me try one more time. Are you ready?

Mr. ROGERS. Yes.

Secretary NAPOLITANO. All right. First of all, these are personnel that will be spread throughout the operating components of the Department; and so to say they are headquarters personnel is a mischaracterization.

Secondly, these are individuals designed to meet the management requisites that the Congress, in part, has imposed on the Department but also makes smart long-term investments in creating the management infrastructure of the Department.

And, thirdly, the operational components—I just responded to the Chairman on why we were increasing TSA officers by such a high number. We will meet our Border Patrol numbers on the southern border and the northern border and sustain them. We are going to make smarter use of the technology dollars that you appropriate for that southern border. That is why we are taking a fresh look at SBI*net*. We are going to recapitalize this Coast Guard so our men and women aren't fighting in antiquated vessels, and that is really the design and focus of the President's budget.

Mr. PRICE. Thank you.

Mr. Ruppersberger.

CYBERSECURITY

Mr. RUPPERSBERGER. Thank you.

Well, first, you do have a difficult job. You have a lot on your plate. So I hope you have a good team, and we will try to do what we can to work with you.

I think Mr. Rogers, by the way, made some relevant issues on the budgeting. If you are cutting, we need in our capacity of oversight to look at that.

I do want to applaud you for the Coast Guard. I think it is one of the best organizations that I have seen in this country. They have very little but they do an excellent job in what their mission is. I am glad you look after the Coast Guard.

I want to get into the area of cybersecurity. It is an area that a lot of people in this country don't know about, but yet it is one of the biggest threats we have, I believe, to our national security.

As you know, we have been cyberattacked by different countries. Hackers—probably al Qaeda—has attempted not only with respect to our military, our intelligence, our dot-gov, and all of our commercial industry. And the President's directive gives you, Homeland Security—your job is to oversee all of the dot-com and the dot-gov, and that is an awesome responsibility where we are as it relates to cybersecurity.

Cybersecurity is something that has to be a team effort. We have to work very closely with our military, our intelligence, our business communities, and we have to eventually educate our citizens

how serious cybersecurity is and how the bad guys can go in—a senior citizen in California who might communicate with a community bank, that community bank then communicates with the Bank of America, and there is an ability to cut down the ATM systems of a major bank. So the threats are out there.

Where I want to focus, though, on this hearing is the fact of your technology. I have had conversations with Admiral Brown who—I guess he oversees your cybersecurity or is one of your key people there.

Secretary NAPOLITANO. One of them.

EINSTEIN 3

Mr. RUPPERSBERGER. One of them. And the technology that you are using to protect us.

You know, Einstein—and a lot of people don't know what I am talking about now, but it is really the mechanism, the software program that is there to help and protect us in the dot-gov and the dot-com. Einstein has worked for a while, but as we move forward we are moving into different Einsteins, 1, 2, and now 3. Now Einstein 3 is going to be, hopefully, the program that will help to protect this country and the responsibility of your mission.

I believe right now NSA is one of the best in the world in what they do as it relates to the technology of homeland security. I think that General Alexander is one of the best in this field. I just hope the Senate will hurry up and confirm him so he can do the job as necessary.

But where my concern is is that NSA has spent a tremendous amount of money on research and development to develop the programs to protect us; and now you are coming in, rather new, and these are the early stages of homeland security and the defense. I would hope that you would not only work very closely but not reinvent the wheel as it relates to the technology of Einstein 3.

And, you know, this happens a lot in our government. FBI as an example has a communication system that still doesn't work. Why they didn't take one of the other agencies, like CIA or NSA, I don't know. But spending millions of dollars on that communications system still hasn't worked.

And I say that as an example because it seems to me that if Homeland Security in the initial stages does not work closely—and if they are going to duplicate efforts, if they are going to spend money that we don't need when we really need to get to the end game and do whatever we can to stand up as quickly as we can the defense mechanisms to protect our homeland from cyberattacks—where are you as it relates to Einstein 3? Are you going out sole source?

I know you have put out a request for information, which kind of concerns me. Are there issues involving the acquisition laws that we have to deal with? But it is very important I think that we work very closely with the NSA program that is there so that that will help us stand up and protect our citizens.

That is a long question but—kind of complicated.

Secretary NAPOLITANO. Right. Representative, first of all, we have culled out cyber. Because, after the President's review, DHS is the lead agency for dot-com and dot-gov. Obviously, dot-com is

controlled by the private sector, so part of that is just working with——

Mr. RUPPERSBERGER. In coordination.

Secretary NAPOLITANO. Coordination. And I think that even when companies like Google say they need help, I think it finally is penetrating the public's mind how important this issue is. It is not our intent to reinvent any wheel. It is our intent to move forward.

I don't want to comment publicly on Einstein 3 per se here in an unclassified setting, but——

Mr. RUPPERSBERGER. The word is not classified, but I know other issues are.

Secretary NAPOLITANO. There are other issues. And what I would suggest is perhaps a classified briefing for members of the subcommittee who are interested particularly in the cyber aspect of the budget and how we are moving forward with that.

[The information follows:]

The Department had a classified cyber security briefing for the Members of the Subcommittee for 3:30 p.m. on April 15, 2010.

Mr. RUPPERSBERGER. That would be a good idea. Mr. Chairman, maybe we could have the Director of NSA there also and really, really hone in on what needs to be done to make sure that there are not duplication of efforts.

Secretary NAPOLITANO. I would recommend that you have the Deputy Under Secretary for NPPD, Phil Reitinger.

Mr. RUPPERSBERGER. What is NPPD? A lot of people don't know the acronym.

Secretary NAPOLITANO. National Protection and Programs Directorate. I always just call it NPPD.

But, in any event, the Deputy Director, Phil Reitinger, we have centered all cyberactivity—except the cybercrimes issues that are done by the Secret Service—all other cybers under Phil's direction.

Mr. RUPPERSBERGER. Is my time up?

Mr. PRICE. It is up. We have had such briefings in the past and no doubt will in the near future.

Let's turn now to Mr. Carter.

ISLAMIC EXTREMISM

Mr. CARTER. Thank you very much, Mr. Chairman.

Madam Secretary, welcome. Good to see you again.

I want to start out, I woke up this morning and turned on the television and was very pleased to hear you say that violent Islamic terrorism relates to the incident at Fort Hood, and I agree 110 percent with you on that issue. It is an issue that I have been waiting to hear from the administration for quite a while now and have been waiting to hear from the Department of the Army. Because I do honestly believe that that was a terrorist act that was committed there in my district.

So thank you for that comment, and I would hope that you would join me in trying to get the benefits for wounded soldiers who are killed in combat and fighting terrorism for those people who were wounded and killed at Fort Hood because I think it is something we owe those people that were shot and killed at Fort Hood. So we

have a bill to do that, and I would love to have your support on that bill. So thank you very much for that comment.

I think it is important that we—and I think what you said when you talked to the Senate—please forgive my voice——

Secretary NAPOLITANO. That is all right.

Mr. CARTER. I have this strange allergy to this town. I think everybody does, but mine seems to——

Secretary NAPOLITANO. Everyone has that at some point or another, I suspect.

Mr. CARTER. But I think all of us feel very strongly that it is important that we call things what we see honestly and identify things as honestly as we fight this very, very strange war we are having to fight against people who want to kill innocent people. So that is a comment.

The question that I want to ask about this, do you have any further thoughts on how we identify terrorists and what terrorism—and get us some kind of a definable definition not only for your Department but for the concept that we are having? We have battered this around for years since this first all started, and everybody seems to have their own version of what terrorism is. Would you like to expand upon any of the things you said to the Senate about terrorism?

Secretary NAPOLITANO. Well, Representative, I think that terrorism in several iterations is—it is the environment in which we live now, and it will be the environment in which we live for the foreseeable future. Some of it is international, Islamic extremism, al Qaeda and its affiliates, to give you the primary example.

What we have seen this year, unfortunately, is the rise of what is called homegrown, U.S. citizens who have become radicalized, may go to a camp in Yemen and come back, for example. That is a concern at the Department of Homeland Security.

And then we have seen an increase in the lone wolf-type attacks which from a law enforcement and investigation perspective are the most challenging. Why? Because, by definition, they are not conspiring, they are not using the phones, the computer networks, they are not talking with others, any other way that we might get some inkling about what is being planned. So we have a lot to do in this area.

We have chosen a particular focus moving forward, based on the intel that we receive, but I think that you could use the word terrorism to perhaps describe each of those three areas.

Mr. CARTER. Well, I thank you for being willing to address violent Islamic terrorism.

I will tell you that when this incident occurred at Fort Hood, my office was inundated out of my district and around the entire country with comments about—it seemed to be that we were not hearing people being willing to reflect on the Islamic part of this thing because they were accusing the government and the Congress of being too politically correct to identify accurately what that attack was all about. I am talking about thousands of e-mails we received and requests for us to speak truthfully about that.

I think we can speak truthfully without being offensive to any religion, being offensive to Islam at all. We are identifying a situation that is occurring, and I think everybody knows it is occurring. And

I commend you for being courageous to speak out like that, because the American people have been waiting to hear that kind of comment. So I thank you for that. You can guarantee that I am going to be speaking out about that, and I think most of my colleagues, also, too. So thank you for that.

We are going to be fighting this fight, and we will provide the resources to get it done. So thank you.

Secretary NAPOLITANO. Thank you, sir.

Mr. PRICE. Thank you.

Mr. Mollohan.

FUNDING REQUESTS

Mr. MOLLOHAN. Thank you, Mr. Chairman. First, I would like to commend you on your efforts at continually calibrating, updating, and reorganizing the Department of Homeland Security. I think we all recognize that it was the throwing together of a lot of disparate elements of the government into one agency. And it is no criticism of you that you continue to look for ways to manage it efficiently. And that, of course, is going to impact your personnel across the agencies, as you have emphasized, and result in budget shifts, which might look like swings as we look at them here on a year-to-year basis. Your predecessors had that challenge and it was no criticism of them that it was a difficult challenge then.

So as we look at these funding requests and the swings they represent, I think we have to look at it in that context. So you are to be commended to move forward with that reorganization, and I commend you for it.

I chair the Subcommittee that funds the Department of Justice, and there is a lot of interfacing between the Homeland Security and Justice, of course, and so some of the DHS requests will have a domino effect on DOJ funding. Your Border Patrol request looks like it has a decrease in Border Patrol agents, but you emphasized or you commented that it does not. I would like you to talk briefly about why this request, while it might look like it results in a decrease in Border Patrol agents, it really doesn't. Would you comment on that first?

Secretary NAPOLITANO. Indeed. Well, first of all, the request never contemplated any reduction in terms of operational force on either the southern or the northern borders. I am very protective of that force. I was one of the advocates to build it up. You need boots on the ground to marry it with technology and then to marry with effective work site enforcement to really have an immigration system that enforces our Nation's laws even as we work to improve those laws. And they do need to be improved.

So it never contemplated that. What it did contemplate was some attrition savings and other savings. We have now reprogrammed basically $15.5 million, which, in the scheme of a $50-billion or so budget is a small amount. But we programmed that amount to cover that. So, again, let me just emphasize there is no reduction of Border Patrol in the President's 2011 request.

Mr. MOLLOHAN. Of Border Patrol agents?

Secretary NAPOLITANO. That is correct.

Mr. MOLLOHAN. Okay. It also looks like you are cutting spending on border technology by $225 million. Is that the license plate readers?

Secretary NAPOLITANO. Some of that, a lot of that is.

Mr. MOLLOHAN. One-time purchase?

Secretary NAPOLITANO. Indeed, one-time purchases that were made.

OPERATION STONEGARDEN

We have a very extensive program of security along the southwest border. By the way, I neglected to mention that the Stonegarden Funds are being used by the local State sheriffs along that border to help as well. And that has really helped them through some tight budget times. So we have an extensive program along that southwest border and involving not just DHS but other departments, I think a great deal of cooperation with the federal government of Mexico. My particular concern and our particular concern right now, of course, is assisting not just with the cartels and the violence there. Several heads of those cartels now have been apprehended this year. Others are certainly under investigation. But, also, the issue about the rule of law and the state of Chihuahua, which is where Juarez is located.

We have not seen the kind of spillover violence that I think we all are concerned about, but we don't want to see spillover violence. So a lot of it is prophylactic in nature as well.

Mr. MOLLOHAN. A budgetary question. As you fashion your border, do you and your agency budgets anticipate its impact on the budgets of other agencies, like the Department of Justice? Is that a conscious part of your thinking as you interface with the Department of Justice, the Bureau of Prisons, the U.S. Attorneys, all of the investigative personnel, and drug enforcement people? As your budget impacts the border, are you interfacing with the Department of Justice and considering how DHS's work impacts DOJ's budget?

Secretary NAPOLITANO. Well, we are absolutely interfacing at an operational level. One of the agreements we reached, for example——

Mr. MOLLOHAN. Well, what about at the budgetary level? That is my question.

Secretary NAPOLITANO. Yes. For example, if we have agents down there, who is going to handle the prosecution and the immigration courts, where the DOJ budget gets impacted.

Mr. MOLLOHAN. I don't have much time. Is that a part of the budgetary process on your part?

Secretary NAPOLITANO. It is. Not directly. That is done at OMB.

Mr. MOLLOHAN. Thank you, Mr. Chairman.

Mr. PRICE. Thank you. Mr. Calvert.

E-VERIFY

Mr. CALVERT. Thank you, Mr. Chairman.

Thank you, Madam Secretary, for coming today. As you know, I was involved in the creation of E-Verify. And there was a story in The Wall Street Journal this morning, I don't know if you saw the story, it was regarding a company named—if I have the pronuncia-

tion right, I think it is Westat, a consulting firm. And the story was regarding abuse of identity fraud in the utilization of E-Verify.

Apparently, it's very accurate as far as being able to identify the Social Security number versus the name, and there is improvements in that. Unfortunately, a lot of people now are using someone else's identity and Social Security number. And so the study stated in the paper this morning there was a 54 percent inaccuracy rate. Which I think seems high. But I was going to ask you to look into that and see if you can get back to us on that.

In that regard, I know that there is action taking place to fight that, freezing the Social Security number, making sure that Social Security numbers are not being used multiple periods of time, the same identification over and over again. I would ask that you look into that. But in that regard, I see that in your budget request, that you cut E-Verify somewhat. And I was going to ask, what is the purpose of cutting the program this year?

Secretary NAPOLITANO. Well, we asked for another $108 million this year to build on the $130-some odd million that was appropriated last year. Part of it is, as you build the system, you don't need to keep replicating the same expenditures. But I think the E-Verify system is absolutely where we are going in terms of incentivizing employers and making it as user friendly as possible to make sure they are using a legal workforce.

Now, on the identity fraud issue. We are adding or have added, actually, to the algorithms used in the system, pings, for example, if the same Social Security number arises, so that you can pretty much tell there is an ID fraud going on because different people are using the same Social Security number.

So those kinds of algorithms are now being added to the system to really deal with that identity fraud issue, as well as biometrics.

Mr. CALVERT. Apparently, according to the story, it is happening quite a bit.

Secretary NAPOLITANO. I don't think it is 54 percent. So I will be happy to look into that.

[The information follows:]

In its study of the E-Verify program, the Westat Corporation found that in approximately 96% of the cases submitted during a three-month period in 2008, the findings of E-Verify were consistent with the workers' true employment authorization status. Further, the study found that of the cases submitted to E-Verify, 6.2% of the workers were actually unauthorized and, of that subset, E-Verify detected slightly less than half as unauthorized. The study concluded that this rate is not surprising in light of E-Verify's current limited ability to detect identity fraud.

USCIS is working hard to improve E-Verify's ability to detect identity fraud. USCIS has already added DHS-issued photos to the system allowing for a biometric comparison for authorized workers and we are in the process of adding passport photos to E-Verify's photo tool. We have also significantly enhanced our capabilities to monitor system use for evidence of identity fraud, and we are developing tools that will allow workers to lock their own Social Security Number in E-Verify until they are changing jobs.

However, even with these steps it is important to understand the limitations of the current system. The largest pool of available biometrics are state driver's license photos. Access to these photos would improve E-Verify's ability to effectively combat identity fraud. However, even with this limitation we are examining biometric and biographic options to further strengthen verification of employees and to reduce misuse, fraud, identity theft and abuse.

It is important to note that E-Verify is but one tool in the Department's efforts to ensure a lawful workforce, and the crime of identity fraud is combated by a full complement of enforcement tools, including the 1–9 audit program. USCIS is work-

ing this year and in FY 2011 to implement a series of improvements consistent with the $30 million in two-year funding the Congress provided in the FY 2010 appropriations bill. System algorithms are being improved for better data matching in order to continue to reduce inaccurate initial results. USCIS is also developing Self-Check functionality within E-Verify to help employees proactively identify and resolve data issues outside of the hiring process that could help prevent data mismatches with the E-Verify system.

Mr. CALVERT. The other question I have, as you know, in my district is the Air and Marine Operations Center. And I was asking as far as how the National Task Force as designated by the National Interdiction Command and Control Plan as Homeland Security Interdiction Center focused on the arrival zone, is a question here. I have heard that some interest in my colleagues in Texas of creating another AMOC-like center in Texas. Is that going on right now, too? Is there going to be another plan to put another AMOC-like center for interdiction in Texas?

Secretary NAPOLITANO. I will have to get back to you on that. It is not something I am familiar with.

[The information follows:]

There are no plans to create an AMOC in TX.

URBAN SEARCH AND RESCUE

Mr. CALVERT. Okay. Another issue that came to my attention is the urban search and rescue program. As you know, we have 28 teams nationally that do a great job. We utilized them most recently in Haiti. Apparently, there in the budget is a $4.5 million decrease from the $32.5 million enacted last year. I have heard from some of these teams. They claim that it costs them significantly more to keep these teams up and operating than they are presently getting in the present budget under the $32.5 million and this cut is certainly disappointing to them. As a matter of fact, some of these teams have told me that they may have to remove themselves from the program if they aren't able to get increased funding because of some of the budget challenges they have in their various states and local communities.

So I would ask you to take a look at that, and I think as a Committee we should take a look at that, also. Obviously, if, in fact, there is a terrorist attack or a natural disaster, we are going to rely on these teams to respond, and taking a cut in these programs at this time is probably a significant problem. I would hope that we can find, Mr. Chairman, a suitable offset to remedy that problem.

Do you have any comment on that, Madam Secretary?

Secretary NAPOLITANO. Well, as you say, the search and rescue teams have multiple uses. And we saw one of the things we were able to do with FEMA in helping coordinate was bring a lot of them down to Haiti in the immediate aftermath of the earthquake. Those are the kind of things we would be happy to work with the Subcommittee on.

Mr. PRICE. Thank you. Ms. Lowey.

PASSENGER MANIFEST

Mrs. LOWEY. Thank you, Mr. Chairman. And welcome. Before I get to my question, I would like you to get back to me on the bipar-

tisan legislation, which you were going to get back to me on, which is currently cosponsored by nearly 150 members to grant all TSA employees collective bargaining rights, whistleblower protections, veterans preference, and other common workplace protections that belong to other DHS employees which President Obama has publicly supported.

I do not view the lack of the TSA administrator as an excuse to neglect the workplace rights of over 40,000 frontline security personnel. So if you can get back to me as soon as possible, I would appreciate it.

There are two questions I would like to ask of you today: Number one, regarding the passenger manifest vetting system. To me, it is outrageous that Abdulmutallab was a known threat and could have been stopped from boarding the plane had CBP more time to review the passenger list. During a hearing last March 10 with CBP Commissioner Ahern, I asked him whether airlines should provide passenger lists 24 hours in advance of international flights arriving in the United States as incoming sea vessels are required to do, and he replied, Ahern, Absolutely not. I do not think so, in the air environment. So it is obvious that 30 minutes is not enough time for CBP officers to screen hundreds of passengers. Twenty-four hours should be the new standard.

So I would like to know from you—and we all understand there will be stragglers last minute. Is it still the position of DHS that 30 minutes is ample time to properly and extensively vet all passengers on international flights bound for the United States?

Secretary NAPOLITANO. Well, we are obviously looking and reviewing the entire way that international aviation works, as I described to the Chair. But let me make one point about one change we have made in the wake of December 25.

It was the protocol in prior years that CBP overseas would get two lists that were pushed out, the terror screening database and the no-fly list. Through a process in which multiple errors occurred, Abdulmutallab's name never got on TSDB, nor did it get on the no-fly list. And so in Amsterdam, the CBP officer there was not able to advise the Dutch to make sure he got a secondary screening, nor were they able to advise the airline that he was a no-fly.

Now, that process is being reformed and corrected, and that involves not DHS—we don't prepare the watchlist—but the NCTC.

But we have made one material change, and that is the State Department visa lists. Whenever there is a note made on a visa that mentions terrorism or extremism, that will be pushed out in addition to the TSDB and the no-fly list overseas. That would have picked up Abdulmutallab had that been done.

Mrs. LOWEY. Madam Secretary, I appreciate that. But if you can answer my question, respectfully: Why is 24 hours unacceptable? Why can't the visas and other documents be presented 24 hours in advance, understanding that there will be stragglers? Why are you opposed to that?

Secretary NAPOLITANO. I didn't say I was opposed to it.

Mrs. LOWEY. Why did you not tell me you support it?

Secretary NAPOLITANO. Well, because, Representative, I don't know whether 24 hours is the right amount of time.

Mrs. LOWEY. It may be 72.

Secretary NAPOLITANO. It may be shorter. But I will say that we are looking at the entire system.

Mrs. LOWEY. Let me just say, we have been working on secure flight forever. I don't even want to discuss the mega millions of dollars that have been spent on that. Originally we were talking about 72 hours. But it would seem to me that there is no rational reason why 24 hours in advance, given all the other changes that are being made, in these very difficult times where we hear about constant threats, why the—I would like 72 hours. Why 24 hours is unreasonable. So if you can get back to me as soon as possible on that, I would appreciate it.

[The information follows:]

DHS has implemented a layered approach to screening advance passenger data against the Terrorist Screening Database (TSDB), the U.S. Government's Terrorist Watchlist. Specifically, DHS is implementing the Secure Flight program that requires carriers to provide TSA with available passenger data 72 hours prior to the departure of a flight (domestic or international) for screening against the No Fly and Selectee subsets of the TSDB. TSA anticipates that Secure Flight deployments for domestic aircraft operators will be completed in spring 2010. TSA has also initiated Secure Flight deployments for foreign aircraft operators and expects to assume watchlist matching for all flights, international and domestic, by the end of calendar year 2010.

Additionally, CBP has direct access to Passenger Name Record (PNR—passenger reservations) data for international flights with a nexus to the U.S. beginning at 72 hours prior to departure. CBP screens PNR data against TSDB records to include the No Fly and Selectee lists.

Finally, carriers are required to transmit their complete and final passenger manifests to CBP no less than 30 minutes prior to departure. This allows for one final check against the TSDB.

CBP and TSA have well established procedures in place to coordinate directly with carriers to ensure that passengers on the No Fly list are denied boarding, and that the carriers are informed of passengers who are otherwise inadmissible to the United States, such that they may deny boarding to those passengers.

Once all carriers have transitioned to Secure Flight, all DHS information-based screening will begin at 72 hours prior to departure. CBP will continue to screen PNR data against the TSDB as part of their border security and immigration admissibility determination, and TSA will assume responsibility for screening air passengers against the watchlist and advise carriers of No Fly and Selectee matches.

SECURING THE CITIES

And I would like to ask one more question. Because your fiscal year 2011 budget proposal, as with your fiscal year 2010 request does not request any funding once again for securing the cities a Federal and local effort to prevent illicit radiological and nuclear material from being detonated in Manhattan. For fiscal year 2010, Congress provided $20 million under the Systems Acquisition Account to fund this vital initiative to eliminate the most catastrophic attack scenario.

Now, Congress has continued to support this program. I think we all understand that the 9/11 attack was an attack on the United States of America. New York remains the top target. And, as far as I am concerned, if Ray Kelly says he needs the money and the money that has been appropriated has been obligated, I cannot understand why this is not a priority for you and the Department.

Secretary NAPOLITANO. Well, Representative, Securing the Cities was always designed to be a 3-year program and then it could convert to UASI. And you may suggest that that money has already been obligated by the New York City Police, but the last time I asked it had not yet; the money that had already been appro-

priated had not yet been obligated. So there is UASI monies available if New York chooses to use it in that fashion. It was always designed when the program was set up to be a 3-year grant. The Congress has funded it in that fashion.

You know, you are absolutely right that Manhattan is a central target. There is no question about that. It gets a variety and will receive a variety of monies from this Congress for its protection. But that particular grant, which is a small amount of what it ultimately gets, was always designed to be 3 years and, as far as I know, has not yet been obligated by the City of New York.

Mr. PRICE. Thank you.

Mrs. LOWEY. Let me just say in closing, Mr. Chairman, I would like some more information on that as well, because it was a demonstration project. And, frankly, if Ray Kelly says the demonstration hasn't been completed and he needs more money specifically for that, the tremendous amount of money that has to be spent—and you know that because New York is still the number one threat—I think we have to evaluate it in that context.

[The information follows:]

Response—STC was conceived to be a three year pilot program to develop a preventive radiological/nuclear detection (PRND) operating capability centered on a high-risk metropolitan area. $70 million has been made available for this purpose. Due to risk, NYC was chosen as the first implementation of this initiative. The initiative was never intended to fully complete the NYC region's radiological/nuclear detection architecture. NYC regional STC stakeholders can continue to fund additional capabilities through DHS grants (Homeland Security Grant Program, UASI, etc.) if they feel this capability remains a priority and if additional funds are still warranted. DNDO will continue to support the STC initiative through the obligation and expenditure of appropriated STC funds with experienced program management and subject matter experts in preventive radiological and nuclear detection.

Congress appropriated FY2010 STC funding. A Funding Opportunity Announcement will be posted on Grants.gov in mid to late March 2010 to announce the availability of these funds for the NYC region. DHS expects to award this money via a cooperative agreement during 4th quarter FY 2010.

	2007	2008	2009	Total	2010
Appropriated for STC	*$0.00	$30.00	$20.00	$50.00	$20.00
DHS Support	5.60	0.50	2.00	8.10	TBD
Amt Awarded to NYPD	3.25	29.50	16.70	49.45	TBD
Amt Expensed by NYPD	0.09	12.10	0.00	12.19	TBD

*Funding for the FY07 Securing the Cities Grant was from the RD&O Appropriation; all remaining funds were from the Systems Acquisition Appropriation.

Thank you, Mr. Chairman.

PROJECT SHIELD

Mr. PRICE. Mr. Kirk.

Mr. KIRK. I just want to agree with my colleague from New York that I think the intelligence shows New York is the number one threat. So I think she is wisely grounded there.

I first want to say I think our decision as a Committee that the Chairman wisely cut headquarter staff and restored Coast Guard, I don't think your budget is sustainable. I think on a bipartisan basis we will need to do that again.

And I will say on the proposal to bring GITMO to the heartland, the Illinois General Assembly last Wednesday voted 81–13 to strip the Illinois governor of the ability to offer Thompson. So you prob-

ably won't have the ability to spend that money, because by a veto-proof majority now the State legislature is quickly acting to deny the ability of that facility to be offered. Let me ask you a separate question, though.

Last October, Congressman Quigley and I wrote to the Department about the improper use of Federal Homeland Security dollars at Cook County. Apparently, $43 million in DH funds for a Project Shield, a video surveillance program, was misspent. We have reports that Project Shield out of DHS funded bankrupt companies, phony surveillance programs, and companies that did not exist and falsified documents.

Now, in January, the president of the Cook County Board fired his chief information officer, Antonio Hilton, who was in charge of Project Shield. To date, the project is showing 36 percent over budget, 3 years late in implementation, and looks like largely a waste of over $40 million in Federal monies.

First of all, since Congressman Quigley and I wrote to you, have you done anything about this?

Secretary NAPOLITANO. We are looking into it right now. But I am going to make another point. I am as opposed to misspent, overspent, inefficient use of tax dollars as anyone you will ever see. But you need project managers to manage that. So it is somehow working with the Committee we have to understand that we can't on the one hand say you have got too many headquarters staff, which I have said now many times is not located in headquarters, and then have a critique on a particular program because it wasn't well managed.

So I really look forward to working with this Subcommittee, because those are inconsistent positions.

Mr. KIRK. But beyond the generalities, you have now had 4 months notice on this.

Secretary NAPOLITANO. No. The letter was sent to the IG. It was not sent to me.

Mr. KIRK. I think you had a copy. So did you do anything?

Secretary NAPOLITANO. You sent it to the IG. It was not sent to me. So I don't know about it. And we will be happy to look into it.

Mr. KIRK. Wow. So the fact that this ran on all three Chicago networks and directly referenced your Department, you didn't know about it?

Secretary NAPOLITANO. Sir, I have a copy of the letter here. It was addressed to the IG. There is no cc to me. And, I am sorry, I don't get Chicago television.

Mr. KIRK. Given it's $43 million, I think that is fairly incompetent.

Secretary NAPOLITANO. Sir.

Mr. KIRK. A Google search of DHS showing $43 million in wastage should come to your attention.

Secretary NAPOLITANO. Sir, we will be happy to look into that. You addressed the letter to the IG. I don't get the IG's correspondence.

Mr. KIRK. Federal money for Project Shield was directed to certain businesses with connection to the Chicago Cook County president, and there was difficulty in finding any actual work done.

Now, one of the connected companies is called Synch Solutions, and it received $787,000 for quality assurance reports. Initially, Cook County was unable to produce a single report from Synch Solutions. Then, the County said it had filed these reports by word of mouth. Then, the County said it did have 82 reports on its work for DHS, but refused to release them. Can I get those reports from you?

Secretary NAPOLITANO. Representative, we will be happy to get back to you.

Mr. KIRK. It is a yes-or-no question.

Secretary NAPOLITANO. Sir, I am not familiar with those reports. We will be happy to work with you and get back to you.

[The information follows:]

The State of Illinois is the DHS grantee and the Illinois Emergency Management Agency is responsible for oversight of UASI grant subrecipients such as Cook County. There have been no problems related to Project Shield procurements or activities to date as reviewed by FEMA, the Illinois Emergency Management Agency and UASI Peer Review.

The Illinois Emergency Management Agency reviews all requests for reimbursements from sub-grantees and all requests for reimbursement related to Project Shield have been in accordance with grant guidance. In addition, the Illinois Emergency Management Agency reviews the annual independent audits of grant recipients within the state. To date, there have been no problems related to procurement issues or anything related to Project Shield contained in the independent audits. The UASI peer review process has reviewed and approved Cook County's Project Shield each of the last four years. In addition, FEMA reviewed the Chicago/Cook County UASI funding in 2006 and 2008 and did not report any issues related to Project Shield.

My staff doesn't know anything about the reports, nor does the grantee (State of Illinois). However, in response to the 9/11 Act, the DHS Office of Inspector General plans to review the State's oversight of UASI expenditures when they complete their review of all states who receive UASI & State Homeland Security Program grants. Their audit is expected to be completed by the end of Summer 2010.

Mr. KIRK. Since it involves the waste of $43 million, don't you think you should be able to provide that to me since it is Federal money?

Secretary NAPOLITANO. Sir, if I can, I will.

Mr. KIRK. That is a correct answer. Thank you, Mr. Chairman.

Mr. PRICE. Ms. Roybal-Allard.

DETAINEE TREATMENT

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

Welcome, Madam Secretary. As you know, one of the concerns that I have had for some time has been the treatment of detainees. And I was encouraged by the plans of your Department announced in October to revamp the dysfunctional detention system; but as you know, time is of the essence, because since 2003, we have had at least 107 immigrants who have died in America's immigration prisons and many of their stories are truly horrifying.

In fact, the latest reports came from a New York Times investigation which recently exposed a case in which a Salvadorian man committed suicide after suffering for weeks from unbearable pain in his legs after his pleas for help were ignored. Following his death, it is reported that detention authorities subsequently attempted to change the man's medical records to conceal their wrongdoing.

An October report by your Department has acknowledged the need for a well-managed medical care system and has made several recommendations. What concerns me is that in spite of the urgency to make these changes in the next steps section is very, very general and very vague, such as using recommendations can be actualized soon. I don't know what "soon" means. Requires further analysis, without any time line for when that analysis is to take place and be completed. Must continue the progress of recent months. Well, for how many months? There seems to be no sense of urgency in dealing with this.

So can you give me an idea as to what the time line is for implementing these reforms, not only in your Department's report, but also in meetings with Assistant Secretary Morton? He also has proposals for improving this system.

I would like to know what the timeline is to get these things moving.

Secretary NAPOLITANO. Fair enough. And a number of things are already being implemented. So they are underway as we speak. The program office has been set up. We have consolidated facilities. We have put oversight into the contracted facilities. That is where a lot of the problems were occurring. We have instituted evaluation of medical conditions, et cetera, on entrance into a facility. Some of the things are going to take longer, like a locator system, to develop. But by soon, we mean as soon as possible, and some things are underway now.

Ms. ROYBAL-ALLARD. Let me ask on the treatment. I have been told that one of the problems is the requirement by ICE headquarters to approve every treatment, and that has sent the wrong message to the personnel that detention medical staff all they have to do is be responsible for ensuring that the detainee is healthy enough to be deported. Is that process still in place where everything has to be—every medical treatment has to be approved through headquarters?

Secretary NAPOLITANO. I think that was an inaccurate report. That is not the way it is supposed to occur. If there is a misunderstanding in the field, that will be corrected.

287(g)

Ms. ROYBAL-ALLARD. Thank you. Sheriff Arpaio of Maricopa County, Arizona has drawn widespread criticism, as you know, from civil rights groups, and he is currently subject of a Department of Justice investigation. And earlier this month, he announced that his office intends to continue making immigration arrests despite the fact that ICE rescinded his 287(g) agreement which gives him the authority to enforce immigration law.

Given these circumstances, why does your Department continue to use the Maricopa County jails to house detainees? Is your Department taking steps to revaluate that decision? And what steps are you considering to ensure that law enforcement agencies seeking 287(g) authority have acceptable civil rights records?

Secretary NAPOLITANO. Well, the complaints about the Maricopa County situation were almost exclusively—actually, virtually all related to his going out and picking up illegals, not at the jail itself.

Which is actually one of our largest places for detainees being deported from the United States. So we monitor it.

The 287(g) agreements require a civil rights commitment. That was part and parcel of how we standardized the agreements over the course of last year. And our strategy, of course, is really to build up securing the communities, because the budget really shows that that is really I think a very effective way to go, where you get the immigration data base information right at the time of booking or immediately upon incarceration.

Ms. ROYBAL-ALLARD. I would like to follow up with you a little more on that at a different time.

Mr. PRICE. The gentlelady's time has expired. So perhaps you could take that up on the second round.

Mr. Farr is next. Let me remind Members that our procedure here is to go through the entire roster of Members who were here when the hearing opened before we turned to other Members. We do proceed in a partisan rotation, but there are a couple of majority Members who were here at the beginning so we will go through their questions and then we will resume the rotation. Mr. Farr.

GRADUATE PROGRAMS

Mr. FARR. Thank you very much, Mr. Chairman.

Madam Secretary, I met with law enforcement a couple weeks ago in my district when we were all snowed out of Washington, and I just want to relay to you that they think that a lot of the operations on the ground between ICE and other Federal agencies are just going a lot smoother, and we are really complimentary of your administrative abilities to make them interoperable. You know, and certainly you can see by the questions in this Committee what a variety of subject matters. We also hear in Washington that all politics is local because we all represent districts. But it is very interesting, because your first word of your Department is Homeland. And, for us, the homeland is each of our districts.

I think you agree that a strong America is dependent on being also a very smart America. So I want to get a little parochial, because I represent the Naval Postgraduate School, which is a Federal university run by the Navy but has a civilian program run by the Department of Homeland Security called the Center for Homeland Defense and Security. I know you are familiar with the program, because when you were governor of Arizona, you sent some of your operational people there.

I have a couple of questions because I think the success of that is over 500 alumni have got a master's degree or executive leaders programs, and they are now professional practitioners, scholars, and leaders who serve all homeland security disciplines at all levels of government.

I really want to know how you can sort of more formalize the process and incorporating the cutting edge research undertaken by these master degree students into the Homeland Security Institute and, more broadly, how the science and technology directorate can make better use of the high-caliber research going on by the scholars at the graduate school.

Secretary NAPOLITANO. Well, I think, Representative, that we are in discussions with the schools right now and have an ongoing and strong relationship there. So that is underway.

Mr. FARR. So underway to kind of build on lessons learned and things like that?

Secretary NAPOLITANO. Yes, sir.

GANG VIOLENCE

Mr. FARR. Because one of the lessons that we are doing is, I represent Salinas, which is the county seat of Monterey, it is the biggest city that I represent, 150,000 people. It is the salad bowl capital of the world. And Salinas, unfortunately, has had the most—I think it is the highest per capita violence rate in the United States. Last year, 29 kids were killed in homicides gang-related.

What I have gotten is, as the military students from the Naval Postgraduate School who have come back from Iraq and Afghanistan to work with the city to determine if there are any lessons learned from terrorist incidents that can be applied to hometown security, and you mentioned in your comments that this hometown security is a problem, that we are growing our own terrorists.

Their research shows that there are some profound similarities. Gang recruitment might be similar on how al Qaeda recruits their members. The questions, are there similar feelings of alienation that drive both gang members and terrorists to join violent groups? Does poverty play a role? Are there cultural factors that predispose more violent societies? Does martyrdom represent the same thing to both gangs and terrorists? Is the society failing to provide youth legal opportunities to earn a livelihood? And I would like your thoughts if you can tell us if the Department is investing in programs to try to understand and address what motivates human beings to become members of violent groups, whether they be terrorists or gang members.

And just an incidental comment. When the late Jack Murtha was out at the Naval Postgraduate School—and we put a lot of money into IED detection and how to avoid it. And one of the soldiers who had just got back from Iraq was—asked the Members of Congress pretty profoundly. He says, I know you are spending these billions of dollars. But, he said, are you spending any money on trying to figure out what motivates cultures to do this? And Jack was very—that is the kind of question that we need answered. And so, are we pursuing those and are we pursuing them on our domestic arena?

The violence in Salinas—people don't care about all these things that we talk about in this Committee. They are afraid that their kids can't get home from school safely. People aren't shopping. This has cut down. The city is dying because of this violence. So it, in effect, is terrorist activity because it ends in the same result, a lot of death.

Secretary NAPOLITANO. Congressman, one of the issues that has been—that we are looking at and looking in conjunction with countries like the U.K., for example, is, is there an effective means by which you intervene in a person's process from being interested in something to becoming a violent extremist. And there is—we are looking at that. I think the Justice Department is looking at that. I think the FBI is looking at that. But are there some things that

can be done particularly at the local level and perhaps even outside the law enforcement realm itself that would interrupt that continuum.

Mr. FARR. Well, I think just anecdotally, if we are going to have homeland security—the violence at Fort Hood was not imported. Maybe the psychology of it all was imported, but it was home grown. And the machismo in gangs can also grow into much more violent activities than we can accept and have stability in our home. So I hope that the Homeland Security Administration will pay attention to all of our issues in our districts, because that is truly the heartland of America. Thank you.

Mr. PRICE. Thank you. Mr. Rothman.

Mr. ROTHMAN. Thank you, Mr. Chairman.

Madam Secretary, it is great to have you here. And thank you for the great work you are doing. And I think the Department, under your leadership, is getting better and better every day. And, as you say, you are flying the airplane. At the same time, you have been required to construct it. And the instructions are to build a bigger airplane every day.

As you may know, I represent a district in northern New Jersey, one of the most densely populated areas in the country with many vital industrial and chemical facilities. Law enforcement has dubbed two of the miles in my district as the most dangerous two miles when it comes to potential terrorist targets: Bridges, tunnels, chemical plants, et cetera.

In your testimony, you identified one of the Homeland Security's five main missions as preventing terrorism and enhancing security. Could you elaborate a little bit on what in your budget addresses improving industrial and chemical plant security here at home?

Secretary NAPOLITANO. Indeed, Representative. One area to look is on our whole institution. And now we are carrying out what is called the CFATS, where we have tiered chemical facilities, where we now have a system to be able to patrol, inspect, and the like, beginning with the biggest and moving to the smallest, depending on what type of chemical they have. And I think in that area there are a number of large chemical facilities, if I recall correctly, many of whom are now under the CFATS regime. And you will find monies for that in the budget under NPPD.

NEWARK AIRPORT SECURITY BREACH

Mr. ROTHMAN. On another subject. As you may know, a young man snuck through security at Newark Airport apparently to kiss his girlfriend good-bye. He has apologized. He is going through the criminal justice system. I don't know if he will be tried at GITMO, but he is presently in the criminal justice system of the United States. Anyway, are there procedures that have been put in place at Newark, to the best of your knowledge, to prevent that and have those lessons learned about how such an incident could have occurred, been applied, and is the knowledge from that incident being applied across the breadth of your jurisdiction?

Secretary NAPOLITANO. Yes. One of the things—of course, several things. One is there was an employee who was distracted. That employee is in the disciplinary process now. I can't say more than that. But there need to be consequences when performance doesn't

match responsibilities. As you say, the individual involved who caused great delay and inconvenience at a minimum for everybody——

Mr. ROTHMAN. Beyond the discipline of that employee, especially in security—and I know you know this as former governor and two executives, et cetera. I am a belt and suspenders person when it comes to security matters. I am sure you are as well. Are there redundant systems in case an employee does drop the ball, does become distracted?

Secretary NAPOLITANO. Yes. TSA, I have asked them to look at that, to look at how we do those pinch points. Also, as you know, the Port Authority controlled the cameras and the cameras didn't work. I asked for an immediate audit of all camera systems in domestic airports. So that is underway as well.

I might suggest, now I am outside my lane a little bit, it might be worth reexamining the penalties for individuals who intentionally do such a thing.

Mr. ROTHMAN. Although, given there are people willing to blow themselves up, I am not sure the penalties would affect everybody. I am more concerned about physical obstacles to this happening again and redundant personnel structures to address them.

Secretary NAPOLITANO. Indeed.

NONPROFIT SECURITY GRANTS

Mr. ROTHMAN. If you could have someone get back to me on that, great. And if I have time for one more question. There is a nonprofit security grant program, a nonprofit security grant program which provides nonprofit organizations in high-risk urban areas, including religious institutions who are the subject of terrorist threats, with a chance to increase their security measures. It is already in your budget, and I am grateful for that. Do you believe that the funding level is sufficient to do the job in your fiscal year 2011 budget.

[The information follows:]

Following the security breach at Newark Airport on January 3, 2010, the Transportation Security Administration (TSA) deployed a team of security experts to the airport to evaluate, review, and make necessary security changes to the existing checkpoint layout. As a consequence of this review, TSA installed glass barricades to minimize the chance of recurrence, and has evaluated staffing coverage at all exit lanes vulnerable to breach.

In addition, the Transportation Security Administration (TSA) ordered all Federal Security Directors nationwide to review the security vulnerabilities at their airport checkpoints and make necessary changes, including ensuring immediate access to closed circuit television records. Moreover, TSA is evaluating Exit Lane Breach Control (ELBC) technologies, as requested by Congress, that are capable of detecting unauthorized individuals using exit lanes as a means to bypass a security checkpoint and gain access into the sterile area. TSA will guide the selection, configuration, and evaluation of various technologies under a 6- to 18-month lab and field assessment to test and evaluate the performance capabilities and technical viability of ELBC technologies. Once the lab and field assessment is complete, a report will be provided to Congress, and TSA will determine if the technology provides value to the checkpoint environment.

Secretary NAPOLITANO. I think it is the right funding level for 2011. Yes, sir.

Mr. ROTHMAN. Thank you very much, Mr. Chairman.

Mr. PRICE. Thank you. Mr. Culberson.

OPERATION STREAMLINE

Mr. CULBERSON. Thank you, Mr. Chairman.

Madam Secretary, thank you for being here today. I wanted to ask, if I could, first of all, for you to reaffirm the support you expressed last year before our Committee for a very successful program that is in place on the southwest border that my good friend Ciro Rodriguez and I have worked together with our colleagues to get in place. Operation Streamline in the Laredo, Del Rio, and Yuma sector is working beautifully. The local community supports it. It is essentially a zero tolerance, 100 percent enforcement, obviously with the officers using their good judgment and women and kids, et cetera.

But it is very effective, has strong local community support, and continues to enjoy support from the Department. I just want to ask if you could, please, to reaffirm your support for that program and so all those good men and women working for Homeland Security will know the Secretary is strongly behind it.

Secretary NAPOLITANO. I am.

Mr. CULBERSON. It has been a great success and we appreciate it. It is something that we in Texas—and I thank you for that. We in Texas have always, and just common sense, understood that law enforcement works when you are enforcing the law vigorously and uniformly and fairly. It works.

PASSENGER MANIFESTS

And one other thing that does defy common sense, following up on Chairman Lowey's question, is that the passenger manifests are not available at least 24 hours in advance. And I want to reaffirm my support for her position on that and ask in follow-up, what can you do, what will you do to help ensure that those manifests are available at least 24 hours in advance for our law enforcement people to review?

Secretary NAPOLITANO. I think, as I mentioned to the Congresswoman, we are looking at the entire system in terms of information collection and sharing and passenger vetting across the globe. And one of the parts that needs to be put into the equation is the capacity of the carriers themselves.

So my suggestion is that as we move through this over the course of the next months, that we report to the committee on the progress we are making and any adjustments that are being made in terms of the time of passenger information flow.

Mr. CULBERSON. What can you tell us about what has happened so far since the Christmas bombing? You are reviewing it. What is your personal estimate of what is a reasonable amount of time that we can expect to get those manifests in advance?

Secretary NAPOLITANO. Congressman, I don't want to be premature and guess, because any statement I say here will have ripple effects throughout the globe.

I will say this. I think we need to say, what is the goal of this? The goal is to make sure, to the extent that we can, in a travel environment where the U.S. process is 2 million air passengers a day, that someone who is a known or potential terrorist does not get on board a plane carrying an explosive. So we start from there and

then we back up: What needs to happen, what information needs to be processed? How do you handle the fact that Customs is really—their infrastructure personnel are primarily located at the borders of the United States, air and land. So we don't have jurisdiction overseas. We can only advise foreign authorities about who to check and the like. So we are working through all of that as well.

Mr. CULBERSON. And I completely agree with you. It would seem, again, common sense, fairly straight forward, if an individual like the Christmas bomber is on a terror watchlist, then they shouldn't have a visa to fly to the United States and they shouldn't even be allowed to board the aircraft.

What can you tell Americans that are watching today and all of our constituents who are concerned about this? That just seems, you are absolutely right, common sense. When is that going to happen? What needs to happen to make sure that somebody on the terror list does not have a visa and can't get on an airplane to fly into the United States?

Secretary NAPOLITANO. Well, the NCTC has already significantly worked on revising the watchlisting process. A number of people have been moved up on the watchlist. As I mentioned to Representative Lowey, prior to Christmas and pursuant to protocols that have been in place for a number of years, Customs abroad received the terrorist screening base database and they received the no-fly list. Then, all they can do at that point is tell law enforcement at the airport in whatever country they are in that somebody needs a secondary, or tell the air carrier don't board this individual because they are no-fly.

We are adding to that, those two subsets of information, a third subset, which is anything in the State Department Visa Catalog, it is called PB3, I believe, that mentions terrorism or extremism would also be handled as if somebody were on the TSDB already. We are pushing that abroad. That step we took almost immediately after Christmas, once we realized that it wasn't being sent abroad.

Mr. CULBERSON. So you have already got the mechanisms in place for us to reach the point where those people are automatically removed and they will not be allowed to fly?

Secretary NAPOLITANO. Well, to get the information out. Yes, sir.

Mr. CULBERSON. Thank you. Thank you, Mr. Chairman.

Mr. PRICE. Thank you. Mr. Rodriguez.

STAFFING

Mr. RODRIGUEZ. Thank you very much.

And, Madam Secretary, I know you have been here pretty long so let me make some comments that I would hope that some of the concerns of the staff picks up on them.

Let me, first of all, say, I know from the very beginning you indicated this is 23 agencies that were brought together. Before they were brought together, we are having all kinds of trouble with the INS then as it was referred to, which is under you now, we were having all kinds of trouble with FEMA. So all these problematic agencies came in, and supposedly everything should be okay now. We know that that is not the case.

I am actually pleased that you are suggesting that we need additional staffing to see how you can streamline and bring those to-

gether, because one of the major problems was how do we communicate between agencies and within your own Department, which is, I can imagine, still a major problem that you have to work on. And, hopefully, the recommendations that you have there will make that happen.

The other thing is, for both you and us, is the fact that I feel very strongly that this is one of the, areas just like the Department of Defense, that we really need more resources. When you look at the Coast Guard, and just one agency there, that has the items that go back to the 1950s and the fact that we don't have the sufficient equipment that is necessary. We really need to reassess in terms of the amount of resources, not only from an administrative perspective and your Department, but from our perspective, also, as the Congress, as to how much resources need to go into that area. And there are some real concerns. Each one talked about the necessities in each one of the areas.

I am here to tell you, for example, to thank you, number one, on the Border Patrol going up to 20,000 and holding the line in both of the northern and southern borders, but also from the Customs perspective. We have had there is more of a request. We have the Texas Border Coalition, the Government Accounting Office, the National Treasury Employees. And this is for our staff, too. There has been recommendation after recommendation that we need about 5,000 Customs people. As you look at the border, we look at the—Border Patrol works between the bridges and so they have done a good job there. But, my God, the cartels are not coming through the bridges because we don't have the staff. And it is really hurting us economically. And that is one thing we had talked about, that as the Congresswoman talks about 24 hours, one of the things we don't want to do to ourselves is hurt us economically. What the terrorists want to do is hurt us and hurt us economically, and we want to make sure we don't do that to ourselves.

So there is a need for, and you recommend, 300 additional. That is not adequate. Just on the southern border we have got the Anzalduas Bridge coming up. We have the one on Donna. We have one that hopefully will be opened up in the future in El Paso, and there is no telling what on the northern border. And there is a holdup as people come back and forth.

I have got one community, 80 percent of the sales tax is Mexicans coming over and purchasing. Number one economic impact for Texas is Mexico. So whenever we put the gap there, especially around the holidays when 24 percent of the sales are sold, that is about hurting us economically as a Nation.

So I am hoping that we look at this budget and really move forward in the rest in terms—and, yes. In terms of waste, $43 million is not appropriate. But I am here also to tell the Department of Defense from 2003 to 2008, just on overruns, GAO reported $500 billion. Not million, $500 billion overruns. So we really need to come to grips with that.

Having said that, I hope you look at the issue of Customs. And I think that is an area of interest that really needs to kind of be looked at on the long term, because based on the 300, it would take us, my figures show me, to 28 before we come up with the necessary numbers that are needed in order for us to beef up.

VACANCIES

Secondly, the other Congressman that oversees the DOJ talked about a couple of other things that are beyond you, but the coordination is important. We still don't have the U.S. Attorneys in Texas, not a one has been appointed. We still don't have the U.S. Marshals, not a one has been appointed. We still don't have the judges. I have a vacancy in the western district, two vacancies in the southern district, and also the ones that Congressman Culberson is talking about where we need the judges. They are overburdened right now. That is another problem that is confronting us on the border in terms of how do we deal. I just got calls yesterday, this is again local, from a county saying: We are not going to file charges against people in a certain county because we don't have the resources.

So I am looking forward to working with you. And I know you have been handed this huge elephant—and I don't mean that politically—but, you know, we really need to see how we can bring more resources to come to bear and do that when it comes to homeland security. Thank you.

Mr. PRICE. Please feel free to comment, if you wish. The gentleman's time has expired.

Secretary NAPOLITANO. I agree. That is my comment.

Mr. PRICE. All right. There will be plenty of opportunities to follow up on all those topics.

We are looking at a series of votes before too long, but I hope we do have time to get into some further questions. So I will proceed here with a very quick question about the Coast Guard and then moving on to some other topics.

DEEPWATER IMPLEMENTATION PLAN

Madam Secretary, in the fiscal 2006 Homeland Security appropriation written under the direction of my colleague, Mr. Rogers, there was a bill requirement for the Secretary to submit a revised Deepwater Implementation Plan with the fiscal 2011 budget. Language went into some detail as to what would be required. That same statutory language has been carried every year for the last five years. Yet, the 2011 budget fails to provide the Deepwater implementation plan as required by this Congress. This is particularly troubling given the fact the Commandant noted in his annual State of the Coast Guard address this month that acquisitions aren't credible if they are not supported by a timely capital investment plan.

So I want you to let us know here this morning when we can expect that comprehensive Deepwater review; and just remind you that, without the revised Deepwater Implementation Plan, we are in a very poor position to judge these various decommissionings of ships and aircraft that you are suggesting in next year's budget. How can we be sure they are not opening long-term capability gaps similar to the ones we have been struggling to fill in funding the Deepwater program in these intervening years?

Secretary NAPOLITANO. Mr. Chairman, I will speak with the Commandant today about that report. I believe he is actually testifying in a Transportation Subcommittee this morning about that.

So I will speak with the Commandant, and ask him to call you directly with that information.

Mr. PRICE. Good. And we hope we can get a firm timeline so we know what we are dealing with here. In the meantime, we are going to need to access some information that gives us some guidance beyond what is provided in your budget submission.

[The information follows:]

The Commandant met with Chairman Price on Thursday, March 4, 2010 to discuss, among other issues, the timeliness of reports. He conveyed to the Chairman that his message was heard loud and clear. The Coast Guard is working closely and proactively with the Department to ensure necessary reports are expeditiously delivered to Congress.

Secretary NAPOLITANO. Indeed.

DISASTER RELIEF FUND

Mr. PRICE. The Disaster Relief Fund. The budget request originally included $3.6 billion in supplemental funding for the rest of fiscal year 2010 for the Disaster Relief Fund. On February 12, as you know, the administration transmitted a budget amendment to increase that amount for the current fiscal year to $5.1 billion. That would hopefully cover the potential exposure due to the Katrina arbitration cases and a costly lump sum agreement with Louisiana schools. But we are concerned that even this amount may not be adequate to cover costs until the end of September, leaving the possibility that the fund could run low on balances during the height of the hurricane season. So that is 2010. But when you turn to the 2011 request, the fund is being depleted at nearly double the rate assumed in your budget due to ongoing costs associated with past large disasters. This budget request we estimate will last only 4 or 5 months into the fiscal year. What can you tell us about how we are going to get on track here with a more realistic, more accountable, and more responsible budgeting process for the Disaster Relief Fund?

Secretary NAPOLITANO. Yes, sir. First of all, the supplemental request of $5.1 billion we believe will carry the DRF through the end of the fiscal year, accounting for not only the arbitrations, but also there is $1.1 billion for schools reconstruction in New Orleans. So we believe that that supplemental, if approved, would carry us through the end of the fiscal year.

With respect to the ongoing budget request, it is the 5-year rolling average of noncatastrophic disasters which are defined as disasters below $500 million. That has been the methodology used; and if there is a better one to employ, I am open to looking at that.

It is difficult to predict with any certainty a disaster that is above $500 million, so the $1.9 billion, which is the 5-year rolling average, seems to be a reasonable way to approach the problem. But, Mr. Chairman, if you would like to discuss perhaps a better way to do it, I am open to those suggestions.

Mr. PRICE. We are going to want to do that because recent history would suggest that this really is going to run out way before the end of the fiscal year and that we are going to need to deal with it. We are feeling the same pressures everyone feels for putting money elsewhere in budget and letting this be dealt with on an emergency basis. But that, we know, is not sound budgeting. I

think our Subcommittee has stood for trying to get those numbers into more realistic territory, and we are going to be looking at this carefully this year as well.

SAFER GRANTS

Finally, a quick question about firefighter jobs. You know about the crisis we are facing economically, and you know that the impact on the local government includes something like 6,000 lost firefighter jobs, the best we can estimate at the moment, and another 6,000 lost through attrition. Because of this situation, we have altered the language of the SAFER grants. You have been given authority to waive a number of cost sharing and other local matching provisions for fiscal 2009 and 2010. You have been given additional authority for retention as well as for new hires and rehires. We—and we weren't alone in this—felt that you had not taken full advantage of these new authorities, and so the Department did change the fiscal 2009 SAFER guidance and allowed for extensions to apply midway through the application period.

As we look ahead—and, of course, we are still in the middle of this economic downturn—we didn't move as quickly as possible on this. There have been serious delays on this. We are trying to stem the flow of layoffs, create jobs.

But for the Department to take 18 months to award the fiscal 2009 SAFER grants really is not in sync with the kind of urgency we feel, and now we are being told the Department won't begin the fiscal 2010 grant process until this summer. So I would like to ask you what assurances you can give us today, and then get back to us if you need to, about the Department being in a position now fully to utilize this broadened authority that you have been granted that addresses the situation.

The authority addresses the personnel situation and it addresses retention as well as new hires. And then also getting the process for 2010 going. Maybe somehow telescoping it with the ongoing 2009 process? What can we do to get this money out the door? This is important to public safety. It is also important because of the desperate fiscal situation many of our local governments find themselves in.

Secretary NAPOLITANO. Indeed. And, number one, you are right to be unhappy with the length of time it took to regrant the 2009 monies. The basic cause of the delay was rewriting the grant guidance to reflect the greater flexibility that you had provided. But that process took too long. We have instituted changes within the Department to fix that so that that does not recur, and all I can say is that we have identified the problem, we have fixed it, and now we are moving with alacrity, with all the speed we can, not only to get all those monies out the door for 2009 but for 2010, as well.

Mr. PRICE. Well, completing the 2009 awards, first of all.

Secretary NAPOLITANO. It is moving out, yeah.

Mr. PRICE. And then moving with 2010.

Secretary NAPOLITANO. Indeed.

Mr. PRICE. So you are assuring us that you are now in a position fully to take advantage and implement the new flexibility?

Secretary NAPOLITANO. Yes.

Mr. PRICE. I am asking you to get back to us as to what kind of timetable we expect to complete these 2009 awards and get the 2010 awards out the door.

Secretary NAPOLITANO. I will get back to you as soon as possible. And by that I mean very, very soon. We have it. I just don't have it at my fingertips.

Mr. PRICE. All right. Good.

[The information follows:]

Insert for the Record

The table is as follows:

Assistance to Firefighters Grant Program		
Program Phase	**FY 2009**	**FY 2010**
Guidance Development and Departmental Review	Jan-April 2009: The program guidance was developed and reviewed between Jan and April 2009.	Feb-March 2010: The program guidance is currently under development in FEMA/Grant Programs Directorate (GPD); GPD expects to provide the guidance and application kit to FEMA for review during the week of March 1-5, 2010.
Guidance Release	**April 2009:** The program guidance was released on April 15, 2009.	March 2010: The target release date for the program guidance is on or before March 29, 2010.
Application Period	April-May 2009: The application period ran between April 15, 2009 and May 20, 2009.	March-April 2010: The application period is tentatively scheduled between March 29, 2010 and April 30, 2010.
Review Panels	July 2009: The Review Panels were held July 6-17, 2009.	May 2010: The Review Panels are tentatively scheduled for the week of May 24-28, 2010.
Awards Processed	Feb-March 2010: As of Feb 25, 2010, the Department has awarded 2,400 grants; an additional 1,500 applications are under review. Recommendations on the final 1,500 awards are expected to be in the system by the mid-March 2010.	June 2010: Award processing is tentatively scheduled to commence in mid-June 2010.
Awards Announced	April 2010: All awards are expected to be finalized by the middle of April 2010.	July-Nov 2010: Award announcements are tentatively scheduled to begin in early July 2010 and continue through Nov 2010.
Fire Prevention & Safety Grants		
Program Phase	**FY 2009**	**FY 2010**

Guidance Development and Departmental Review	July-Sept. 2009: The program guidance was developed and reviewed between July and Sept. 2009.	March-June 2010: The program guidance is currently under development in GPD; GPD expects to provide the guidance and application kit to FEMA leadership for review in June 2010.
Guidance Release	Sept. 2009: The program guidance was released on Sept 21, 2009.	Sept. 2010: The target release date for the program guidance is July 15, 2010.
Application Period	Sept-Oct 2009: The application period ran between Sept. 21, 2009 and Oct 23, 2009.	Sept-Oct 2010: The application period is tentatively scheduled between Sept. 13, 2010 and Oct. 22, 2010.
Review Panels	Nov 2009: The Review Panels were held Nov. 2-6, 2009.	Nov 2010: The Review Panels are tentatively scheduled for the week of Nov. 1-5, 2010.
Awards Processed	Nov. 2009-Feb. 2010: Award recommendations are expected to be finalized by the end of Feb. 2010.	Nov. 2010: Awards are tentatively scheduled to be processed in Nov. 2010.
Awards Announced	March-April 2010: Award announcements will begin during the week of March 1-5, 2010 and extend through early April 2010.	Dec. 2010-Jan. 2011: Award announcements are tentatively scheduled to begin in early Dec 2010 and run through Jan 2011.
Staffing for Adequate Fire and Emergency Response Grants		
Program Phase	**FY 2009**	**FY 2010**
Guidance Development and Departmental Review	April-Nov. 2009: The program guidance was developed and reviewed between April and Nov 2009.	March-May 2010: The program guidance is currently under development in GPD; GPD expects to provide the guidance and application kit to FEMA leadership for review in May 2010.
Guidance Release	Nov. 2009: The program guidance was released on Nov 16, 2009.	June 2010: The target release date for the program guidance is on or before June 28, 2010.
Application Period	Nov. 2009-Jan. 2010: The application period ran between Nov. 16, 2009 and Jan. 15, 2010 (was extended from the original end date of Dec. 18, 2009, due to grantee concerns on supplanting).	June-July 2010: The application period is tentatively scheduled between June 28, 2010 and July 30, 2010.
Review Panels	Feb. 2010: Review Panels were held in Feb 2010.	Aug.-Sept. 2010: The Review Panels are tentatively scheduled for Aug. 30, 2010 to Sept. 3, 2010.

Awards Processed	March 2010: Award recommendations are awaiting system updates (the results of the review panels have not been loaded, as of Feb. 25, 2010). The Department expects to commence recommendations by the week of March 1-5, 2010.	Sept. 2010: Awards are tentatively scheduled to be processed in late Sept. 2010.
Awards Announced	March-April 2010: Award announcements will begin in late March 2010/early April 2010.	Oct.-Dec. 2010: Award announcements are tentatively scheduled to begin in mid-Oct. 2010 and run through Dec. 2010.

Mr. PRICE. Mr. Rogers.

OVERDUE REPORTS AND EXPENDITURE PLANS

Mr. ROGERS. I feel like that movie Groundhog Day where every year we live the same thing over and over again. We have talked about those grants now for forever, and nothing ever seems to happen. And that is true in so many other instances within the Department.

For example, we have been begging for these reports and expenditure plans in the—we put that in the 2010 Appropriations Act. Nothing happens. A revised Deepwater implementation plan, required in bill language to be submitted with the 2011 budget request every year since 2006. Now I would remind the Secretary that when we did not get that report in 2006, we would cut the Deepwater budget in half.

So we are serious about this. We have a responsibility, Madam Secretary, that we have to defend to our public on the expenditure—wise expenditures of funds. And if we don't know your plan, how can we wisely or even rightly allocate the funds that we have?

These are not just mere reporting requirements. These are conditional requirements for us to appropriate funds. So this is not a request. This is a command. We want the reports on Deepwater, on the border security, fencing infrastructure and technology expenditure plan, including SBInet, which was due a month and a half ago, expenditure plans for TSA's air cargo security, checkpoint support, EDS procurement. All of those were due December 27, and we are having to prepare the budget as we go along here. And as we interrogate your subordinate agency heads, we have to have those reports in order to be able to question whether or not it is the wise thing to do. So it is imperative that we get those expenditure plans. These are not reports. They are expenditure plans which we have to have.

These are not questions. I just wanted to make these points.

There is nothing in the budget report on biometric exit information. That is troubling, since that exit system can't even begin until 2012 under the administration's timeline, and that is assuming a decision on exit is actually made.

REAL ID

Thirdly, there is no budget request explicitly for REAL ID in your submission, and that needs to be explained.

And, as has been mentioned before by the Chairman and by myself as well, we still have some very glaring vacancies on some heads of agencies, TSA included, CBP. We need to know when those things can be filled because those are vitally important, of course, as you know, to the security of the country. They have been vacant way too long and inexcusable, in my judgment.

And then on immigration—and I applaud the efforts of this Subcommittee and the Department Secretary to deport criminal aliens. However, I was afraid at the time—and I think it has been confirmed now—that we are, in focusing on that, neglecting to deal with simple administrative noncriminal illegal aliens, and the data are pointing to that conclusion. From 2008 to 2009, noncriminal administrative arrests declined by almost 72 percent, from 5,100 to

1,600 arrests; criminal arrests during work site enforcement operations declined 60 percent; indictments filed during work site enforcement operations declined 58 percent; convictions obtained through work site enforcement operations declined 59 percent. However, during the same period, I–9 audits of employers did increase by 187 percent, 503 to 1,444, during that same time. Arrests and convictions of illegal aliens are still the law, but apparently it is being very much overlooked. And that continues to trouble me, and I think it troubles the American people.

WHITE HOUSE PARTY CRASHERS

Oh, and, finally, the White House party crashers. I think the State Department and the White House Social Secretary and the Secret Service apparently all have some hand in clearing who goes into the White House. I know when we go down there for the annual Christmas party, Members of Congress, there are eight or ten different people that you go through to be checked off some list, if there is a list. And if your name is not on such and such list, you are sort of passed along to the next person. And these, God love them, are very young people, and I don't know who they are or who they work for. I really think that you should tighten up and let the Secret Service be the single agency that deals with clearances into the White House inner circle.

Secretary NAPOLITANO. Indeed.

Mr. ROGERS. So those are the points I want to make to you, Madam Secretary.

Secretary NAPOLITANO. May I respond? And, also, I will do it quickly because I know that time is short. I will go backwards.

On the White House situation, we have tightened up or made some changes I think in a very good way to make sure the Secret Service is lead.

WORK SITE ENFORCEMENT

On the work site enforcement, I would invite you to—and I will ask Assistant Secretary Morton to come meet with you, because we are deporting, we are arresting, and we are doing work site enforcement. And because we have changed the methodology by which we do it, we are covering more employers, and we get a deterrent effect out of that. And my judgment in terms—and we can perhaps disagree—but from a public safety and anti-illegal immigration standpoint, to focus on criminal aliens is the way to go, and the numbers bear that out.

NOMINEES

In terms of nominees and confirmations for TSA and CBP, as you know, the nominee for TSA withdrew. I think there is vetting going on for a substitute right now. The CBP nominee is awaiting a hearing in the Senate Finance Committee. He has been waiting for a number of months. We are trying to see what can be done to accelerate that process. He is the former U.S. Attorney for the Southern District of California. He knows that border and knows immigration very, very well.

REAL ID

On REAL ID, we didn't request money because we had to extend the REAL ID deadline because the bipartisan agreement that was reached with the Governors to make some changes to REAL ID didn't pass. It didn't get out of the Senate, and, therefore, it couldn't move over here, and, therefore, we had to extend the REAL ID deadline.

On biometric exit, we had $50 million in unspent monies from last year, and we will simply use that. We will focus on using that at airports.

We still have and need to have a dialogue, Representative, about exits at land ports of entry, which is an enormous project, and how that really is value added to security compared to some other things, for example, increasing the ICE budget. That is a discussion we could have not just for this year but for future years.

And, lastly, on the report situation, let me just say I apologize. I will call the Commandant today on the Deepwater report. We have a list of the others.

But if I might, sir, we have approximately 300 reports due to this Subcommittee alone this year. Eighty are in the pipeline. We have delivered 80. Some of the remainders are in OMB. Some of them are dependent upon decisions that are made in the 2011 budget. We will work to get these reports in, and I will direct the CFO to make that a priority. But I would ask respectfully of the Committee, perhaps there is a way to prioritize all of these Committee reports so we really focus on the ones that are of the most severe concern.

Mr. ROGERS. Well, that is fine and dandy. But I am just here to tell you, as we did before, I will be trying to freeze these monies until we get those reports. I don't want to be appropriating funds unless I know what I am doing.

Secretary NAPOLITANO. I understand that and appreciate that. And, like I said, we will pursue that. All I am asking, sir, is that, as we prioritize that, perhaps the Committee can also look at a way so that our staff is more focused on operations as opposed to reports. There ought to be some way to prioritize among the 300.

Mr. ROGERS. I think that is a legitimate request; and, Mr. Chairman, I think we certainly need to do that.

Mr. PRICE. It certainly is. I would hope that we have at least this morning communicated what the very top priorities are——

Secretary NAPOLITANO. Yes.

Mr. PRICE [continuing]. And the ones that really do relate quite directly to decisions we have to make in a fairly short order.

Secretary NAPOLITANO. And we will prioritize those.

Mr. PRICE. As you well know, many of those reports are one- or two-page affairs. They are by no means all equivalent or similar in scope.

Mr. ROGERS. But when we put these in bill language, as these are, these are not just reports.

Secretary NAPOLITANO. Message conveyed and message understood.

Mr. PRICE. These are statutory expenditure plans. That is a different order of importance.

Mr. ROGERS. That is the law.

Mr. PRICE. As I think we all do understand.

Mr. ROGERS. Mr. Chairman, in closing, let me compliment the Secretary for a change here.

Secretary NAPOLITANO. Is there anybody still in the room?

Mr. ROGERS. I want to thank the Secretary especially for the FEMA help that was given to Kentucky to recover from a very severe ice storm down there last year and floods. FEMA did a great job, and I want to publicly say thanks.

Mr. PRICE. Thank you.

Mr. Mollohan.

INFRASTRUCTURE PROTECTION

Mr. MOLLOHAN. Thank you, Mr. Chairman.

Madam Secretary, through your Office of Infrastructure Protection, you train State and local governments, and the private sector in risk management. Could you comment on that and what emphasis you think that needs to be given and how important that is?

Secretary NAPOLITANO. Yes. It is actually one of the little-known but very important parts of the Department in the sense of a lot of homeland security is State- and local-based, and you can't have the expertise in Washington, D.C. It has to be out in our communities. And that is part and parcel to a number of things that we are doing to spread that—what we call the homeland security enterprise expertise outside of the Beltway.

Mr. MOLLOHAN. The Department—am I correct in my reading of your request, that you are requesting a reduction of funding of that activity?

Secretary NAPOLITANO. Yes.

Mr. MOLLOHAN. Could you explain that in light of your acknowledgement of the importance of the program?

Secretary NAPOLITANO. Well, it is important. On the other hand, in a budget time when difficult decisions need to be made and when there has already been a significant number of people that have been trained, that seemed the place where we could reduce.

Mr. MOLLOHAN. Well, I would like for you to talk about that a little more substantively. If we are going to have an integrated system from the State and local level right up to the top, that implies knowledge and capability and synthesizing from the local level right up to the top. And that has to be seamless, does it not? And when you say a lot of that training has occurred, I can imagine that training actually never gets finished because of the nature of the system and the continual change in personnel up and down the line.

Secretary NAPOLITANO. Well, as I mentioned, Representative, I come from a State background. I can appreciate that both as a Governor and a former Attorney General. That is something that we can work on with the committee.

Mr. MOLLOHAN. With regard to the bombing prevention activity, you have stated that one of the most serious threats to our homeland is the threat of an attack via an improvised explosive device. And keeping in mind the recent testimony of our intelligence experts were over in our companion body, IEDs are obviously very serious threats to the homeland. I am interested in why the Depart-

ment of Homeland Security would request a decrease in funding for the Office of Bombing Prevention. It seems like an odd place to cut.

Secretary NAPOLITANO. Well, there are some activities of the Department that are spread in other places as well. So, for example, bombing prevention also involves I&A, intel and analysis. It involves greater coordination with State and locals. We have increased fusion centers across the country to help deal with these things at the local level. So I think that you can't, in some of these areas, look at one budget line in isolation from other efforts.

Mr. MOLLOHAN. Well, following up this testimony in both of these areas, I would like to explore with Department experts these cuts and see what the impacts are and see how they impact the other law enforcement agencies with which you work.

Thank you, Mr. Chairman.

Mr. PRICE. Thank you.

Let me indicate to Members—and I think there are three remaining to question in this last round—we do need to clear this room very soon after 12:30 for Secretary Clinton and another hearing. So I am going to impose a 4-minute rule, and I hope that we can get through this final round very efficiently.

With that, Ms. Roybal-Allard.

Ms. ROYBAL-ALLARD. First of all, I want to go back to my previous question with regard to detainees. I just wanted to mention that, in a meeting with Mr. Morton, he is aware of the ICE requirement that the headquarters has to approve every treatment and the fact that the detention medical staff does have this misunderstanding. So I hope that you will look at that and expedite any changes that need to be taken to prevent what has been happening there.

Also, if you could submit a timeline for the completion of the process to improve detainee medical care, I would appreciate that.

[The information follows:]

DHS is committed to providing sound medical care to detainees. Senior level officials from within the Department and the Bureau of Prisons have been detailed to Immigration and Customs Enforcement (ICE) to help conduct a systematic review of how resources provided by the Division of Immigration Health Services (DIHS) are used and maximized.

ICE has three projects underway:

1. Medical Classification Process: DHS is developing a new medical classification process to help medical providers immediately determine the detainee's unique medical or mental health needs, which will also inform the placement and housing decisions of the detainee. This new classification process will be piloted in April 2010 with nationwide adoption planned in September 2010.

2. Treatment Authorization Request (TAR): DHS has modified the process to authorize treatment requests, eliminating delays in the delivery of medical services. The modified TAR process will be implemented by December 2010. DHS is also improving the covered services package—the list of all the health care that detainees are eligible to receive. Finally, DHS is moving towards National Commission on Correctional Health Care accreditation. This process will begin in December 2010.

3. Performance Based National Detention Standards (PBNDS): DHS is currently revising the PBNDS—standards which will reflect the conditions appropriate for various detainee populations. The PBNDS are undergoing final review. As part of the revised standards, DHS has developed women-specific medical standards and enhanced the Medical Care, Admission and Release, Significant Self Harm–Suicide Prevention and Intervention, Hunger Strikes, and the Terminal Illness standards.

IMMIGRATION REFORM

Also, President Obama has tapped you to head his Task Force on Immigration Reform, and I have been very encouraged by many of the public statements that you have made, but I would also like you to submit some kind of an update on what kind of progress that task force is making with regards to comprehensive immigration reform.

[The information follows:]

The President's commitment to fixing our immigration system remains unwavering. The President has maintained that only a "complete solution" can fix the U.S. immigration system and such reform must continue to strengthen enforcement on our borders, crack down on employers who exploit undocumented workers to undercut American workers, and also resolve the status of the 11 million people who are undocumented. These individuals will need to come forward to register, be screened, pay a penalty for breaking the law and meet other obligations such as paying taxes and learning English to earn legal status and get on a path to citizenship. The President has told Congressional leaders of both parties that if they can fashion a plan to deal with these problems, he is eager to work with them to get it done.

In support of this goal, the President in June 2009 named Department of Homeland Security (DHS) Secretary Napolitano as the Administration lead working with Congress and other stakeholders on the issues involved in immigration reform legislation. Since then, Secretary Napolitano and other DHS principals have had dozens of meetings with Members of Congress; participated in over 40 roundtable discussions and listening sessions across the United States; and held meetings with over 1,000 different immigration stakeholders. Other members of the Cabinet, including Secretaries Salazar, Solis, Locke, and Vilsack, and Attorney General Holder, are also providing insights into key components of reform.

The Administration's coordinated, interagency effort has led to the establishment of several interagency policy workgroups to refine and elaborate on the President's guiding principles for immigration reform. In addition, the Administration has worked to provide technical assistance on legislative language to Members of Congress.

DHS and its interagency partners will continue to work toward the enactment of immigration reform over the coming months and stand ready to assist Congress in that effort wherever possible.

AVIATION SECURITY

Earlier, in a question by the Chairman, he was asking you about aviation security, and there was discussion about using the new technologies at the airport checkpoints. But you know enhancing the security of our commercial aviation certainly is going to require more than just, you know, additional scanning machines. In addition to the new technology, what is your overall aviation security strategy?

And, also, I have also heard some criticism about the smaller budget for DHS science and technology, but I also understand that you have a plan to make this money go further in fiscal year 2011. So could you explain how your budget addresses the Department's research and development needs as well?

Secretary NAPOLITANO. Well, on aviation security—let me try to answer quickly, because I know that you have to clear the room. But the scanners are just one part. It is behavior detection officers. It is explosion detection equipment. It's trained canine teams. It is a layered approach. The principle being that if one fails, maybe another one will pick up. That is in addition to whatever prior passenger information or intel that we have about somebody traveling through the air environment. And that is all I think encompassed within the budget.

Your second question was—I am sorry, Congresswoman.

Ms. ROYBAL-ALLARD. The second had to do with the fact that you have a smaller budget for——

Secretary NAPOLITANO. Oh, S&T, yes. I think we have some unobligated balances from prior years that we can better employ. The Undersecretary of S&T has actually been confirmed. We actually do have a leader there, and she now has taken hold of that.

Mr. PRICE. Mr. Farr.

Mr. FARR. Thank you, Mr. Chairman.

I have been trying to build collaboratives because I think that is the growth of government, not just more silos. And you have with you the Center for Homeland Defense and Security at the Naval Postgraduate School. Outside of that, there is a number cybersecurity entities in the region, in the county, and most of them are all related to the Department of Defense. I am not sure that our hometown Leon Panetta even realized how much cybersecurity capacity we have there.

What I would like to ask you to do is to have somebody in your Department look at how we might collaborate more with the Center for Homeland Defense and Security with the ability that we have to support and identify management for single agency use and for shared enterprises.

We have the ability to assist in cyberpolicy, information security, and high assurance networks. We can test and develop cybersecurity technologies and checklists. We can provide means to guard against insider threats. We can maintain records of designated cybersecurity personnel. We can identify knowledge and skill requirements for cybersecurity personnel. We can make available the secure operation center for streamlining efforts for creating synergy and cross-agency collaboration, and we can leverage our information technology with business efficiency teams because a lot of the technology of Silicon Valley is tested there before it is purchased by our security entities in the United States.

So since you are there and giving these master's degrees to all of these wonderful people, maybe we can build also the capacity to increase our cybersecurity education. And I will give you a little more background about it and put together this thing called Team Monterey. I would just like to get Homeland Security involved in Team Monterey. You already are with the Coast Guard but the other entities.

Secretary NAPOLITANO. There is already a Coast Guard, I think, base out there.

Mr. FARR. Yeah, it has 38 personnel.

Secretary NAPOLITANO. Indeed. So we would be happy to look at that, Congressman.

Mr. FARR. Thank you.

Mr. PRICE. Mr. Rodriguez.

AGENT HOUSING

Mr. RODRIGUEZ. Madam Secretary, thank you very much for being here; and let me also indicate that there is a very serious problem in the area of housing.

I was just in Sanderson, Texas, where we have beefed up on Border Patrol. There was a family there that indicated that there was

a family of Border Patrol people living inside their homes because they didn't have—I was just wondering, in terms of housing, how do we beef up in those rural communities throughout the region in terms of housing for our staff.

Secretary NAPOLITANO. You know, for the acting head of the CBP, David Aguilar, this has been a key issue and particularly in certain rural parts along the border where we have added so many Border Patrol so quickly. They do have a housing plan that they are working on, but we know that it is just—when you add a lot of agents, surge agents, in a way, into a rural area where you may not even have a lot of contractors available to build—there is not a lot of housing stock, that is an issue for us.

Mr. RODRIGUEZ. Thank you. I would hope that you would continue to look at that, because I represent 800 miles along the border, and we have a major problem in terms of housing for our staff.

In addition, you had a program where you took people coming in illegally from Arizona and then taking them to my district in Presidio and taking them across through there. There were a couple of buses a day that were coming through there. Do you have any reports on that program?

Secretary NAPOLITANO. I have had a report, not recently, however, but I will ask Assistant Secretary Morton to get back to you on that.

[The information follows:]

This is a CBP program not an ICE program. Immediately following Secretary Napolitano's hearing before the House Appropriations Homeland Security Subcommittee on the FY 2011 DHS budget request, CBP Office of Congressional Affairs (OCA) discussed this issue with the Office of Rep. Ciro Rodriguez. CBP OCA informed the Congressman's staff that the program is currently being reassessed. Due to the law enforcement sensitive nature of the program CBP cannot release further details for the record.

Mr. RODRIGUEZ. Okay. Because you have a good number of buses going there on a daily basis. I think it is expired, but I am wondering, you know, in terms of your plans for the future on that one, if you can get back with me on that.

And then, finally, I just want to thank you in terms of your efforts on cybersecurity. There is a real need in that area not only in terms of during natural disasters. I recall Congressman Gene Taylor telling me that during Katrina he couldn't get anything from the bank, and he didn't have any cash, and thank God they recognized him and he got $200. Otherwise he couldn't. So cyber is essential. There was no way of communicating.

We just had a breakdown in both Merrick and Val Verde right on the border, and we couldn't communicate at all, and credit cards couldn't be used, and there was supposedly some kind of an accident that occurred.

But that is one of the areas where we are being hit directly. I know that we need to continue moving on that, and I was wondering whether we have any pilot programs to kind of respond during those times of natural disaster as it deals with cyber.

Secretary NAPOLITANO. Yes. The FEMA Director is actually looking at how we make sure that those types of networks are restored very quickly and interoperability, and has been working with local FEMA directors on that issue, yes.

Mr. RODRIGUEZ. Thank you very much.

Mr. PRICE. Thank you.

And with that, Madam Secretary, we will wrap up this hearing. We are going to reconvene at 2:00 to deal with biosurveillance, as you probably know, as we move on to our agency hearings. But we do thank you for your service and for your responsive testimony here this morning. We look forward to working with you through this budget season.

Secretary NAPOLITANO. Thank you very much, Mr. Chairman.

United States
House of Representatives
Committee on Appropriations

Hearing before the
House Appropriations
Subcommittee on Homeland Security

The Honorable Janet Napolitano
Secretary
U.S. Department of Homeland Security

Questions for the Record

February 25, 2010

Table of Contents for Questions for the Record

Representative	Page Numbers
David Price	3 – 88
Harold Rogers	89 – 107
Ciro D. Rodriguez	108 – 110
Alan B. Mollohan	111 – 113
Nita M. Lowey	114 – 116
Sam Farr	117 – 121
Ken Calvert	122

QUESTIONS FOR THE RECORD SUBMITTED BY

Chairman David Price

Secretary Janet Napolitano
DHS FY 2001 Secretary's Hearing
February 25, 2010

Firefighter Jobs:

Question: A lot of people in the firefighter community believe that the $115 million reduction in the fiscal year 2011 budget is only acceptable if there is a major infusion of money through the Jobs bill. If this investment in jobs does not occur, how can you propose a $115 million cut at a time when so many states and localities are in need of funding for public safety positions?

ANSWER: The FY 2011 budget request is $20 million higher than last year's request, and is higher than any of the Department's last five budget requests.

Of critical importance to our fire service partners, we have significantly expanded eligibility for our fire programs such as the Staffing for Adequate Fire and Emergency Response (SAFER) grant, making it much easier for local departments to put these security dollars to work quickly to bring back laid off firefighters and retain their current forces.

Moreover, we changed the four-year term of SAFER grants to two years, giving departments much more flexibility in the short term; eliminated the $100,000 per position cap, enabling departments to retain veteran firefighters and maximize their funding across their workforce; eliminated the local match; and allowed departments to keep SAFER funding during normal attrition (previously they had to return the funding).

Haiti Response

Question: Secretary Napolitano, the Department performed extremely well under pressure in its response to the recent earthquake in Haiti. DHS resources were some of the first on the scene, with the Coast Guard flying medevac missions and helping restore operations at the airport to allow aid flights into Port Au Prince despite the collapse of the tower at the airport. FEMA and other components have had a significant role to play as well. My first question is deceptively simple – how are we paying for this? Such a disaster response was hardly envisioned in the President's budget for the current fiscal year, and it seems unwise to take these costs out of the Department's hide.

ANSWER: The Department of Homeland Security (DHS) is paying for support provided to Haiti largely out of funding appropriated in fiscal year 2010. As of March 16, 2010, DHS has obligated $62.1 million. Some portion of this will be reimbursed by USAID. On March 23, 2010 the President submitted a supplemental request for Haiti Response and Recovery which includes $60 million for DHS.

Haiti 2010 Earthquake Funding Table ($000) 03/16/2010	
Component	Obligated Amt.
DHS - TOTAL	62,117
USCG	28,306
CBP	4,667
FEMA	16,583
ICE	5,769
A&O	5,517
OSEM	25
TSA	581
USCIS	559
OHA	110

Question: What has the impact of the Haiti response been on the Department's overall readiness, including our ability to respond to domestic disasters?

ANSWER: The Department continues to have a strong emergency response capability and our overall readiness has not been compromised.

Secure Border Initiative

Question: Secretary Napolitano, with over $4.5 billion provided by Congress over the past few years, the Department has largely completed its strategy to construct targeted fencing along the borders – with a few minor exceptions – and you're now focusing the Secure Border Initiative on building the technological component of border surveillance, or SBI*net*. But following a "60 Minutes" program on SBI*net* a few weeks ago, you announced a comprehensive review of the program. Given this program has raised high expectations as being a key component of an effective, comprehensive immigration policy – and has received lots of Federal investment – we are keenly interested in the outcome of that review. Your request calls for continuing work on SBInet Block 1, but not proceeding to work on the rest of the Arizona border, or elsewhere in the Southwest. I note, however, that you are proposing to continue funding for some Northern Border projects, and to continue implementing tactical communication systems. What are your goals for the SBI review, in the short and long term? In addition to looking at the BSFIT investment alone, will you address the relationship between BSFIT and the other elements of border security – a coordinated approach to the border that includes enforcement at the border, in the interior, and a reformed immigration regulatory approach?

ANSWER: The Department-wide review is motivated by two major considerations. The first is that the continued and repeated delays in SBI*net* raise fundamental questions about SBI*net*'s viability and availability to meet the need for technology along the border. The second is that the high cost of SBI*net* obligates this administration to conduct a full and comprehensive analysis of alternative options to ensure we are maximizing the impact and effectiveness of the substantial taxpayer resources we are devoting to border security technology. Quite frankly, this type of investment can only be justified if you know exactly what you are going to get, and this type of comprehensive analysis of alternatives should have been undertaken years ago.

The assessment has an immediate and a long-term phase. In the short term, the Department announced that it will be redeploying $50 million in Recovery Act funds that were scheduled to be spent on SBInet to alternative

currently available, stand-alone technology, such as remote controlled camera systems called Remote Video Surveillance Systems (RVSSs), truck-mounted systems with cameras and radar called Mobile Surveillance Systems (MSSs), thermal imaging devices, ultra-light detection, backscatter units, mobile radios, and cameras and laptops for pursuit vehicles, that will immediately improve our ability to secure the U.S.-Mexico border.

In the long-term phase, we will conduct a comprehensive, science-based assessment of alternatives to SBInet to ensure that we are utilizing the most efficient and effective technological and operational solutions in all of our border security efforts. If this analysis suggests that the SBInet capabilities are worth the cost, this administration will extend deployment of these capabilities. If this analysis suggests that alternative technology options represent the best balance of capability and cost-effectiveness, this administration will immediately begin redirecting resources currently allocated for border security efforts to these stronger options.

With regards to the relationship between BSFIT and the other elements of border security: Investments in fencing, infrastructure and technology are effective at deterring, denying, and detecting illegal access into the United States in immediate border areas between the ports of entry. By supplementing these assets with targeted enforcement strategies, they expand border security capabilities beyond our immediate borders.

CBP's Operation Alliance to Combat Transnational Threats (ACTT) is an example of our targeted enforcements strategies. ACTT leverages intelligence and law enforcement partnerships across governmental, state, local and tribal entities to deter, deny, degrade, disrupt and ultimately dismantle criminal organizations operating in the border area, thereby enhancing the Department's ability to combat criminal activity. These efforts, coupled with CBP's traditional enforcement efforts, proactively and systematically address illegal activity and ensure the appropriate connectivity between immediate border enforcement agencies and interior agencies.

In addition, efforts undertaken as part of the President's Southwest Border Security Initiative and direct engagement with the Government of Mexico will contribute to a safer and more secure border environment.

Question: There has been marked disagreement about just how secure the U.S. border is, given continued violence on the other side and nonstop stories about drug seizures, immigrant apprehensions, and tunnel discoveries. Without a common point of reference for the status quo (and agreement on the direction of trends) it is hard to know how far we need to go to have "security". Do you expect to come up with a good baseline for the current effectiveness of all current DHS (and other government agency) efforts to control the security of U.S. borders, and our sovereignty over what crosses them?

ANSWER: DHS has made significant strides toward defining an effective baseline of our border security efforts. Specifically, DHS recently completed the first Quadrennial Homeland Security Review (QHSR) http://www.dhs.gov/xabout/gc_1208534155450.shtm, which outlines the strategic framework for homeland security activities across the nation. That framework identifies "Securing and Managing Our Borders" as a core homeland security mission and outlines the specific goals, objectives, and key strategic outcomes we are trying to achieve.

Question: What are your realistic objectives for an "end-state" for border security? And what are your objectives in terms of adequately supporting operations both at the ports of entry – which are seeing increasing pressures from smugglers, trade, and traffic – and between them?

ANSWER: In the QHSR Report, the "Securing and Managing Our Borders" mission set focuses on effectively securing our borders by preventing the illegal flow of people and goods across U.S. air, land and sea borders while expediting the safe flow of lawful travel and commerce; safeguarding lawful trade and travel by ensuring security and resilience of the movement of people and goods; and disrupting and dismantling transnational criminal organizations that engage in smuggling and trafficking across the U.S. border.

With regards to objectives in terms of adequately supporting operations: as detailed above, at a strategic level our border objectives focus on effectively securing our borders by preventing the illegal flow of people and goods across U.S. air, land and sea borders while expediting the safe flow of lawful travel and commerce; safeguarding lawful trade and travel by ensuring security and resilience of the movement of people and goods; and disrupting and dismantling transnational criminal organizations that engage in smuggling and trafficking across the U.S. border.

At and in between ports of entry, DHS aims to deploy a combination of people, technology, and infrastructure to achieve these objectives. In both environments, it is vital that we support our front line operators to ensure that they have the equipment and training necessary to do their jobs safely and effectively.

International Cargo Security

Question: The FY 2010 appropriation conference report noted Congressional support for DHS and CBP efforts to reduce the risk to cargo being used to smuggle weapons, precursor materials, or persons. These efforts include the Container Security Initiative to "push out" inspections to foreign ports; the Customs-Trade Partnership Against Terrorism (C-TPAT) to ensure those who touch our supply chains are trustworthy; and the Secure Freight Initiative, to scan all U.S.-bound cargo for suspect content or potential nuclear or radiological materials. Recently DHS implemented new cargo information requirements, including security data filing, and 24-hour advance manifest rules. Consensus has been such efforts improve information and help with so-called "defense in depth" of our borders. But your budget requests reductions in CSI, SFI, and C-TPAT programs, presumably reflecting new thinking about the efficacy of forward deployment of personnel and resources, and 100 percent scanning of cargo overseas. Madam Secretary, the FY 2010 conference report required CBP to report by February 1st on "its strategy to achieve meaningful and effective cargo and supply chain security". We need this report to assess your proposed approach to cargo security programs. When will the Subcommittee receive this report?

ANSWER: The Department and CBP are working hard to provide a comprehensive report to Congress on our proposed approach to cargo security programs as soon as possible.

Question: Have potential threats of an attack on our supply chains, or using them as way to carry out an attack on the US or its ports, changed in any way to justify these reductions? Have you found a rationale to "rebalance" where you put your resources? What is your strategy to carry out targeting and inspection of potential suspect shipments with less overseas presence, and in a way that does not interfere with legitimate trade?

ANSWER: CBP has made tremendous progress towards securing the supply chains bringing goods into the United States from around the world, and preventing their potential use by terrorist groups, by using cutting-edge technology to increase the ability of front-line CBP Officers to successfully detect and interdict illicit importations of nuclear and radiological materials; moving resources where they are most needed; integrating all CBP offices; sharing information, including actionable intelligence, across all aspects of CBP; and utilizing a multi-layered approach to ensure the integrity of the supply chain from the point of stuffing, through arrival at a U.S. port of entry.

CBP also requires advanced electronic cargo information for all inbound shipments for all modes of transportation. This advanced cargo information is evaluated using the Automated Targeting System (ATS) before arrival in the United States. ATS provides decision support functionality for CBP officers working at our ports of entry in the United States and Container Security Initiative ports abroad. The system provides uniform review of cargo shipments for identification of the highest threat shipments. Additionally, the Importer

Security Filing interim final rule, also more commonly known as "10+2", went into effect earlier this year and will provide CBP timely information about cargo shipments that will enhance our ability to detect and interdict high risk shipments. Shipments determined by CBP to be high-risk are examined either overseas as part of our Container Security Initiative, or upon arrival at a U.S. port.

Relating to the rationale to rebalance: CBP's capabilities are focused on the core missions of securing the border, trade, and travel facilitation. In order to maintain these capabilities at the highest possible level, CBP will reduce capacity on programs that do not provide acceptable returns on the investment and are not focused explicitly on our primary responsibilities at the U.S. border.

As the Container Security Initiative program has matured, CBP has shifted strategies, from placing more U.S. personnel overseas to a more technological, effective and less resource intensive approach, relying on remote targeting from the National Targeting Center – Cargo, remote examinations and image analysis, and greater reciprocal examination relationships with host governments.

The current funding profile for the C-TPAT program was developed during the start up and expansion phase. The program is now mature, and $12 million can be eliminated from its budget with no impact on operations. The program has aggressively worked to identify and successfully implement travel and validation procedures aimed at maximizing program resources.

With regards to the strategy to carry out targeting and inspection of potential suspect shipments: CBP is successfully using advanced data to identify and interdict high risk cargo through targeting, technology, and partnerships. CBP's ability to target high risk containers has progressed to the point that much of the work can be done domestically rather than overseas. Accordingly, this will allow the program to become more efficient and less costly.

Secure Communities/Immigration Enforcement

Question: Madam Secretary, through investments made by this Committee, ICE has increased the removal of illegal immigrants with criminal histories by 12 percent in 2008 and another 18 percent in 2009. In addition, ICE is in the process of implementing the "Interoperability" solution of the Secure Communities program, which will strengthen the Department's ability to identify criminals in the country illegally. I support ICE prioritizing its resources to focus on dangerous, and in many cases, violent individuals who have no right to be in the country. Can you explain:

- What more ICE can do to prioritize criminal alien removals?
- How ICE can drive down the cost of locating and removing so-called "fugitive" aliens who have absconded from final orders of removal? Currently it costs more than $5,000 for ICE to locate and apprehend each absconder. Doesn't it make more sense to focus on aliens already in criminal custody while working to prevent individuals from becoming fugitives?

ANSWER: ICE is working to ensure that all of its enforcement programs that target criminal aliens are aligned to DHS and ICE performance goals and strategic objectives. In fact, ICE plans to spend over $2 billion on criminal alien enforcement in FY2010.

ICE continues to pursue and implement initiatives that will result in the increased identification and removal of criminal aliens. Through the Secure Communities Program ICE is aggressively deploying IDENT/IAFIS Interoperability which is resulting in the increased identification of criminal aliens.

ICE also continues its efforts to streamline the removal process in order to remove criminal aliens more expeditiously and in a more cost effective manner.

ICE's Detention and Removal Operations (DRO) is working closely with its partners in Department of Justice (DOJ) and the Bureau of Prisons (BOP) to increase the number of Institutional Removal Program sites so that final orders of removal may be issued while criminal aliens are still incarcerated and can be expeditiously removed upon release.

In line with this effort ICE is also working with consular officials to expedite the issuance of travel documents to criminal aliens while they are still serving their criminal sentences.

These efforts will allow ICE to continue the steady rise of criminal alien removals in line with Department priorities.

With regards to how ICE can drive down the cost of locating and removing fugitive aliens: In FY 2005, ICE estimated that each arrest made by Fugitive Operations Teams (FOT) cost over $10,000. ICE has succeeded in cutting those costs over the last five years and continues to seek more efficient ways to perform fugitive operations. ICE's National Fugitive Operations Program (NFOP) has increased efficiencies through collaboration with its federal, state, and local law enforcement partners which serve as a force multiplier to locate fugitive aliens. An additional cost saving measure includes the establishment of a "Cold Case" docket which places fugitive cases with no investigative viability into an inactive category. This increases efficiencies by redirecting field enforcement efforts toward viable fugitives.

The Fugitive Operations Support Center (FOSC) utilizes a combination of officer/analyst experience and technology to compile, vet, analyze, and disseminate up to 12,000 leads per month, in direct support of the 104 FOTs. This process includes parsing, querying, and formatting data from internal and external sources. Thus, FOSC is able to disseminate data in quantities currently unprecedented within ICE, thereby saving time and resources for the officers in the field.

With regards to it making sense to focus on criminals already in criminal custody: We agree and thus we are working to locate all aliens in criminal custody and to prevent individuals from becoming fugitives through the ICE Criminal Alien Program (CAP) and making robust changes to the detention management system.

CAP provides ICE-wide direction and support in the identification and arrest of removable aliens who are incarcerated within federal, state, and local prisons and jails. As part of our mission, ICE ensures that all efforts are made to arrest and remove these individuals from the community by securing a final order of removal prior to the termination of their period of imprisonment. The identification and processing of incarcerated criminal aliens prior to release from jails and prisons decreases or eliminates the time spent in ICE custody, reducing the overall cost to the Federal Government.

As to preventing individuals from becoming fugitives, ICE is working to expand the use of its Alternatives to Detention (ATD) program, as part of ICE's commitment to immigration detention reform. The goal of the ATD program is to develop and implement programs to improve aliens' compliance with conditions of release – including their attendance at immigration hearings and compliance with final court orders – and to prioritize detention space for those aliens who pose the greatest risk to public safety or are most likely to flee to evade removal. By enrolling more aliens into ATD, the agency can track the location of aliens released from secure detention until such time as they are removed from the United States following the issuance of a final order of removal. Using the technology that is currently available and appropriate supervised release methods, ATD programs have the potential to transform historical approaches to ICE's supervision of its released population by maximizing both appearance rates for scheduled court hearings and compliance with final removal orders. ATD programs have already proven to be successful in ensuring appearance at immigration hearings and compliance with a final order of removal.

Intelligence Coordination – Sharing and "Operationalization"

Question: Madam Secretary, I think you understand as well as anyone that the attempt to bomb Northwest Airlines flight 253 last Christmas revealed serious failures within our government's intelligence programs. These failures were all the more disappointing since the intelligence reforms enacted after 9/11 were specifically designed to strengthen the government's ability to "connect the dots" and prevent such attacks from happening. What can you tell us about how your Department has changed its intelligence sharing processes in the last six weeks? Has DHS strengthened its ability to act on intelligence it receives from other community members, or to better react to emerging threats identified by other intelligence agencies?

ANSWER: DHS continues to support the intelligence community's efforts to re-evaluate and modify the criteria and processes used to create watch lists and improve information sharing. At the same time, DHS is improving its own coordination with the intelligence community to ensure we're providing frontline law enforcement personnel with the information they need to prevent and mitigate threats. For example, TSA has started providing security clearances for managers, supervisors, and officers at airports around the country so they can receive relevant classified intelligence briefings regarding threats to aviation security.

DHS has strengthened its ability to integrate intelligence and operations. The DHS Office of Intelligence and Analysis (I&A) is working closely with the FBI, National Counterterrorism Center and other members of the Intelligence Community, as well as other DHS offices with intelligence capabilities, to produce analytical products tailored to the needs of state, local, tribal, territorial and private sector partners to better react to emerging threats. Additionally, after the attempted attack on December 25, 2009, I&A quickly stood up a task force of I&A analysts and representatives from the DHS operational components to fully integrate all Departmental information with emerging threat data. This team assists the DHS Intelligence Enterprise in identifying and analyzing homeland security threats, informs DHS leadership decision making, and ensures that intelligence supports component operations in the field.

Maritime Security

Question: One area of vulnerability awaiting a coordinated solution is that posed by small vessels, either to our shipping, our commerce, or our ports. Your budget includes some small funding increases to apply to potential threats from vessel-borne weapons of mass destruction. Could you describe the progress made in implementing a comprehensive strategy to reduce the threat of such vessels being used for terrorist or criminal purposes?

ANSWER: DHS and its Components are currently executing various aspects of the National Small Vessel Security Strategy (NVSS) to reduce the small vessel threat through a layered approach. Such efforts include expanded use of the National Planning System, Area Maritime Security Committees, and Area Plans to enhance individual port assessments with respect to small vessel threats; expanded interagency planning; and new methods to track small vessels and detect threats. The formal NVSS Implementation Plan is currently being finalized.

Question: Vice Admiral Papp, in a memorandum leaked to the press in February 2010, charges that "In developing the FY11 budget, we were forced to make asset reduction decisions without full appreciation of the impact of those reductions to operation performance." How does the Department respond to this allegation? What assessment was done of the operational impact of the elimination of five Coast Guard Maritime Safety and Security Teams, the decommissioning of five cutters and multiple airframes before the decisions on this budget were made?

ANSWER: The Coast Guard remains committed to performing its statutory missions in the most effective, efficient and professional manner possible – and the FY 2011 budget request in no way comprises its ability to do so.

With regards to what assessment was done: In developing the number and basing for Maritime Safety Security Teams (MSSTs) under the new regional construct, the Coast Guard evaluated the characteristics each existing MSST, including; geography, operational requirements, port complexity, federal agency support within the port, and proximity to other Coast Guard capabilities to support deployable specialized forces. This new regional construct eliminates current overlap between MSSTs and place teams in proximity to international borders, major port complexes, and transportation infrastructure to facilitate rapid response times. Transitioning the MSSTs to a regional model will enable the Coast Guard to rapidly deploy teams of skilled professionals to ports and operating areas across the country based on risk and threats as needed.

Decommissioning of cutters is a part of the longstanding Deepwater plan to recapitalize the Coast Guard's surface fleet. The fixed wing asset decommissionings were based on engineering assessments of material condition, age, and capabilities of the platforms. Rotary wing realignment was based on operations requirements determinations.

Question: How will the Department maintain its maritime security operating capacity, given the above-mentioned decomissionings?

ANSWER: Transitioning the MSSTs to a regional model will enable the Coast Guard to rapidly deploy teams of skilled professionals to ports and operating areas across the country based on risk and threats as needed. This new regional construct for Coast Guard MSSTs places teams in proximity to international borders, major port complexes, and transportation infrastructure to facilitate rapid response times.

Agency Leadership (e.g., lack of senior political/career management staff)

Question: Madam Secretary, you are getting by with some empty, but key, DHS leadership slots. While you cannot be held responsible for delays in gaining Senate confirmation, can you describe the impact of these vacancies, and what you are doing to mitigate them?

ANSWER: Highly qualified career executives are currently serving as Deputies or serving in an "Acting" capacity; they have the experience, knowledge, and ability to temporarily lead these organizations in fulfilling their missions. Permanent leadership is needed, however, to ensure the strategic direction and vision to fully implement the President's priorities and programs.

Future Budgeting

Question: Secretary Napolitano, the President has made clear his intent to freeze non-security-related discretionary spending through Fiscal Year 2013. Since we received the President's budget request, we have an idea of his official view on the coming fiscal year, but what is your understanding of how this will impact the budget requests for the Department of Homeland Security in the longer term?

ANSWER: The President provided out-year (FY 2012-2015) top-line funding levels for DHS in his FY 2011 Budget Request. DHS gross discretionary top-line funding is forecasted to grow at approximately 2.8 percent per year.

Question: How will the Department integrate the results of the Bottom-Up Review into the Fiscal Year 2012 budget process without compromising its results, especially given the Administration's stated position?

ANSWER: The Bottom-Up Review (BUR) is systematically inventorying the activities of DHS, examining how these activities align to the mission areas of the Department, and identifying gaps and redundancies. The BUR results will be integrated into the FY 2012-2016 Future Year Homeland Security Program and the FY 2012 budget by evaluating areas where additional resources may be applied (filling gaps) and areas where resources may be reduced for use as offsets (eliminating redundancies). This will not compromise the BUR results; in fact the BUR analysis will help the Department prioritize its resources more rigorously and systematically.

Question: It is possible to argue that some of the missions of some DHS components are not strictly related to security issues. Will we see frozen requests for some Department activities and components, and not others?

ANSWER: Like many federal agencies, DHS has some responsibilities that are not directly tied to its core mission – usually because it is most cost-effective to carry out related roles simultaneously.

With regards to if we will see frozen requests: The President provided out-year (FY 2012-2015) top-line funding levels for DHS in his FY 2011 budget request. DHS gross discretionary top-line funding is forecasted to grow at approximately 2.8 percent per year. DHS will balance all of its responsibilities within this top-line.

Question: Given the fact that the QHSR was focused on defining the terms of "homeland security," and that the Bottom-Up review that flows from the QHSR will assess the effectiveness of Departmental programs in meeting "homeland security" needs and directly inform the budget process, how will the Department ensure that the important non-security related missions of its components will receive a fair shake in the coming budgets?

ANSWER: Like many federal departments, DHS has some responsibilities that are not directly tied to its core missions. The BUR evaluates the gaps in meeting all Department responsibilities, both security and non-security, and is designed to allow leadership to make fiscal, organizational, and policy decisions to best accomplish all of the Department's missions. DHS will continue to both lead the homeland security enterprise and fully meet its full range of responsibilities.

Inflationary Increases

Question: In describing the budget request for Fiscal Year 2010, the Administration has referred to increases in most management accounts as being inflationary increases, yet the amounts budgeted for the Immediate Office of the Secretary and Immediate Office of the Deputy Secretary, 7.2% and 9.1%, respectively, are well above the rate of inflation – please explain the justification for these increases.

ANSWER: The responses are detailed by office as follows:

Office of the Secretary
In FY 2011, the Office of the Secretary's increase is $366,000. This amount includes: $8,000 for Annualization of FY 2010 Pay Raises; $21,000 for FY 2011 Pay Increases; $6,000 for GSA Rent Inflation Increase; $106,000 in Working Capital Fund Rent Charges; and $225,000 in Working Capital Fund Information Technology increases.

Office of the Deputy Secretary
In FY11, the Office of the Deputy Secretary's increase is $164,000. This amount includes: $4,000 for Annualization of FY 2010 Pay Raises; $10,000 for FY 2011 Pay Increases; $2,000 for GSA Rent Inflation

Increase; $42,000 in Working Capital Fund Rent Charges; and $106,000 in Working Capital Fund Information Technology charges.

Human Resources

Question: Please provide the Committee with a table showing your current on-board FTE levels for each Departmental office within Office of the Secretary and Executive Management (OSEM) and Under Secretary for Management (USM), broken down by appointment type for appointees, what is anticipated for the end of fiscal year 2010 and what is requested for fiscal year 2011.

ANSWER: The following table details the current on boards as of February 13 for each Departmental office within the Office of the Secretary and Executive Management (OSEM) and the Office of the Under Secretary for Management (USM). The table also provides projected end of year on-boards for FY10 and FY11 requested positions for both appropriated and working capital funded budgets for OSEM and USM Offices.

		Appointment Description	Non-SES	SES	Grand Total	Projected FY10	Requested FY11
Office of the Secretary and Executive Management	ASSISTANT SECRETARY FOR POLICY	COMPETITIVE-CAREER, SES CAREER	59	7	66		
		COMPETITIVE-CAREER-CONDITIONAL	72		72		
		EXCEPTED-CONDITIONAL	37		37		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	15	1	16		
		EXCEPTED-PERMANENT, SES-NONCAREER	6	5	11		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	3	2	5		
	Citizenship and Immigration Services Ombudsman	COMPETITIVE-CAREER, SES CAREER	10	1	11		
		COMPETITIVE-CAREER-CONDITIONAL	15		15		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	2		2		
	Executive Secretariat	COMPETITIVE-CAREER, SES CAREER	18	1	19		
		COMPETITIVE-CAREER-CONDITIONAL	21		21		
		EXCEPTED-CONDITIONAL	1		1		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	2		2		
	FEDERAL COORDINATOR FOR GULF COAST REBUILDING	EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	2		2		
		EXCEPTED-PERMANENT, SES-NONCAREER		1	1		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	7		7		
	Immediate Office of the Deputy Secretary	COMPETITIVE-CAREER, SES CAREER	1		1		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	1	1	2		
		EXCEPTED-PERMANENT, SES-NONCAREER		1	1		
	Immediate Office of the Secretary	COMPETITIVE-CAREER, SES CAREER	1	1	2		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	2	1	3		
		EXCEPTED-PERMANENT, SES-NONCAREER		2	2		

		Appointment Description	Non-SES	SES	Grand Total	Projected FY10	Requested FY11
	INTERGOVERNMENTAL PROGRAMS	COMPETITIVE-CAREER, SES CAREER	5		5		
		COMPETITIVE-CAREER-CONDITIONAL	2		2		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	3		3		
		EXCEPTED-PERMANENT, SES-NONCAREER		1	1		
	Office of Civil Rights and Civil Liberties	COMPETITIVE-CAREER, SES CAREER	32	2	34		
		COMPETITIVE-CAREER-CONDITIONAL	39		39		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	2		2		
		EXCEPTED-PERMANENT, SES-NONCAREER	3		3		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	2		2		
	Office of Countermarcotics Enforcement	COMPETITIVE-CAREER, SES CAREER	7		7		
		COMPETITIVE-CAREER-CONDITIONAL	5		5		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	1		1		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER		1	1		
	Office of Legislative Affairs	COMPETITIVE-CAREER, SES CAREER	18	1	19		
		COMPETITIVE-CAREER-CONDITIONAL	6		6		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	4		4		
		EXCEPTED-PERMANENT, SES-NONCAREER		3	3		
	Office of Public Affairs	COMPETITIVE-CAREER, SES CAREER	12		12		
		COMPETITIVE-CAREER-CONDITIONAL	6		6		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	11		11		
		EXCEPTED-PERMANENT, SES-NONCAREER		1	1		
	Office of the Chief of Staff	COMPETITIVE-CAREER-CONDITIONAL	1		1		
		COMPETITIVE-TERM, TAPER, INDEFINITE, SES-MILITARY TERM OR EMERGENCY	1		1		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	12		12		
		EXCEPTED-PERMANENT, SES-NONCAREER		3	3		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER		1	1		
	Office of the General Counsel	COMPETITIVE-CAREER, SES CAREER	28	10	38		
		COMPETITIVE-CAREER-CONDITIONAL	11		11		
		EXCEPTED-CONDITIONAL	29		29		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	5	1	6		
		EXCEPTED-PERMANENT, SES-NONCAREER	38	6	44		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	9		9		

		Appointment Description	Non-SES	SES	Grand Total	Projected FY10	Requested FY11
	Office of the Privacy Officer	COMPETITIVE-CAREER, SES CAREER	15	1	16		
		COMPETITIVE-CAREER-CONDITIONAL	17		17		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	1		1		
		EXCEPTED-PERMANENT, SES-NONCAREER		1	1		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	1		1		
Office of the Secretary and Executive Management Total			**601**	**56**	**657**	**657**	**657**
Under Secretary for Management	Business Transformation Office	COMPETITIVE-CAREER, SES CAREER	1		1		
	Chief Financial Officer	COMPETITIVE-CAREER, SES CAREER	111	9	120		
		COMPETITIVE-CAREER-CONDITIONAL	52		52		
		EXCEPTED-CONDITIONAL	13		13		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	1		1		
		EXCEPTED-PERMANENT, SES-NONCAREER	4		4		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	13		13		
	Chief Financial Officer Total		**194**	**9**	**203**	**194**	**228**
	Chief Human Capital Officer	COMPETITIVE-CAREER, SES CAREER	89	5	94		
		COMPETITIVE-CAREER-CONDITIONAL	34		34		
		COMPETITIVE-TERM, TAPER, INDEFINITE, SES-MILITARY TERM OR EMERGENCY	2		2		
		EXCEPTED-CONDITIONAL	9		9		
		EXCEPTED-PERMANENT, SES-NONCAREER	4	1	5		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	1	1	2		
	Chief Human Capital Officer Total		**139**	**7**	**146**	**237**	**237**
	Chief Information Officer	COMPETITIVE-CAREER, SES CAREER	70	6	76		
		COMPETITIVE-CAREER-CONDITIONAL	79		79		
		COMPETITIVE-TERM, TAPER, INDEFINITE, SES-MILITARY TERM OR EMERGENCY	3		3		
		EXCEPTED-CONDITIONAL	2		2		
		EXCEPTED-PERMANENT, SES-NONCAREER	1	1	2		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	5		5		
	Chief Information Officer Total		**160**	**7**	**167**	**260**	**421**
	Chief Procurement Officer	COMPETITIVE-CAREER, SES CAREER	249	6	255		
		COMPETITIVE-CAREER-CONDITIONAL	77		77		
		COMPETITIVE-TEMPORARY, SPECIAL NEED, SES-TIME LIMITED/CAREER		1	1		
		COMPETITIVE-TERM, TAPER, INDEFINITE, SES-MILITARY TERM OR EMERGENCY	1		1		
		EXCEPTED-CONDITIONAL	110		110		

		Appointment Description	Non-SES	SES	Grand Total	Projected FY10	Requested FY11
		EXCEPTED-PERMANENT, SES-NONCAREER	1		1		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	3	1	4		
	Chief Procurement Officer Total		**441**	**8**	**449**	**536**	**837**
	Chief Security Officer	COMPETITIVE-CAREER, SES CAREER	86	3	89		
		COMPETITIVE-CAREER-CONDITIONAL	107		107		
		EXCEPTED-CONDITIONAL	1		1		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	1		1		
		EXCEPTED-PERMANENT, SES-NONCAREER	2		2		
		EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	5		5		
	Chief Security Officer Total		**202**	**3**	**205**	**173**	**259**
	Immediate Office of the Undersecretary of Management	COMPETITIVE-CAREER, SES CAREER	5	1	6		
		COMPETITIVE-CAREER-CONDITIONAL	3		3		
		EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	1		1		
		EXCEPTED-PERMANENT, SES-NONCAREER		1	1		
	Immediate Office of the Undersecretary of Managemeot Total		**9**	**2**	**11**	**13**	**13**
	Office of the Chief Administrative Officer	COMPETITIVE-CAREER, SES CAREER	59	5	64		
		COMPETITIVE-CAREER-CONDITIONAL	19		19		
	Office of the Chief Administrative Officer Total		**78**	**5**	**83**	**89**	**99**
	(blank)	COMPETITIVE-CAREER, SES CAREER		2	2		
Under Secretary for Management Total			**1224**	**43**	**1267**	**1502**	**2094**
Grand Total			**1825**	**99**	**1924**	**2159**	**2751**

Question: Please list the number, by office, position and pay grade level, of all OSEM, USM, Chief Information Office (CIO) and Chief Financial Office (CFO) employees hired non-competitively in fiscal year 2009 and thus far in fiscal year 2010.

Answer: Please see the following tables.

Total Non-Competitive Hires for FY 2009				
Office	**Pay Plan**	**Grade**	**Official Title**	**Total**
Office of the Secretary	ES	00	SR. COUNSELOR TO THE SECRETARY	1
			SR ADVISOR TO THE SECRETARY	1
			COUNSELOR TO THE SECRETARY	1
			SENIOR COUNSELOR TO THE SECRETARY	1
			ES Subtotal	4
	EX	01	SECRETARY OF THE DEPARTMENT OF HOMELAN	1

Total Non-Competitive Hires for FY 2009				
Office	**Pay Plan**	**Grade**	**Official Title**	**Total**
			EX Subtotal	1
	GS	9	CONFIDENTIAL ASSISTANT	1
		15	CONFIDENTIAL ASST TO THE SECRETARY	1
			GS Subtotal	2
Office of the Secretary Total				**7**
Office of the Deputy Secretary	ES	00	COUNSELOR TO THE DEPUTY SECRETARY	1
			ES Subtotal	1
	EX	2	DEPUTY SECRETARY	1
			EX Subtotal	1
	GS	7	CONFIDENTIAL ASSISTANT	1
		14	EXECUTIVE ASSISTANT TO THE DEPUTY SECR	1
			GS Subtotal	2
Office of the Deputy Secretary Total				**4**
Office of the Chief of Staff	ES	00	WHITE HOUSE LIAISON	1
			CHIEF OF STAFF TO THE SECRETARY	2
			ES Subtotal	3
	GS	7	CONFIDENTIAL ASSISTANT	3
			SPECIAL ASSISTANT	1
			ADVANCE REPRESENTATIVE	1
			CONFIDENTIAL ASSISTANT TO THE DEPUTY C	1
			SCHEDULING AND ADVANCE ASSISTANT	1
		9	ADVANCE REPRESENTATIVE	1
		11	ADVANCE REPRESENATIVE	2
		12	SPECIAL ASSISTANT TO THE DEPUTY SECRET	1
			DEPUTY WHITE HOUSE LIAISON	1
			DEPUTY DIRECTOR OF SCHEDULING FOR TRAV	1
		14	DEPUTY DIRECTOR OF SCHEDULING AND PROT	1
		15	DEPUTY CHIEF OF STAFF	1
			GS Subtotal	14
Office of the Chief of Staff Total				**17**
			GS Subtotal	49
Office of the Secretary and Executive Management Total				**29**
Executive Secretariat	ES	00	EXECUTIVE DIRECTOR FOR OPERATIONS AND	1
			ES Subtotal	1
	GS	5	CLK	1
		7	CORRESPONDENCE LIAISON OFFICER	1
		7	DEPUTY SECRETARY BRIEFING BOOK COORDIN	1
		9	CORRESPONDENCE LIAISON OFFICER	1

Total Non-Competitive Hires for FY 2009				
Office	**Pay Plan**	**Grade**	**Official Title**	**Total**
		13	HUMAN RESOURCES SPECLST	1
		14	SENIOR LIAISON OFFICER	1
			GS Subtotal	6
Executive Secretariat Total				**7**
Office of the General Counsel	ES	00	PRINCIPLE DEPUTY GENERAL COUNSEL	1
			ASSOCIATE GENERAL COUNSEL FOR OPERATIO	1
			CHIEF OF STAFF	1
			COUNSELOR TO THE GENERAL COUNSEL	1
			ASSOCIATE GENERAL COUNSEL FOR GEN LAW	1
			ASSOCIATE GENERAL COUNSEL FOR LEGAL CO	1
			ASSOC GEN COUNSEL FOR IMMIGRATION	1
			ES Subtotal	7
	EX	04	GENERAL COUNSEL	1
			EX Subtotal	1
	GS	3	CLERK	1
		4	CLERK	1
		7	CONFIDENTIAL ASSISTANT	2
		9	CONFIDENTIAL LEGAL ASSISTANT	1
			LAW CLERK	5
			ADMINISTRATIVE SPECIALIST	1
		11	LAW CLERK	6
		12	ATTORNEY-ADVISOR	1
		13	ATTORNEY-ADVISOR	2
		14	ATTORNEY ADVISOR	3
			ATTY ADVSR GEN	1
		15	ATTORNEY ADVISOR	3
			ATTY ADVSR GEN	10
			COUNSELOR TO THE PRINCIPAL DEPUTY GENE	1
			COUNSELOR TO THE ASSOCIATE GENERAL COU	1
			GS Subtotal	39
Office of the General Counsel Total				**45**
Office of Civil Rights and Civil Liberties	GS	7	ADMINISTRATIVE SUPPORT ASSISTANT	1
		14	SUPVY EQ EMPLMT SPECLST	1
			COMPLIANCE INVESTIGATOR	1
			GS Subtotal	3
Office of Civil Rights and Civil Liberties Total				**3**
Office of Public Affairs	ES	00	DEPUTY ASSISTANT SECRETARY FOR PUBLIC	1
			ES Subtotal	1
	GS	7	PUBLIC AFFAIRS AND PRESS ASSISTANT	1

Total Non-Competitive Hires for FY 2009				
Office	**Pay Plan**	**Grade**	**Official Title**	**Total**
			CONFIDENTIAL ASSISTANT TO DEPUTY ASSIS	1
			PRESS ASSISTANT	2
			NEW MEDIA SPECIALIST	1
		9	SPEECHWRITER	1
			ASSISTANT PRESS SECRETARY	1
		11	ASSOC DIR OF STRATEGIC COMMUNICATIONS	1
		13	PRESS SECRETARY	1
			DIRECTOR OF STRATEGIC COMMUNICATIONS	1
		14	DIRECTOR OF STRATEGIC COMMUNICATIONS	1
		15	DIRECTOR OF SPEECHWRITING	1
			GS Subtotal	12
Office of Public Affairs Total				**13**
Office of Legislative Affairs	ES	00	DEPUTY ASSISTANT SECRETARY FOR LEGISLA	2
			ASST SEC FOR LEGISLATIVE AFFAIRS	1
			ES Subtotal	3
	GS	7	CONFIDENTIAL ASST TO THE ASST SEC FOR	1
		9	ASST. DIRECTOR FOR LEGISLATIVE AFFAIRS	1
		12	CONGRESSIONAL AFFAIRS SPECIALIST	1
			SPECIAL ADVISOR TO THE ASST SECY FOR L	1
		13	ASST DIRECTOR OF LEGISLATIVE AFFAIRS	1
		14	DIRECTOR OF STRATEGY AND PLANNING	1
		15	DIR OF LEG AFFRS FOR INTELL & OPS	1
			GS Subtotal	7
Office of Legislative Affairs Total				**10**
Office of the Chief Privacy Officer	ES	00	CHIEF PRIVACY OFFICER	1
			ES Subtotal	1
	GS	9	ADMINISTRATIVE SPECIALIST	1
			PRIVACY ANALYST	1
		12	SPECIAL ASSISTANT TO THE CHIEF PRIVACY	1
		15	ATTY ADVSR GEN	2
			ATTY ADVSR	1
			GS Subtotal	6
Office of the Chief Privacy Officer Total				**7**
Citizenship and Immigration Services Ombudsman	GS	9	ADMINISTRATIVE SPECIALIST	3
		13	IMMIGRATION LAW ANALYST	1
			GS Subtotal	4
Citizenship and Immigration Services Ombudsman Total				**4**
Office of Policy	ES	00	SENIOR DIRECTOR, IMMIGRATION AND BORDE	1
			DEPUTY ASSISTANT SECRETARY POLICY	1

Total Non-Competitive Hires for FY 2009				
Office	**Pay Plan**	**Grade**	**Official Title**	**Total**
			ASST. SECRETARY FOR INTL. AFFAIRS	1
			ASSISTANT SECRETARY FOR POLICY DEVELOP	1
			ASSISTANT SECRETARY FOR PRIVATE SECTOR	1
			ES Subtotal	5
	EX	04	ASSISTANT SECRETARY FOR POLICY	1
			EX Subtotal	1
	GS	7	POLICY ANALYST	2
			CONFIDENTIAL ASSISTANT	3
			SPECIAL ASSISTANT	2
		9	POLICY ANALYST	2
			SPECIAL ASSISTANT TO THE A/S FOR POLIC	1
			SPECIAL ASST TO THE DAS FOR INTERNATIO	1
			SPECIAL ASSISTANT	1
			POLICY ANALYST/HONORS FELLOW	16
		11	POLICY ANALYST	1
			DIRECTOR/ EXEC SECRETARIST, PRV SECTOR	1
		12	BUSINESS LIAISON	1
			POLICY ANALYST	1
		13	LEGISLATIVE POLICY ADVISOR	1
			SPECIAL ASSISTANT	1
			SPECIAL ASSISTANT TO THE ASSISTANT SEC	2
		15	BUSINESS LIAISON/PRIVATE SECTOR	1
			DAS INTERNATIONAL (POLICY)	1
			SENIOR BUSINESS LIAISON	1
			EXECUTIVE DIRECTOR, HOMELAND SECURITY	1
			IMMIGRATION SENIOR POLICY ADVISOR	1
			SUPERVISOR REGIONAL AFFAIRS SPECIALIST	1
			ADVISOR TO THE ASST SECY FOR POLICY	1
			GS Subtotal	43
Office of Policy Total				**49**
Counternarcotics Enforcement	GS	7	SPECIAL ASSISTANT	1
	GS	7	POLICY ANALYST	1
	GS	15	COUNSELOR TO THE DIRECTOR	1
			GS Subtotal	3
Counternarcotics Enforcement Total				**3**
Gulf Coast Rebuilding	GS	7	ADMINISTRATIVE SUPPORT ASSISTANT	1
		9	POLICY ANALYST	2
		11	ASSOCIATE DIRECTOR FOR PUBLIC LIAISON	1
		12	POLICY ANALYST	1

Total Non-Competitive Hires for FY 2009				
Office	**Pay Plan**	**Grade**	**Official Title**	**Total**
		15	SENIOR ADVISOR TO FEDERAL COORDINATOR	1
			GS Subtotal	6
Gulf Coast Rebuilding Total				**6**
OSEM Total				**179**
Office of the Under Secretary for Management	ES	00	DEPUTY UNDER SECRETARY FOR MANAGEMENT	1
			CHIEF OF STAFF	1
			ES Subtotal	2
	GS	4	STUDENT TRAINEE (CLERICAL)	1
		12	ASSISTANT FOR SPECIAL PROJECTS	1
			GS Subtotal	2
Office of the Under Secretary for Management Total				**4**
Office of the Chief Human Capital	ES	00	CHIEF HUMAN CAPITAL OFFICER	1
			DEPUTY CHIEF HUMAN CAPITAL OFFICER	1
			ES Subtotal	2
	GS	7	ADMINISTRATIVE SUPPORT ASSISTANT	1
			SECURITY PROGRAM ASSISTANT	1
		9	HUMAN RESOURCES SPECLST	4
			ADMINISTRATIVE SPECIALIST	1
		11	HUMAN RESOURCES SPECLST	1
		13	VETERANS RECRUIT OUTREACH PROGRAM MANA	1
		14	HR SPECIALIST (INFORMATION SYSTEMS)	1
			HUMAN RESOURCES SPECIALIST (COMPENSATI	1
			HUMAN RESOURCE SPECIALIST	1
		15	PROG ANAL	1
			SUPERVISORY HUMAN RESOURCES SPECIALIST	1
			ASSISTANT/ ASSOCIATE/ PROFESSOR	1
			GS Subtotal	15
Office of the Chief Human Capital Total				**19**
Office of the Chief Financial Officer	ES	00	DIRECTOR, GRANTS POLICY & OVERSIGHT	1
			ES Subtotal	1
	GS	3	CLERK	3
		4	CLERK	6
		7	FINANCIAL PROGRAM SPECIALIST INTERN	2
			FINANCIAL MANAGEMENT SPECIALIST	1
			ADMINISTRATIVE SUPPORT ASSISTANT	3
			FINANCIAL MANAGEMENT SPECIALIST	7
		9	FINANCIAL PROGRAM SPECIALIST - INTERN	3
			ADMINISTRATIVE SPECIALIST	1
		12	MANAGEMENT AND PROGRAM ANALYST	1

Total Non-Competitive Hires for FY 2009				
Office	**Pay Plan**	**Grade**	**Official Title**	**Total**
		13	BUDGET ANALYST	1
		14	BUDGET ANALYST	1
			MANAGEMENT AND PROGRAM ANALYST	1
		15	SUPERVISORY PROGRAM ANALYST	1
			GS Subtotal	31
Office of the Chief Financial Officer Total				**32**
Office of the Chief Information Officer	ES	00	DIRECTOR ENTERPRISE BUSINESS MANAGEMEN	1
			CHIEF INFORMATION OFFICER	1
			ES Subtotal	2
	GS	3	CLERK	1
		4	CLERK	4
		7	INFORMATION TECHNOLOGY SPECIALIST	1
		11	MGMT & PROG ANAL	1
		12	INFORMATION TECHNOLOGY SPECIALIST	6
		13	INFORMATION TECHNOLOGY SPECIALIST	14
		14	TELECOMMUN SPECLST	1
			INFORMATION TECHNOLOGY SPECIALIST	2
			MANAGEMENT & PROGRAM ANALYST	1
			INFORMATION TECHNOLOGY SPECIALIST	1
		15	INFORMATION TECHNOLOGY SPECIALIST	2
			GS Subtotal	34
Office of the Chief Information Officer Total				**36**
Office of the Chief Procurement Officer	ES	00	DIRECTOR, PROCUREMENT OVERSIGHT PROGRA	1
			ES Subtotal	1
	GS	2	CLERK	1
		4	CLERK	2
		7	CONTRACT SPECIALIST	44
			CONTRACT SPECIALIST (TRAINEE)	7
			PROGRAM ANALYST	5
			SYSTEMS ENGINEER	5
		9	CONTRACT SPECIALIST	8
		11	CONTRACT SPECIALIST	6
			ADMINISTRATIVE SPECIALIST	1
		13	CONTRACT SPECIALIST	5
			RECRUITMENT COORDINATOR	1
		14	CONTRACT SPECIALIST	11
			PROGRAM ANALYST	1
		15	CONTRACT SPECIALIST	3
			PROCUREMENT ANALYST	3
			PROGRAM ANALYST	5
			CONTRACT SPECIALIST	5

Total Non-Competitive Hires for FY 2009				
Office	**Pay Plan**	**Grade**	**Official Title**	**Total**
			SUPVY PROCUREMENT ANALYST	1
			GS Subtotal	114
Office of the Chief Procurement Officer Total				**115**
Office of the Chief Administrative Officer	GS	13	MANAGEMENT ANALYST	1
			ADMINISTRATIVE OFFICER	1
		14	CONTINUITY OF OPS OFCR	1
			PROGRAM SPECIALIST	1
			GS Subtotal	4
Office of the Chief Administrative Officer Total				**4**
Office of the Chief Security Officer	GS	3	CLERK	2
		4	CLERK	4
		9	PERSONNEL SECURITY SPECIALIST	1
		13	SENIOR SECURITY SPECIALIST	1
			PHYS SECUR SPECLST	1
			PERSONNEL SECURITY SPECIALIST	1
		14	MGMT & PROG ANAL	1
			GS Subtotal	11
Office of the Chief Security Officer Total				11
USM Total				**221**
Total Non-Competitive Hires for FY09				**400**

Total Non-Competitive Hires for FY 2010 through February 13, 2010				
Office	Pay Plan	Grade	Official Title	Total
Office of the Chief of Staff	EX	04	DIRECTOR, OFFICE OF COUNTER NARCOTICS	1
			EX Subtotal	1
Office of the Secretary and Exec Mgmt Total				**1**
Executive Secretariat	GS	14	SPECIAL ASSISTANT	1
		15	SPECIAL ASSISTANT	1
			GS Subtotal	2
Executive Secretariat Total				**2**
Office of the General Counsel	GS	14	ATTORNEY ADVISOR	3
		15	ATTORNEY ADVISOR	1
			GS Subtotal	4
Office of the General Counsel Total				**4**
Office of Civil Rights and Civil Liberties	ES	00	OFFICER FOR CIVIL RIGHTS AND CIVIL LIBERTIES	1
			ES Subtotal	1
	GS	4	CLERK	1

Total Non-Competitive Hires for FY 2009				
Office	**Pay Plan**	**Grade**	**Official Title**	**Total**
		9	SPECIAL ASSISTANT	1
		15	PROGRAM ANALSYT	1
			EQ EMPLOYMENT MGT	1
			GS Subtotal	4
Office of Civil Rights and Civil Liberties Total				**5**
Office of Public Affairs	GS	9	ASSISTANT PRESS SECRETARY	1
			GS Subtotal	1
Office of Public Affairs Total				**1**
Office of the Chief Privacy Officer	GS	4	STUDENT TRAINEE (OFFICE SUPPORT)	1
			GS Subtotal	1
Office of the Chief Privacy Officer Total				**1**
Office of Policy	GS	9	POLICY ANALYST	2
		12	BUSINESS LIAISON	1
		13	POLICY ANALYST	1
		13	CRITICAL ASSET MOBILITY OFFICER	1
		15	SUPERVISORY PROGRAM ANALYST	1
			DIRECTOR, COUNTERTERRORISM POLICY	1
			POLICY ANALYST	2
			GS Subtotal	9
Office of Policy Total				**9**
OSEM Total				**23**
Office of the Under Secretary for Management	GS	12	CORRESPONDENCE ANALYST	1
			GS Subtotal	1
Office of the Under Secretary for Management Total				**1**
Office of the Chief Human Capital Officer	ES	00	EXECUTIVE DIRECTOR, HUMAN RESOURCES MANAGEMENT AND SERVICES	1
			ES Subtotal	1
	GS	7	HUMAN RESOURCES ASSISTANT	1
			HR ASSISTANT (STUDENT TRAINEE)	1
		8	HUMAN RESOURCES ASSISTANT	1
		9	MGMT & PROG ANALYST	1
			HUMAN RESOURCES SPECIALIST	2
		15	PROGRAM ANALSYT	1
			GS Subtotal	7
Office of the Chief Human Capital Officer Total				**8**
Office of the Chief Financial Officer	GS	13	BUDGET ANALYST	1
		14	GRANT POLICY AND OVERSIGHT OFFICER	1
			BUDGET ANALYST	1
			MANAGEMENT AND PROGRAM ANALYST	1
		15	SUPV BUDGET ANALYST	1

Total Non-Competitive Hires for FY 2009				
Office	**Pay Plan**	**Grade**	**Official Title**	**Total**
			GS Subtotal	5
Office of the Chief Financial Officer Total				**5**
Office of the Chief Information Officer	GS	3	CLERK	1
		13	INFORMATION TECHNOLOGY SPECIALIST	3
		14	INFORMATION TECHNOLOGY SPECIALIST	5
			GS Subtotal	9
Office of the Chief Information Officer Total				**9**
Office of the Chief Procurement Officer	GS	7	CONTRACT SPECIALIST	11
		9	CONTRACT SPECIALIST	4
		11	CONTRACT SPECIALIST	1
		13	CONTRACT SPECIALIST	5
		14	CONTRACT SPECIALIST	2
			PROCUREMENT ANALYST	1
		15	CONTRACT SPECIALIST	3
	GS Total		**Subtotal**	27
Office of the Chief Procurement Officer Total				**27**
Office of the Chief Administrative Officer	GS	14	BUDGET ANALYST	1
	GS Total		**Subtotal**	1
Office of the Chief Administrative Officer Total				**1**
USM Total				**51**
Total Non-Competitive Hires for FY 2010				**74**

Bonuses

Question: Last year, the Department indicated that in 2008 they had a policy of providing no bonuses/awards to political appointees, with the exception of those that were eligible for SES bonuses through prior employment. Has the Department continued that policy? If not, please indicate why not, and please provide a list of bonuses provided to OSEM, USM, CIO and CFO political employees who received bonuses in 2009, by position, office, and bonus amount.

Answer: Yes, the Department has continued that policy. No political appointees received a bonus/award in 2009.

Question: Please list all OSEM, USM, CIO and CFO SES bonuses provided in 2008 by position, office and bonus amount.

ANSWER: Please see the following table.

Component	Appt. Type	Position Title	2009 Bonus
OS	Career	Counselor to S2	$ 35,400
USM	Career	Deputy Chief Financial Officer	$ 34,630
USM	Career	Director, Office Budget	$ 26,314
OGC	Career	Deputy General Counsel	$ 23,000
USM	Career	Deputy Under Secretary for Management	$ 21,240
USM	Career	Chief Security Officer	$ 21,240
USM	Career	Deputy Chief Procurement Officer	$ 21,000
USM	Career	Director, Office of Procurement	$ 20,644
USM	Career	Director, Acquisition Program Management	$ 20,477
USM	Career	Deputy Chief Information Officer	$ 20,026
USM	Career	Chief, Administrative Services	$ 19,470
USM	Career	Director, Information Services	$ 19,171
USM	Career	Director, Program Analysis & Evaluation	$ 18,519
POLICY	Career	Associate Director, Vetting	$ 17,700
USM	Career	Deputy, Chief Administrative Services Office	$ 17,317
USM	Career	Deputy Director, Office of Budget	$ 16,979
USM	Career	Deputy Chief Security Officer	$ 16,928
POLICY	Career	Deputy Assistant Secretary for Plans	$ 16,425
OGC	Career	Associate General Counsel for Regulatory Affairs	$ 16,000
USM	Career	Director, Enterprise Business Management Office	$ 15,827
OS	Career	Deputy Chief Privacy Officer	$ 15,776
USM	Career	Director, Office of Applied Technology	$ 15,314
USM	Career	Exec. Director, Policy & Programs	$ 15,300
USM	Career	Director, Small and Disadvantaged Business Utilization	$ 15,265
POLICY	Career	Associate Director, Identity Management	$ 15,158
OGC	Career	Associate General Counsel for Technology Programs	$ 15,000
OGC	Career	Associate General Counsel for Operations & Enforcement	$ 15,000
OGC	Career	Associate General Counsel for NPPD	$ 15,000
OS	Career	Deputy Executive Director, Operations & Admin	$ 15,000
OS	Career	Deputy Officer, EEO Programs, CRCL	$ 15,000
USM	Career	Executive Director, Info Technology Services Office	$ 14,308
POLICY	Career	DHS Attaché to Mexico	$ 13,922
USM	Career	Director, Oversight & Strategic Support	$ 13,694
USM	Career	Director, Asset & logistics Management	$ 13,441
USM	Career	Director, Administrative Operations	$ 13,144
USM	Career	Director, Policy and Acquisition Workforce	$ 12,564
OGC	Career	Associate General Counsel for Intelligence	$ 12,000
OGC	Career	Deputy Associate General Counsel for Legal Counsel	$ 12,000
OGC	Career	Deputy Associate General Counsel for General Law	$ 12,000
POLICY	Career	Senior Director, Immigration and Border Security	$ 11,954
USM	Career	Deputy Director, Info Technology Services Office	$ 11,839
USM	Career	Director, Headquarters Operations	$ 11,735
USM	Career	Deputy Director, Financial Management	$ 11,396
POLICY	Career	Deputy Assistant Secretary for Policy Development	$ 11,284
USM	Career	Director, Resources Management Transformation	$ 10,149
USM	Career	Director, Financial Management	$ 10,080

Component	Appt. Type	Position Title	2009 Bonus
OS	Career	Deputy Asst. Secretary of Operations for Leg. Affairs	$ 10,000
USM	Career	Chief Learning Officer	$ 10,000
USM	Career	Director, Procurement Oversight Program	$ 10,000
USM	Career	Chief, Counterintelligence & Investigations Division	$ 10,000
USM	Career	Deputy, Safety and Environmental Programs	$ 9,657
POLICY	Career	Deputy Assistant Secretary for International Affairs	$ 9,113
USM	Career	Exec. Director, HR Management & Services	$ 8,100
POLICY	Career	Deputy Assistant Secretary for Counterterrorism Policy	$ 7,823

Question: Please list by office and pay grade level the number of non-SES employees who received a bonus or quality step increase (qsi) in 2009, the total bonus/qsi expenditures for the particular office and pay grade, and the total number of employees in the office and pay grade.

Answer: See the following table.

Office	Pay Grade	Number of Non-SES Bonus/QSI Recipients	Total Amount	Total Number of Employees
OSEM	15	2	$ 12,579	2
	14	1	$ 7,192	1
	13	2	$ 10,615	1
	11	0	$ -	1
		OSEM TOTALS	**$ 30,386**	**5**
CNE	15	4	$ 22,646	4
	14	1	$ 3,921	1
	13	0	$ -	5
	12	0	$ -	1
	11	0	$ -	1
	9	0	$ -	1
		CNE TOTALS	**$ 26,567**	**13**
Office of the Chief of Staff	14	0	$ -	2
	13	0	$ -	1
	12	0	$ -	1
	11	0	$ -	3
	9	0	$ -	4
	7	0	$ -	3
		Office of the Chief of Staff TOTALS	**$ -**	**14**
ExecSec	15	4	$ 27,254	8
	14	5	$ 22,314	4
	13	6	$ 19,746	6
	12	8	$ 21,862	14
	11	8	$ 20,046	5
	9	3	$ 4,438	5
	7	1	$ 1,114	1
		ExecSec TOTALS	**$ 116,774**	**43**
OGC	SL	4	$ 9,494	3
	15	37	$ 94,452	65
	14	8	$ 10,336	17
	13	6	$ 13,836	10
	12	3	$ 3,459	11
	11	3	$ 3,419	12
	9	0	$ -	1
	3	0	$ -	1
		OGC TOTALS	**$ 134,996**	**120**
CRCL	15	28	$ 110,502	25

Office	Pay Grade	Number of Non-SES Bonus/QSI Recipients	Total Amount	Total Number of Employees
	14	24	$ 60,946	29
	13	22	$ 48,943	12
	12	3	$ 8,527	1
	11	0	$ -	2
	9	2	$ 2,694	3
	8	1	$ 1,437	5
	7	1	$ 1,530	1
	4	0	$ -	2
		CRCL TOTALS	**$ 234,579**	**80**
OPA	15	4	$ 13,557	7
	14	5	$ 19,402	6
	13	4	$ 11,432	5
	12	1	$ 1,469	2
	11	0	$ -	3
	9	0	$ -	3
	7	1	$ 1,600	3
	6	1	$ 1,400	-
		OPA TOTALS	**$ 48,860**	**29**
OLA	15	4	$ 16,500	7
	14	6	$ 18,000	8
	13	5	$ 11,300	4
	12	3	$ 5,000	5
	11	4	$ 11,300	1
	9	1	$ 1,900	1
	8	1	$ 800	1
	7	0	$ -	1
	5	1	$ 1,200	-
		OLA TOTALS	**$ 66,000**	**28**
Privacy Officer	15	10	$ 32,050	10
	14	7	$ 20,341	6
	13	4	$ 9,427	6
	12	4	$ 7,817	5
	11	5	$ 7,142	4
	9	5	$ 9,336	4
	4	0	$ -	1
		Privacy Officer TOTALS	**$ 86,113**	**36**
CIS Ombudsman	15	3	$ 14,300	5
	13	15	$ 27,710	10
	12	3	$ 1,500	1

Office	Pay Grade	Number of Non-SES Bonus/QSI Recipients	Total Amount	Total Number of Employees
	11	1	$ 500	4
	9	2	$ 3,400	7
	7	1	$ 1,500	
		CIS Ombudsman TOTALS	**$ 48,910**	**27**
Policy	SL	5	$ 24,242	4
	15	52	$ 167,704	48
	14	29	$ 86,022	22
	13	24	$ 61,767	18
	12	15	$ 33,059	21
	11	23	$ 34,328	33
	9	13	$ 22,528	39
	7	6	$ 7,648	7
	6	1	$ 636	
		Policy TOTALS	**$ 437,934**	**192**
Intergovernmental Programs	15	-	-	2
	13	-	-	5
	12	-	-	1
	11	0	$ -	2
		Intergovernmental Programs TOTALS	**$ -**	**10**
USM	15	4	$ 13,919	3
	14	4	$ 11,163	3
	13	2	$ 4,530	2
	12	1	$ 1,200	1
	11	2	$ 3,744	1
	7	1	$ 983	-
	4	0	$ -	1
		USM TOTALS	**$ 35,539**	**11**
OCHCO	15	24	$ 83,220	1
	14	35	$ 67,545	48
	13	12	$ 18,766	59
	12	5	$ 10,297	31
	11	0	$ -	11
	9	2	$ 1,454	3
	8	0	$ -	1
	7	2	$ 2,406	4
	2	1	$ 500	3
		OCHCO TOTALS	**$ 184,188**	**161**
CFO	SL	3	$ 12,535	1

Office	Pay Grade	Number of Non-SES Bonus/QSI Recipients	Total Amount	Total Number of Employees
	15	36	$ 131,004	32
	14	70	$ 184,129	71
	13	26	$ 64,394	30
	12	19	$ 38,468	15
	11	23	$ 21,595	6
	9	11	$ 15,249	14
	7	7	$ 2,765	16
	4	2	$ 100	7
	3	0	$ -	4
		CFO TOTALS	**$ 470,239**	**196**
CIO	SL	0	$ -	1
	15	33	$ 118,538	48
	14	47	$ 147,369	59
	13	20	$ 49,217	31
	12	4	$ 8,335	11
	11	2	$ 2,850	3
	9	1	$ 1,444	1
	7	0	$ -	4
	4	0	$ -	3
		CIO TOTALS	**$ 327,753**	**161**
CPO	SL	3	$ 12,300	2
	15	159	$ 484,261	157
	14	71	$ 179,720	73
	13	33	$ 69,841	35
	12	17	$ 31,270	14
	11	23	$ 30,232	31
	9	5	$ 7,750	49
	7	36	$ 22,265	73
	6	0	$ -	3
	5	0	$ -	2
	4	0	$ -	1
	2	0	$ -	1
		CPO TOTALS	**$ 837,639**	**441**
CAO	SL	1	$ 5,910	1
	15	18	$ 68,565	24
	14	17	$ 53,633	23
	13	7	$ 18,773	21
	12	2	$ 2,649	8
	9	1	$ 2,502	-

Office	Pay Grade	Number of Non-SES Bonus/QSI Recipients	Total Amount	Total Number of Employees
	6	1	$ 1,426	1
		CAO TOTALS	**$ 153,458**	**78**
CSO	15	8	$ 35,610	16
	14	27	$ 90,747	50
	13	34	$ 97,678	74
	12	7	$ 13,266	19
	11	2	$ 4,442	12
	9	3	$ 3,713	7
	6	0	$ -	2
	7	2	$ 1,567	6
	5	1	$ 1,000	11
	4	0	$ -	5
	3	0	$ -	2
		CSO TOTALS	**$ 248,023**	**204**
		OSEM Subtotal	**$ 1,231,119**	**597**
		USM Subtotal	**$ 2,256,839**	**1,252**
		Grand Total	**$ 3,487,958**	**1,849**

Question: Please provide a table showing how much is requested in the 2011 budget for bonuses for OSEM, USM, CIO and CFO political employees; OSEM, USM, CIO and CFO SES employees; and OSEM, USM, CIO, and CFO non-SES employees.

Answer: See the following table.

Requested in FY 2011 Budget for Bonuses				
USM Offices	**Political Employees**	**SES Employees**	**Non-SES Employees**	**Total**
Immediate Office of the USM	$0	$20,000	$31,890	$51,890
CAO	$0	$71,000	$230,276	$301,276
CPO	$0	$280,000	$1,535,289	$1,815,289
CSO	$0	$25,000	$500,000	$525,000
CHCO	$0	$105,000	$580,000	$685,000
CFO	$0	$184,802	$521,086	$780,888
CIO	$0	$102,606	$326,000	$450,606
OSEM	$0	$367,000	$1,601,148	$1,968,148
Grand Total	$0	$1,155,408	$5,325,689	$6,578,097

Travel

Question: Please provide a detailed justification for the fiscal year 2011 travel budgets for the Secretary, Deputy Secretary and the Chief of Staff as compared to the fiscal year 2010 enacted levels and discuss why any increases are necessary for the upcoming fiscal year.

ANSWER: Please see the following table.

Travel Budget
Amount in (000s)

Office	FY10 Enacted	FY11 Request	Delta
Office of the Secretary	2,185	2,185	0
Office of the Deputy Secretary	449	449	0
Chief of Staff	380	380	0

The Office of the Secretary, Deputy Secretary, and Chief of Staff are not requesting program increases for travel in the FY 2011 President's Budget.

Question: Please provide a breakdown of the travel thus far taken by the Secretary, Deputy Secretary and Chief of Staff in Fiscal Year 2010, listing dates, destinations, purposes and costs by trip, as well as the balances remaining in their travel budgets for the current fiscal year.

ANSWER: Please see the table on the following pages. Data is provided as of February 28, 2010.

Traveler	Start Date	End Date	Purpose of Travel	Destination	Gov't Aircraft Cost	State Dept. Fees	Misc. Travel Expenses (Communications, Transportation)
Secretary	10/05/09	10/09/09	Meeting with Gov. Ritter & Rep. Perlmutter at the Center for Empowered Living and Learning (CELL), Meeting with the International Association of Chiefs of Police (IACP) & Major City Chiefs	Denver, CO	$30,030	$0	$0
Secretary	10/12/09	10/12/09	Cyber Security Meeting with Private Sector Stakeholders, Interview on The View, Interview on Channel One News, Interview on The Daily Show	New York, NY	$6,490	$0	$0
Secretary	10/15/09	10/17/09	Town Hall with POTUS on Hurricane Katrina Rebuilding, Tour and Briefing of USCG Operations in Lower Mississippi River, Cyber Security Meeting with Tech Industry Stakeholders, Remarks at Santa Clara University Presidents' Speaker Series, Web 2.0 Technologies and Crisis Response Meeting with CA State Officials and Private Sector Stakeholders, Remarks at National Fusion Center Directors' Meeting	New Orleans, LA; Santa Clara, CA; Albuquerque, NM	$52,055	$0	$306.35
Secretary	11/02/09	11/09/09	Meeting with European Parliament Leadership, Meeting with Secretary General of the World Customs Organization Kunio Mikuriya, Interviews at State Department's European Media Hub, Meeting with Belgian Minister of Interior Annemie Turtelboom, Meeting with U.S. Ambassador to Denmark Laurie Fulton, Meeting with Danish Justice Minister Mikkelson, Meeting on Human Trafficking at Danish Institute for International Studies, Meeting with Danish Transportation Minister Lars Barfoed, Interview with El Pais, Meeting with Spanish Justice Minister Caamaño Dominguez, Remarks at the International Conference of Data Protection and Privacy Commissioners, Interview with BBC, Meeting with German Minister of Interior Thomas De Maiziere, Remarks at London School of Economics, Briefing by London Metropolitan Police	Madrid, Spain: Copenhagen, Denmark; London, UK; Brussels, Belgium; Abu Dhabi, UAE; Ireland; Ramstein, Germany	$94,999	$43,855	$1,786.29

Traveler	Start Date	End Date	Purpose of Travel	Destination	Gov't Aircraft Cost	State Dept. Fees	Misc. Travel Expenses (Communications, Transportation)
Secretary	11/13/09	11/15/09	Remarks at Yeshiva Beth Yehudah Dinner with Sens. Stabenow and Levin, Rep. Peters, Mayor Bing, and other Officials	Detroit, MI	$35,065	$0	$0
Secretary	12/02/09	12/06/09	Remarks and Meeting at Real Estate Council of NY, Meeting with Sports Commissioners and Security Director, Tour and Briefing of USCIS District Office in NYC, Remarks at Naturalization Ceremony on Ellis Island, Remarks at America-Israel Friendship League's Partners for Democracy Award Dinner, Interview on the Colbert Report, Briefing and Tour of Electronic Crimes Task Force Center, Tour and Briefing at FEMA Region II HQ, Meeting with Global Media Firm Stakeholders, Interview on NY1's Road to City Hall, New York Stock Exchange Briefing and Tour, Meeting with New York Times Editorial Board	New York, NY	$15,852	$0	$1,186.54
Secretary	12/09/09	12/10/09	Tour and Briefing at USCIS District Office, Remarks to USCIS Personnel, Meeting with Arizona Republic Editorial Board, Critical Infrastructure Meeting with Private Sector Stakeholders, Meeting with CBP and ICE personnel from Laredo, Tucson, Rio Grande, San Diego, and Del Rio Sectors	Phoenix, AZ	$38,784	$0	$40.50
Secretary	01/16/10	01/16/10	Meeting with Homeland Security Taskforce Southeast (HSTF-SE) Director, Deputy Director, and Unified Command, Briefing on DHS/HSTF-SE partnering efforts, Briefings on Haitian immigration issues	Homestead, FL	$20,529	$0	$49.50

Traveler	Start Date	End Date	Purpose of Travel	Destination	Gov't Aircraft Cost	State Dept. Fees	Misc. Travel Expenses (Communications, Transportation)
Secretary	01/20/10	1/23/010	Meeting with Spanish Interior Minister Rubalcaba, Meeting with UK Home Secretary Alan Johnson, EU Justice and Home Affairs Ministerial Meeting, Interviews with CNN, AP, and Cadena Ser Radio, Meeting with Swiss Justice and Police Minister Widmer-Schlumpf, Meeting with Dutch Justice Minister Ballin, Meeting with Danish Justice Minister Mikkelsen, Meeting with Italian Interior Minister Maroni, Meeting with Spanish Justice Minister Caamaño Dominguez, Meeting with German Minister of Justice Leutheusser-Schnarrenberger	Toledo, Spain; Geneva, Switzerland	$78,046	$25,960	$995.85
Secretary	02/01/10	02/01/10	Super Bowl Security Press Conference with FBI and Local Law Enforcement, Tour and Briefing at Sun Life Stadium, Tour and Briefing at Joint Operations Center, Maritime Passenger and Cargo Screening Meeting with Local Law Enforcement and Private Sector Stakeholders, Meeting with USCIS Personnel on Haiti Relief	Miami, FL	$21,044	$0	$0
Secretary	02/02/10	02/03/10	Remarks and Briefing at HSAC Meeting with Southwest Border Taskforce, Mayor Bloomberg, Local Law Enforcement, Government Officials, and Stakeholders	New York, NY	$6,579	$0	$312.33
Secretary	02/16/10	02/18/10	Lead U.S. Delegation at the Regional Aviation Security Conference, Meeting with Mexican President Calderón, Meeting with Mexican Secretary of Public Safety García Luna	Mexico City, Mexico	$42,338	$1,600	$237.50
Deputy Secretary	10/4/09	10/06/09	Meeting with Ambassador Pascual, Meeting with U.S., Mexican, and Canadian Officials, Trilateral Meeting concerning U.S./Mexico/Canada at the Mexican Ministry of Interior, Meeting with Mexican Attorney General Chavez	Mexico City, Mexico	$34,705	$355	$387.63
Deputy Secretary	12/10/09	12/13/09	Meeting with Ambassador Susan Rice, El Dorado Task Force Briefing, Immigrant Integration Meeting	New York, NY	Amtrak - no plane cost	$0	$751.83

Traveler	Start Date	End Date	Purpose of Travel	Destination	Gov't Aircraft Cost	State Dept. Fees	Misc. Travel Expenses (Communications, Transportation)
Deputy Secretary	01/03/10	01/14/10	Demonstration of U.S. Flight Screening at Schiphol Airport, Meeting with National Coordinator Counterterrorism (NCTB) and Dutch Aviation Agencies, Meeting with ICE Attaché, Tour and Briefing at Heathrow Airport, Meeting with Home Office and Department for Transport, Meeting with Home Secretary Alan Johnson, Meeting with Secretary of State for Transport Lord Adonis, Meeting with EU Commission/Directorate General for Justice, Freedom, and Security, Meeting with Belgian Ministry of Transport, Meeting with UAB Minister of Interior Lt. Gen. Sheikh Saif, Meeting with Singapore Senior Minister Jayakumar, Singapore Aviation Security Meeting, Changi Airport Security Tour, Meeting with Ministry of Transport Permanent Secretary Choi, Meeting with Australian Dept of Immigration and Citizenship, Tour and Briefing at Sydney Kingsford Smith Airport, Meeting with Minister of Transportation and National Security Advisor, Meeting with Nigerian Minister of Foreign Affairs Ojo Maduekwe, Meeting with the Director General of the Nigerian Civil Aviation Authority, Meeting with the Nigerian Minister of Aviation Babatunde Omotoba, Meeting with Nigerian Vice President Goodluck Jonathan, Meeting at Brazilian Ministry of External Relations, Meeting at Brazilian Ministry of Defense, Meeting at Brazilian Ministry of Justice,	Amsterdam, Netherlands; London, UK; Brussels, Belgium; Jerusalem, Israel; Abu Dhabi, UAE; Singapore; Perth & Sydney, Australia; Seychelles; Abuja, Nigeria; Brasilia, Brazil	$349,296	$41,063	$5,250.29
Deputy Secretary	01/17/10	01/18/10	Haiti earthquake event	New York, NY	Amtrak - no plane cost	$0	$295.72
Deputy Secretary	01/27/10	01/27/10	Meeting with Ambassador David Jacobson, Meeting with Public Safety Ministers, Meeting with Canadian National Security Advisor, Aviation Security Meeting	Ottawa, Canada	$11,219	$0	$0
Deputy Secretary	02/23/10	02/23/10	Briefings at FLETC, Meeting on Advanced ICE & CBP Training, Remarks at National Fusion Center Conference	Brunswick, GA; New Orleans, LA	$24,010	$0	$0

Traveler	Start Date	End Date	Purpose of Travel	Destination	Gov't Aircraft Cost	State Dept. Fees	Misc. Travel Expenses (Communications, Transportation)
COS of Operations	10/13/09	10/15/09	Tour, Briefings, and Meetings at FLETC	Brunswick, GA	$0	$0	$1,477.71
COS of Operations	12/13/09	12/15/09	Tour, Briefings, and Meetings at NORTHCOM	Colorado Springs, CO	$0	$0	$832.65
COS of Operations	01/16/10	01/16/10	To Support the Secretary	Homestead, FL	$0	$0	$0
COS of Policy	12/9/09	12/10/10	To Support the Secretary	Phoenix, AZ	$0	$0	$0
COS of Policy	11/2/09	11/09/09	To Support the Secretary	Madrid, Spain: Copenhagen, Denmark; London, UK; Brussels, Belgium; Abu Dhabi, UAE; Ireland; Ramstein, Germany	$0	$0	$2,759.47
COS of Policy	01/20/10	01/23/10	To Support the Secretary	Toledo, Spain; Geneva, Switzerland	$0	$0	$1,222.72
COS of Policy	02/16/10	02/18/10	To Support the Secretary	Mexico City, Mexico	$0	$0	$588.22

Remaining Balance in Travel Budget for FY 2010	
Office of the Secretary	$1,583,636
Office of the Deputy Secretary	$0
Chief of Staff	$271,803

* Other available funds in the Office of the Deputy Secretary's budget are being used to cover urgent travel, and a reprogramming will be submitted for future travel requirements.

Question: Please provide an analysis of the sufficiency of the travel transfer outlined in the Fiscal Year 2010 budget to meet the needs for by the Secretary and Deputy Secretary, as well as meeting the costs for travel of supporting staff for them as envisioned. Please provide a chart outlining the size of the travel transfer by office and travel costs in support of the Secretary and Deputy Secretary by office thus far this fiscal year.

ANSWER: Based on travel to date and projected travel through the end of the fiscal year, sufficient travel funds have been transferred to meet the needs of the Secretary's travel. Please note that all charges for use of the government aircraft are paid from the Immediate Office of the Secretary's account.

FY 2010 Travel Transfer to the Secretary's Office		
Transfer from	**Amount Transferred**	**Travel Cost as of 02/28/10**
Chief of Staff	$331,000	$23,662
Executive Secretary	$34,000	$0
Office of Policy	$227,000	$10,868
Office of Public Affairs	$233,000	$27,264
Office of Legislative Affairs	$19,000	$0
General Counsel	$39,000	$3,873
USM	$7,000	$0
CIO	$313,000	$39,580
CPO	$2,000	$0
NPPD	$12,000	$9,756
FEMA	$21,000	$0
CBP	$29,000	$0
TSA	$3,000	$9,756
USCIS	$8,000	$3,878
Total	**$1,278,000**	**$128,637**

The travel transfer for the Deputy Secretary would have been sufficient for the fiscal year; however, due to the attempted airline attack on December 25, 2009, the Deputy Secretary was dispatched on a broad international outreach effort to meet with leaders from major international airports in Africa, Asia, Europe, the Middle East, and South America in January. The Department is currently evaluating the impact of this international outreach effort on available travel funds.

Question: Please provide a table that shows all the funds expended by OSEM, USM, CIO and CFO political employees for travel in 2009. Include the name of each traveler, purpose of travel, location(s) visited, and total cost.

ANSWER: Please see the table on the following pages.

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Office of the Secretary	Janet Napolitano	Visit to Survey Recent Storm Damage, Meetings on Emergency Preparedness related to Tornadoes, Remarks at State Emergency Managers Training, Advance Departmental Goals	Paducah, KY; Topeka, KS	J. Napolitano, Secret Service, Military Aide, Behsear (Gov of Kentucky), Sebelius (Gov of Kansas), N. Kroloff, S. Smith	$32,393.00	$0.00	$ 58.50
Office of the Secretary	Janet Napolitano	Meeting with Mayor Nagin of New Orleans, Governor Jindal & Lt. Governor Mitch Landrieu of Louisiana, Meetings with State and Local Elected Officials and Community and Business leaders, Advance Departmental Goals	New Orleans, LA; Gulfport, MS	J. Napolitano, Secret Service, Military Aide, J. Lesher, S. Smith, S. Bowen, T. Wissinger, T. Allen	$22,029	$0.00	$ 229.50
Office of the Secretary	Janet Napolitano	G6 Meeting -DHS Collaboration with these Leaders Covers the Spectrum of DHS Interests from Combating the Travel of Terrorists to Fighting Cyber Crime and from Aviation Security to Disaster Preparedness, Advance Departmental Goals	Berlin, Germany	J. Napolitano, Secret Service, Military Aide, S. Smith, N. Kroloff, M. Koumans, Executive Telecommunications	$65,615.00	$9,633.00	$ 1,276.34
Office of the Secretary	Janet Napolitano	Tour of San Diego Facilities with CBP, Tour of CBP Operations at the Otay Mesa POE, Meeting with Local Officials, Meeting with Minister of Interior Gomez Mont and Garcia Luna, Meeting with Deputy AG Marisela Morales Ibanez, Tour and Press Conference with ICE	San Diego, CA; Mexico City, MX	J. Napolitano, Secret Service, Military Aide, N. Kroloff, S. Smith, M. Lopez, S. Barr, B. Thompson, C. Wiggins, Executive Telecommunications	$62,360.00	$4,389.00	$ 253.88

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Officials at POE, Advance Departmental Goals					
Office of the Secretary	Janet Napolitano	Tour of Outbound Operations at Port of El Paso and Commercial Operations, Meeting with Stakeholders at El Paso POE, Tour and Briefing at Columbus Port, Press Conference at Mariposa POE with U.S. Government Officials, Meeting with Ministers, Meeting with General Galvan and Admiral Saynez, Welcoming Ceremony for POTUS, Meeting with Mexican Counterparts	El Paso, TX; Nogalez, AZ; Mexico City, MX	J. Napolitano, Secret Service, Military Aide, S. Smith, N. Kroloff, K. Casey, S. Barr, A. Bersin, J. Brennan, M. Lopez, Executive Telecommunications	$55,176.00	$1,488.00	$ 913.33
Office of the Secretary	Janet Napolitano	Received a Tour of the Los Angeles Bradley International Terminal and Meeting with the LAX Officials, Tour of the Port of Los Angeles and Long Beach, Meeting with Port Officials at the Coast Guard Sector Los Angeles/Long Beach, Meetings at the Joint Regional Intelligence Center	Los Angeles, CA	J. Napolitano, Secret Service, Military Aide, J. Lesher, N. Peacock, K. Casey, Executive Telecommunications	$46,854.00	$0.00	$ 94.00

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Office of the Secretary	Janet Napolitano	Remarks to Pisa Conference, Meeting with NSA Officials, Meeting with Local Officials and DHS Components, Meeting with SW Border and HSAC Members, Opening Remarks and Welcoming at the University of New Mexico	Tucson, AZ; Albuquerque, NM	J. Napolitano, Secret Service, Military Aide, A. Shlossman, C. Marino, G. Kerlikoskwe, A. Kudwa, Executive Telecommunications	$46,499.00	$0.00	$ 292.65
Office of the Secretary	Janet Napolitano	Tour of Windsor Tunnel and Briefing, Tour of Canadian Side of Border with Minister Van Loan, Tour of CBP Operation of Ambassador Bridge, WHTI Press Event and Shiprider Signing, Tour of Ft. Street Cargo Facility, WHTI Stakeholder Meeting, Meeting with Prime Minister Harper, Meeting with DHS Embassy Staff, Dinner with the Canadian American Business Council, Interview with Tom Clark, CTV, Meeting with National Security Advisor Marie Lucie Morin, Meeting with Minister Van Loan, Meeting with Minister Kenney	Detroit, MI; Canada	J. Napolitano, Secret Service, Military Aide, N. Kroloff, M. Silver, M. Lopez, C. Wiggins, S. Smith, Executive Telecommunications	$25,091.00	$5,800.00	$ 268.27
Office of the Secretary	Janet Napolitano	Met with General Renuart, Meeting with USNORTHCOM, Tour of Operations Center in N2C2, Press Event with General Renuart, Keynote Speaker for Allied Health Programs Commencement	Colorado Springs, CO; Albuquerque, NM	J. Napolitano, Secret Service, Military Aide, S. Kuban,	$35,310.00	$0.00	$ 88.75

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Ceremony, Keynote Speaker for University of New Mexico School of Medicine Commencement Ceremony					
Office of the Secretary	Janet Napolitano	Commencement Speech for USCG Graduation Ceremony	Groton, CT	J. Napolitano, Secret Service, Military Aide, J. Lesher, Executive Telecommunications	$9,877.00	$0.00	$ 0.00
Office of the Secretary	Janet Napolitano	Meeting and Tour at State Logistics Response Center and Warehouse, Tour of Lake Mary FEMA Florida Recovery Office, Press Event with Craig Fugate, Tour and Briefing at CBP Seaport, Visit CGAS Miami-Taclet South, Meet and Greet with Mayor Diaz, Hurricane Stakeholder Meeting	Orlando & Miami, FL	J. Napolitano, Secret Service, Military Aide, A. Shlossman, C. Fugate, T. Wareing, S. Barr, S. Kuban, J. Morton, Executive Telecommunications	$24,990.00	$0.00	$ 224.87
Office of the Secretary	Janet Napolitano	Tour of CBP Secondary Screening Facility, Meeting with Transport and Marine Minister Dempsey, Meeting with Minister of Justice, Equality, and Law Reform Ahern, Meeting with Home Secretary Alan Johnson, Meeting with Transport Minister Lord Adonis, Editorial Meeting with "The Economist," Interview with UK Media, Interview with Channel 4 and BBC World, Meeting	Shannon, Ireland; London, UK; Madrid, Spain; Kuwait City, Kuwait	J. Napolitano, Secret Service, Military Aide, J. Wright, M. Koumans, N. Kroloff, S. Smith, R. Beers, Executive Telecommunications	$151,745.00	$46,275.00	$ 2,428.17

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		with Moi Rui Pereira, Moj Alberto Costa, and Foreign Affairs Minister Luis Amado, Signing/Initialing Ceremony, Tour and Briefing at Atocha Train Station, Meeting with Minister of Interior Alfredo Perez Rubalcaba, Sign IAP Agreement with Minister of Interior Paseo de la Castellana, Meeting with Spain Counterparts, Briefing and Tour with USCG at Camp Patriot, Meeting with Vice Admiral Papp and Staff					
Office of the Secretary	Janet Napolitano	U.S. Highway 17 Transportation Infrastructure Reinvestment Project Brief, Seahawk Briefing	Charleston, SC	J. Napolitano, Secret Service, Military Aide, J. Lesher, C. Wiggins, L. Graham (U.S. Senator), Executive Telecommunications	$10,820.00	$0.00	$ 0.00
Office of the Secretary	Janet Napolitano	Remarks at the National Governor's Association Conference in Biloxi, Meetings at the 9th Circuit Judicial Conference in Monterey, California	Biloxi, MS; Monterey, CA;	J. Napolitano, Secret Service, Military Aide, Executive Telecommunications	$64,957.00	$0.00	$ 837.10
Office of the Secretary	Janet Napolitano	Tour and Briefing at Olympic Coordination Center, Tour and Briefings at the Peace Arch and Pacific Highway Border	Olympia, WA	J. Napolitano, Secret Service, Military Aide, A. Shlossman, S. Smith,	$36,168.00	$0.00	$ 359.22

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Crossings, Meeting with Microsoft Officials about Cybersecurity, Issue Meetings on Immigration		M. Lopez, K. Casey, T. Scarborough, C. Simpson, Executive Telecommunications			
Office of the Secretary	Janet Napolitano	Speech on Counterterrorism at the Council on Foreign Relations, Tour of World Trade Center Site, Held Counterterrorism Meeting, Made TSA Announcement, Meeting with the New York Times Editorial Board, Charlie Rose Interview.	New York, NY	J. Napolitano, Secret Service, Military Aide, A. Shlossman, S. Smith, B. Johnson, G. Michaelidis, Executive Telecommunications	$3,920.00	$0.00	$ 58.50
Office of the Secretary	Janet Napolitano	Keynote Speaker at the National Association of Police Organizations Annual Conference, Meeting with Business Stakeholders	San Francisco, CA	J. Napolitano, Secret Service, Military Aide, S. Kuban, A. Macias, Executive Telecommunications	$29,494.00	$0.00	$ 129.87
Office of the Secretary	Janet Napolitano	Travel to Guadalajara, Mexico with POTUS aboard AF-1 for Meetings, Speech at the Border Security Conference at the University of Texas – El Paso, Meeting with Southwest Border Task Force, Meeting with HSAC Members, and Briefing on AZ Operations Plan at the El Paso Intelligence Center	Guadalajara, MX; El Paso, TX	J. Napolitano, Secret Service, Military Aide, N. Kroloff, M. Lopez, S. Smith, J. Brennan, Executive Telecommunications	$44,478	$1,050.00	$ 153.72
Office of the Secretary	Janet Napolitano	Meeting with American Legion Commander David Rehbein and Governor Beshear, Meeting with	Louisville, KY; Dallas, TX	J. Napolitano, Secret Service, Military Aide, A. Kudwa,	$21,776	$0.00	$ 99.22

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Courier-Journal Editorial Board, Meeting with Private Sector Stakeholders and Local Businesses, Attended the Fire-Rescue International 2009/ International Association of Fire Chiefs Meeting, Meeting with Mayor Leppert, Meeting with Private Sector including Texas Instruments and Local Business Officials, Meeting with Dallas Morning News Editorial Board		N. Kroloff,			
Office of the Secretary	Janet Napolitano	Traveled to Manhattan, NY for the Today Show and received an Ad Council Satellite Media Tour, Participated in Ready Campaign Launch Press Availability	New York, NY	J. Napolitano, Secret Service, Military Aide, A. Kudwa, A. Shlossman, K. Casey, B. Whithorne (return leg only), Executive Telecommunications	$6,044.00	$0.00	$ 106.72
Office of the Secretary	Janet Napolitano	Meeting with Police Commissioner Ray Kelly, Mayor Bloomberg, Governor Patterson, and Fire Commissioner Nicholas Scoppetta, USCG Awards Ceremony for First Responders to US Airways Flight that Crashed in Hudson River	New York, NY	J. Napolitano, Secret Service, A. Kudwa, A. Shlossman, Executive Telecommunications	$5,800.00	$0.00	$ 58.72
Office of the Secretary	Jacquenetta Wright	To Support the Secretary	Shannon, Ireland; London, UK		See above S1's trip for this location;	$0.00	$ 1,928.25

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
					traveler accompanied S1 on government aircraft.		
Office of the Secretary	Brian De Vallance	Police Executive Research Forum Conference	Phoenix, AZ			$0.00	$ 1,016.13
Office of the Secretary	Brian De Vallance	National Governors Association Annual Meeting	Biloxi, MS			$0.00	$ 609.64
Office of the Secretary	Jan Lesher	To Support the Secretary	New Orleans, LA; Gulfport, MS		See above S1's trip for this location; traveler accompanied S1 on government aircraft.		$ 190.12
Office of the Secretary	Jan Lesher	Program/Site Visit	Baton Rouge & Kenner, LA				$ 455.14
Office of the Secretary	Jan Lesher	To Support the Secretary	Grotun, CT		See above S1's trip for this location; traveler accompanied S1 on government aircraft.		$ 0.00
Office of the Secretary	Jan Lesher	To Support the Secretary	Charleston, SC		See above S1's trip for this location; traveler accompanied S1 on government aircraft.		$ 0.00

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Office of the Secretary	Alice Hill	Federal Protective Service Senior Leadership Conference	Kansas City, MO			$0.00	$ 469.45
Office of the Secretary	Alice Hill	Conference of Western Attorneys General	Sun Valley, ID			$0.00	$ 2,250.08
Office of the Secretary	Alice Hill	To Support the Secretary	Monterey, CA			$0.00	$ 1,573.28
Office of the Secretary	Rand Beers	To Support the Secretary	Shannon, Ireland; London, UK; Madrid, Spain; Kuwait City, Kuwait		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 3,657.08
Deputy Secretary	Jane Holl Lute	Tour Buffalo Point of Entry, Tour the Peace Bridge, USCG Hello Tour, Tour of CBP Pre-Clearance Operations, CTV Interview, Meetings with Canadian Ministers	Buffalo, NY; Ottawa, Canada	J. Lute, Secret Service, D. Pressman, J. Kayyem, M. Roe, M. Silver, N. Peacock, S. Kuban, T. List, A. Page, T. Scarborough, Executive Telecommunications	$12,948.00	$3,625.00	$ 314.73
Deputy Secretary	Jane Holl Lute	Meeting with First Responders, Meetings in Miami with Emergency Managers, Tour of the National Hurricane Center	Oklahoma City, OK; Miami, FL	J. Lute, D. Pressman, M. Chandler, T. List. L. West, M. Roe, Executive Telecommunications	$30,362.00	$0.00	$ 168.03
Deputy Secretary	Jane Holl Lute	Site Visit and Meetings, Participated in a US-EU Justice and Home Affairs	Prague, Czech Republic	J. Lute, Secret Service, D. Pressman,	$57,912.00	$6,221.00	$ 902.67

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		(JHA) Ministerial Troika,		A. Kudwa, M. Koumans, T. List, M. Roe, Executive Telecommunications			
Deputy Secretary	Jane Holl Lute	US- UK meetings, G8 Justice and Home Affairs Ministerial, G8 focus on child sex tourism and cybercrimes, advocated for DHS G8 initiatives such as Critical Infrastructure Protection, Transportation Security, and Border Security	London, UK; Rome, Italy	J. Lute, Secret Service, T. List, M. Roe, D. Pressman, M. Koumans, Executive Telecommunications	$87,464.00	$24,567.00	$ 4,151.06
Deputy Secretary	Jane Holl Lute	Program/Site Visit Attended Naturalization Class and "United We Serve" event, Advance Departmental goals as determined by DHS leadership	New York, NY	J. Lute, D. Pressman, List, T.	$0.00, (Amtrak)	$0.00	$ 368.83
Deputy Secretary	Jane Holl Lute	Program/Site Visit	New York, NY	N/A	$0.00, (Amtrak)	$0.00	$ 1,063.55
Deputy Secretary	Jane Holl Lute	Meetings and discussions for the Security Cooperation Group (SCG) regarding Terrorist use of the Internet, Cybersecurity, Information Sharing, and Data Privacy	Berlin, Frankfurt, and Stuggart, Germany; London, UK; Stockholm, Sweden	J. Lute, Secret Service, D. Pressman, M. Roe, T. List, M. Koumans, M. Callahan (return leg only), Executive Telecommunications	$57,291.00	$19,925.00	$ 1,716.97
Deputy Secretary	Jane Holl Lute	Tour of Port of San Ysirdo, Meeting with NTEU and AFGE, Meeting with DHS	San Diego, CA	J. Lute, D. Pressman, T. List,	$43,142.00	$0.00	$ 338.06

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Leadership		Executive Telecommunications			
Deputy Secretary	Jane Holl Lute	El Dorado Task Force Meeting, Peng Investigation Briefings, NY Immigrant Integration Roundtable	New York, NY	J. Lute, D. Pressman, Secret Service, Executive Telecommunications	$0.00, (Amtrak)	$0.00	$ 1,174.06
Deputy Secretary	David Pressman	To Support the Deputy Secretary	New York, NY			$0.00	$ 243.60
Deputy Secretary	David Pressman	To Support the Deputy Secretary	Buffalo, NY; Ottawa, Canada		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 341.73
Deputy Secretary	David Pressman	To Support the Deputy Secretary	Oklahoma City, OK; Miami, FL		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 283.41
Deputy Secretary	David Pressman	To Support the Deputy Secretary	Prague, Czech Republic		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 946.73
Deputy Secretary	David Pressman	To Support the Deputy Secretary	London, UK; Rome, Italy		See above S2's trip for this location; traveler	$0.00	$ 3,309.57

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
					accompanied S2 on government aircraft.		
Deputy Secretary	David Pressman	To Support the Deputy Secretary	Berlin, Frankfort, and Stuggart, Germany; London, UK; Stockholm, Sweden		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 2,406.64
Deputy Secretary	David Pressman	To Support the Deputy Secretary	San Diego, CA		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 287.72
Deputy Secretary	Melanie Roe	To Support the Deputy Secretary	Buffalo, NY; Ottawa, Canada		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 311.23
Deputy Secretary	Melanie Roe	To Support the Deputy Secretary	Oklahoma City, OK; Miami, FL		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 353.56

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Deputy Secretary	Melanie Roe	To Support the Deputy Secretary	Prague, Czech Republic		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 918.82
Deputy Secretary	Melanie Roe	To Support the Deputy Secretary	London, UK; Rome, Italy		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 3,204.57
Deputy Secretary	Melanie Roe	To Support the Deputy Secretary	New York, NY			$0.00	$ 818.36
Deputy Secretary	Melanie Roe	To Support the Deputy Secretary	New York, NY			$0.00	$ 1,105.65
Chief of Staff	Noah Kroloff	To Support the Secretary	Paducah, KY; Topeka, KS		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 58.50
Chief of Staff	Noah Kroloff	To Support the Secretary	Berlin, Germany		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 1,069.75

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Chief of Staff	Noah Kroloff	To Support the Secretary	San Diego, CA; Mexico City, MX		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 325.38
Chief of Staff	Noah Kroloff	To Support the Secretary	El Paso, TX; Mexico City, MX		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 510.35
Chief of Staff	Noah Kroloff	To Support the Secretary	Detroit, MI; Canada		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 268.27
Chief of Staff	Noah Kroloff	To Support the Secretary	Shannon, Ireland; London, UK; Madrid, Spain; Kuwait City, Kuwait		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 2,768.77
Chief of Staff	Noah Kroloff	To Support the Secretary	Louisville, KY; Dallas, TX		See above S1's trip for this location;	$0.00	$ 0.00

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
					traveler accompanied S1 on government aircraft.		
Chief of Staff	Noah Kroloff	To Support the Secretary	New York, NY		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 1,160.00
Chief of Staff	Amy Shlossman	To Support the Secretary	Orlando & Miami, FL		See above S1's trip for this location; traveler accompanied 51 on government aircraft.	$0.00	$ 36.75
Chief of Staff	Amy Shlossman	To Support the Secretary	Tucson, AZ; Albuquerque, NM		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 163.21
Chief of Staff	Amy Shlossman	To Support the Secretary	Orlando & Ft. Lauderdale, FL		See above S1's trip for this location; traveler accompanied S1 on government	$0.00	$ 44.25

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
					aircraft.		
Chief of Staff	Amy Shlossman	To Support the Secretary	Olympia, WA		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 530.18
Chief of Staff	Amy Shlossman	To Support the Secretary	New York, NY		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 727.72
Chief of Staff	Amy Shlossman	To Support the Secretary	New York, NY		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 453.33
Chief of Staff	Katrina Hartman	To Advance the Secretary	New Orleans, LA			$0.00	$ 173.42
Chief of Staff	Abigail Page	To Advance the Secretary	Wichita, KS			$0.00	$ 1,303.50
Chief of Staff	Abigail Page	To Advance the Secretary	New York, NY			$0.00	$ 830.06
Chief of Staff	Abigail Page	To Advance the Secretary	Berlin, Germany			$0.00	$ 3,887.43
Chief of Staff	Abigail Page	To Advance the Secretary	Houston, TX; Fargo, ND; San Diego, CA; Laredo, TX			$0.00	$ 3,127.26
Chief of Staff	Abigail Page	To Advance the Deputy Secretary	Ottawa, Canada		See above S2's trip for this location;	$0.00	$ 2,264.01

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
					traveler accompanied S2 on government aircraft.		
Chief of Staff	Abigail Page	To Advance the Secretary	Prague, Czech Republic			$0.00	$ 2,929.47
Chief of Staff	Abigail Page	To Advance the Secretary	Albuquerque, NM			$0.00	$ 509.93
Chief of Staff	Abigail Page	To Advance the Secretary	Miami, FL; Ottawa, Canada			$0.00	$ 2,213.99
Chief of Staff	Abigail Page	To Advance the Secretary	Albuquerque, NM			$0.00	$ 717.24
Chief of Staff	Abigail Page	To Advance the Secretary	Ft. Lauderdale, FL; London, UK; Charleston, SC			$0.00	$ 6,487.00
Chief of Staff	Kinsey Casey	To Advance the Secretary	Port Arthur, TX; San Diego, CA; Laredo, TX			$0.00	$3,067.12
Chief of Staff	Kinsey Casey	To Advance the Secretary	Los Angeles, CA; Mexico City, MX		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$3,444.02
Chief of Staff	Kinsey Casey	To Advance the Secretary	Groton, CT; London, UK			$0.00	$5,909.50
Chief of Staff	Kinsey Casey	To Advance the Secretary	Orlando, FL; Shannon, Ireland; London, UK; Kuwait City, Kuwait			$0.00	$5,189.54
Chief of Staff	Kinsey Casey	To Advance the Secretary	Seattle, WA		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 633.21

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Chief of Staff	Kinsey Casey	To Advance the Secretary	Guadalajara, MX; El Paso, TX			$0.00	$ 5,148.91
Chief of Staff	Kinsey Casey	To Advance the Secretary	El Paso, TX			$0.00	$ 1,650.40
Chief of Staff	Tori Scarborough	To Advance the Secretary	Houston, TX; Cuernavaca & Mexico City, MX			$0.00	$ 1,947.63
Chief of Staff	Tori Scarborough	To Advance the Deputy Secretary	Ottawa, Canada		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 3,428.24
Chief of Staff	Tori Scarborough	To Advance the Secretary	Orlando, FL; Rome, Italy;			$0.00	$ 5,102.28
Chief of Staff	Tori Scarborough	To Advance the Secretary	San Francisco, CA			$0.00	$ 868.87
Chief of Staff	Tori Scarborough	To Advance the Secretary	Key West, FL			$0.00	$ 1,271.58
Chief of Staff	Tori Scarborough	To Advance the Secretary	Dublin, Ireland			$0.00	$ 2,420.28
Chief of Staff	Tori Scarborough	To Advance the Secretary	Madrid, Spain			$0.00	$ 1,451.36
Chief of Staff	Tori Scarborough	To Advance the Secretary	Olympia, WA		See above S1's trip for this location; traveler accompanied S1 on government aircraft	$0.00	$ 3,291.38
Chief of Staff	Tori Scarborough	To Advance the Secretary	San Antonio, TX			$0.00	$ 1,293.46
Chief of Staff	Tori Scarborough	To Advance the Secretary	Jackson, MS			$0.00	$ 1,378.80
Chief of Staff	Tori Scarborough	To Advance the Secretary	Nashville, TN			$0.00	$ 946.60
Chief of Staff	Kelli Morse	To Advance the Secretary	Prague, Czech Republic			$0.00	$ 1,783.22
Chief of Staff	Kelli Morse	To Advance the Secretary	Orlando, FL; Philadelphia, PA; Ottawa, Canada			$0.00	$ 2,527.21
Chief of Staff	Kelli Morse	To Advance the Secretary	Orlando, FL			$0.00	$ 792.52
Chief of Staff	Kelli Morse	To Advance the Secretary	Lisbon, Portugal; Shannon, Ireland			$0.00	$ 4,036.76

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Chief of Staff	Kelli Morse	To Advance the Secretary	Norfolk, VA			$0.00	$ 700.40
Chief of Staff	Kelli Morse	To Advance the Secretary	Frankfurt, Germany			$0.00	$ 3,109.73
Chief of Staff	Kelli Morse	To Advance the Secretary	New Orleans, LA			$0.00	$ 2,252.93
Chief of Staff	Kelli Morse	To Advance the Secretary	Dallas, TX			$0.00	$ 1,427.36
Chief of Staff	Kelli Morse	To Advance the Secretary	New York, NY			$0.00	$ 1,241.44
CHCO	Jeffrey R. Neal	Attend American Legion Conference with Secretary	Louisville, KY			$0.00	$ 1,150.00
Policy	Mariko Silver	To Serve as the DHS Representative at the XIV CRM Agendas and Logistical Guide Conference	Guatemala City, Guatemala			$0.00	$ 1,376.45
Policy	Mariko Silver	S1 Trip: Briefing Canadian Officials on Border Issues	Ottawa, Canada		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 1,581.11
Policy	Mariko Silver	Tour and Briefings at EPIC in El Paso	Arizona, Texas			$0.00	$ 2,310.50
Policy	Mariko Silver	Meeting with Ambassador, USCG/CBP Representatives, Tour of Ports	Haiti			$0.00	$ 1,765.95
Policy	Mariko Silver	Tour of USSouthcom and Briefing	Florida, Guantanamo			$0.00	$ 1,151.49
Policy	Mariko Silver	S2 Trip re: International Policy	Canada		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 319.27
Policy	Mariko Silver	ICE's Regional Attaché Training Seminar and Advance DHS International Equities in the Region	Singapore, Philippines, Indonesia			$0.00	$ 6,767.68

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Policy	Mariko Silver	Attend Five Country Conference on Behalf of DHS	Ottawa, Canada			$0.00	$ 1,230.51
Policy	Mariko Silver	H1N1 Summit	Mexico; Canada			$0.00	$ 3,192.29
Policy	Mariko Silver	Participated in the U.S. – Japan-Australia Counterterrorism Trilateral Consultations and Held a Series of Bilateral Meetings to Advance the DHS Agenda in Each Country	China; Japan			$0.00	$ 2,945.25
Policy	Mariko Silver	Tour of JIATF-South and Briefing	Florida			$0.00	$ 1,985.83
Policy	Mariko Silver	Aspen Institute, Presenting on the QHSR	Palo Alto, CA			$0.00	$ 2,708.47
Policy	Mariko Silver	Southwest Border Orientation – Met with CBP and ICE Personnel, Toured Mariposa POE and Papago Springs Forward Operating Base	Tucson, AZ			$0.00	$ 2,522.73
Policy	Alan Bersin	Meetings to Discuss Northern Border Issues	Detroit, MI			$0.00	$ 629.92
Policy	Alan Bersin	Southwest Border Tour, Meeting with Mexican Officials	Tucson, AZ			$0.00	$ 1,694.65
Policy	Alan Bersin	Presentation at National Summit on Local Immigration Policies	Phoenix, AZ			$0.00	$ 1,164.95
Policy	Alan Bersin	Southwest Border Tour of San Diego Sector with CBP Personnel, as well as Calexico POE, El Centro Sector, and Yuma Sector; Meetings with Local Law Enforcement, Stakeholder Groups, and Local Press	San Diego, CA			$0.00	$ 2,563.65
Policy	Alan Bersin	HSAC Meeting with S1, Supporting S1 on	El Paso, TX; San Antonio, TX;			$0.00	$ 2,530.71

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Presentation at Border Security Conference at UTEP, Speech at Law Enforcement Breakfast, BEST Meeting, NSA Facility Tour and Briefing, Meeting with Gen. Renuart at NorthCom, Tour and Briefing at NORAD	Denver, CO				
Policy	Alan Bersin	Previously Unscheduled Meeting in Washington with Senate Finance Committee during Planned Out of Town Trip	Washington, DC			$0.00	$ 441.53
Policy	Alan Bersin	Northern Border Tour and Discussions with Local Law Enforcement	Seattle, WA			$0.00	$ 1,872.66
Policy	Alan Bersin	Speech to HSAC, Border Governors Conference, Meeting with Mexican Officials	Monterey, CA; Monterrey, MX			$0.00	$ 2,340.07
Policy	Alan Bersin	Speech at U.S. Attorney for Southern District of TX Conference, Southwest Border Tour, Tour of Marfa/Presidio Sectors, Local Law Enforcement and Border Rights Stakeholder Meetings, Speech to Southwest Sheriff's Coalition Conference, Meeting with AZ Attorney General and DOJ Staff	Houston, TX; El Paso, TX; Phoenix, AZ			$0.00	$ 1,991.98
Policy	Alan Bersin	Southern Border Visit and Meeting with Mexican Officials	Santa Ana, CA; Tucson, AZ; McAllen, TX			$0.00	$ 1,526.99
Policy	Alan Bersin	Meeting with Mexican Officials and attend HSAC Conference	Mexico City, MX; Albuquerque, NM			$0.00	$ 3,500.70
Policy	Alan Bersin	Meetings on Southwest	El Paso, TX;			$0.00	$ 1,699.90

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Border Issues with Mexican Officials	Tucson & Phoenix, AZ				
Policy	Alan Bersin	Meeting with Senator Feinstein, Attending Border Patrol Chiefs Conference, Town Hall Meetings, Meeting with Mexican VIPs	San Diego, CA; El Paso, TX			$0.00	$ 2,359.42
Policy	Alan Bersin	Meeting with Mexican Officials	Monterrey, MX			$0.00	$ 1,366.55
Policy	Arif Alikhan	Tour and Briefing with CBP Personnel of San Ysidro POE, Opening of LA Emergency Operations Center and Meetings with Local Officials	San Diego & Los Angeles, CA			$0.00	$ 1,532.00
Policy	Arif Alikhan	Speech/Presentation at Conference on Illicit Travel	Tampa, FL			$0.00	$ 940.55
Policy	Arif Alikhan	Meeting on Resiliency and Preparedness Planning Framework with Harvard Kennedy School	Boston, MA			$0.00	$ 842.83
Policy	Arif Alikhan	USCG Tour and Briefing of Operations at GTMO	Guantanamo Bay			$0.00	$ 167.47
Policy	David Heyman	Meetings on Terrorist Use of the Internet, Cybersecurity, Information Sharing, and Data Privacy	Frankfurt, Germany; Washington, DC			$0.00	$ 1,849.11
Policy	David Heyman	Several Bilateral Discussions related to Canada – including Information Sharing, Border Security, etc.	Ottawa, Canada			$0.00	$ 2,612.62
Policy	David Heyman	Meetings related to Aviation Security and other Information Sharing Issues.	Copenhagen, Denmark			$0.00	$ 2,285.36
Policy	David Heyman	Tour and Briefings at EPIC in El Paso	El Paso, TX			$0.00	$ 1,297.82
Policy	Esther Olavarria	Conference and Immigration Site Visit	Las Vegas, NV; New Mexico			$0.00	$ 1,473.53
Policy	Esther Olavarria	Five Country Conference	Ottawa, Canada			$0.00	$ 950.84

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Policy	Esther Olavarria	Tour and Briefing at El Paso POE, Meetings with Border and Immigration Stakeholders	El Paso, TX			$0.00	$ 1,400.00
Policy	Rebecca Sharp	Police Executive Research Forum Conference on Immigration	Phoenix, AZ			$0.00	$ 1,101.80
Policy	Rebecca Sharp	HSAC Southwest Border Task Force Subcommittee Meeting	El Paso, TX			$0.00	$ 1,260.43
Policy	Rebecca Sharp	Full HSAC Meeting, HSAC Southwest Border Task Force Subcommittee Meeting	New York, NY			$0.00	$ 1,521.65
Policy	Rebecca Sharp	Meetings with HSAC Vice Chair Sen. Gary Hart	Santa Monica, CA			$0.00	$ 724.94
Policy	Brian Albert	Meetings with A/S Bersin re: Northern Border Discussions	Detroit, MI			$0.00	$ 410.67
Policy	Brian Albert	Meetings with A/S Bersin, Tour Northern Border, Meetings with Local Law Enforcement Officials	Seattle, WA			$0.00	$ 1,354.20
Policy	Tracy Hannah	Public Sector Roundtable with Business Officials	New Orleans, LA			$0.00	$ 568.95
Policy	Tracy Hannah	Program/Site Visit	Irving, TX			$0.00	$ 1,118.52
Policy	Tracy Hannah	Border Violence and the Private Sector Office Meeting involving Border Trade Alliance and Delphi Automotive	El Paso, TX			$0.00	$ 1,005.84
Policy	Tracy Hannah	Critical Infrastructure and Key Resources (CIKR)Protection Capabilities for Fusion Centers Workshop	Phoenix, AZ			$0.00	$ 1,530.13
Policy	Bridger McGaw	Meetings with National Lab, Remarks to the Private Sector Stakeholders at the Northern California	San Francisco, CA			$0.00	$ 1,244.75

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Regional Intelligence Center, as well as Meetings with Cyber Stakeholders on Enhancing the Use of Technology for Incident Response					
Policy	Bridger McGaw	Chain Pharmacy Pandemic Planning Workshop	Boston, MA			$0.00	$ 469.95
Policy	Bridger McGaw	Workshop on Business Preparedness	Minneapolis, MN			$0.00	$ 1,123.35
Policy	Bridger McGaw	Speak at State, Local, Tribal, and Territorial Government Coordinating Council Meeting	Indianapolis, IN			$0.00	$ 870.03
Policy	Bridger McGaw	Critical Infrastructure and Key Resources (CIKR) Protection Capabilities for Fusion Centers Workshop	Denver, CO; Phoenix, AZ			$0.00	$ 1,505.35
Policy	Bridger McGaw	Homeland Security Advisory Council Southwest Border Taskforce	Albuquerque, NM; Denver, CO			$0.00	$ 933.54
Policy	Bryan Pacheco	Border Security Conference	Laredo, TX			$0.00	$ 1,181.77
Public Affairs	Matthew Chandler	Press Support to A/S Bersin for Media Availability and Meetings with Law Enforcement Officials	El Paso, TX			$0.00	$ 2,188.00
Public Affairs	Matthew Chandler	Served as Media Liaison to Press for A/S Bersin for Operations Briefing	Phoenix, AZ			$0.00	$ 834.39
Public Affairs	Matthew Chandler	Provided Press Support for S2 Remarks and Interviews during Naturalization Ceremony and Re-Opening of Liberty Island	New York, NY			$0.00	$ 674.00
Public Affairs	Matthew Chandler	Press Advance for S1 at Border Security Conference, Press Support to A/S Bersin for Border Security Conference	El Paso, TX			$0.00	$ 1,452.46
Public Affairs	Matthew Chandler	Press Support for A/S	Detroit, MI			$0.00	$ 438.78

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Bersin during Media Availability and Meetings with Local Law Enforcement					
Public Affairs	Matthew Chandler	Media Liaison for S1 and A/S Bersin during HSAC Meeting and Southwest Border Task Force Meeting	Albuquerque, NM			$0.00	$ 1,294.48
Public Affairs	Matthew Chandler	Press Support for A/S Bersin and DHS Officials Meeting with Local Law Enforcement	San Diego, CA			$0.00	$ 1,107.19
Public Affairs	Matthew Chandler	Support for S2 Remarks at Anniversary of Oklahoma City Bombing	Oklahoma City, OK		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 44.75
Public Affairs	Adam Fetcher	Press Advance for the Secretary's Trip	New York, NY			$0.00	$ 740.02
Public Affairs	Sara Kuban	To Support the Secretary	Ft Lauderdale, FL			$0.00	$ 211.98
Public Affairs	Sara Kuban	To Support the Secretary	Orlando & Miami, FL		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 36.75
Public Affairs	Sara Kuban	To Support the Secretary	Colorado Springs, CO; Albuquerque, NM		See above S1's trip for this location; traveler accompanied S1 on government	$0.00	$ 900.63

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
					aircraft.		
Public Affairs	Sara Kuban	To Support the Secretary	San Francisco, CA		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 780.03
Public Affairs	Sara Kuban	Participated in COOP Exercise	Winchester, VA			$0.00	$ 222.53
Public Affairs	Sara Kuban	To Support the Secretary	Buffalo, NY; Ottawa, Canada		See above S2's trip for this location; traveler accompanied S2 on government aircraft.	$0.00	$ 277.71
Public Affairs	Sara Kuban	To Support the Secretary	San Antonio, TX			$0.00	$ 561.25
Public Affairs	Sara Kuban	To Support the Secretary	Newark, NJ			$0.00	$ 47.47
Public Affairs	Sara Kuban	To Support the Secretary	Las Cruces, NM			$0.00	$ 645.16
Public Affairs	Gregory Michaelidis	Participated in COOP Exercise	Winchester, VA			$0.00	$ 121.63
Public Affairs	Gregory Michaelidis	To Support the Secretary	New York		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 145.32
Public Affairs	Michael Slaven	Participated in COOP Exercise	Winchester, VA			$0.00	$ 121.63
Public Affairs	Graves Spindler	FEMA's Administrator Meetings with Firefighters	Denver, CO			$0.00	$ 771.71

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Public Affairs	Graves Spindler	Participated in COOP Exercise	Winchester, VA			$0.00	$ 315.66
Public Affairs	Graves Spindler	To Support the Secretary	Albuquerque, NM			$0.00	$ 1,620.36
Public Affairs	Sean Smith	To Support the Secretary	Ireland; Spain; Kuwait		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 3,153.11
Public Affairs	Sean Smith	To Support the Secretary	Ottawa, Canada		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 336.94
Public Affairs	Sean Smith	To Support the Secretary	Mexico		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 1,315.04
Public Affairs	Sean Smith	To Support the Secretary	San Diego, CA		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 325.38
Public Affairs	Sean Smith	To Support the Secretary	Mexico		See above	$0.00	$ 569.36

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
					S1's trip for this location; traveler accompanied S1 on government aircraft.		
Public Affairs	Sean Smith	To Support the Secretary	Berlin, Germany		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 1,308.03
Public Affairs	Sean Smith	To Support the Secretary	New York			$0.00	$ 267.72
Public Affairs	Sean Smith	To Support the Secretary	New Orleans, LA		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 207.37
Public Affairs	Sean Smith	To Support the Secretary	Kansas		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$ 172.92
Public Affairs	Sean Smith	To Support the Secretary	New York			$0.00	$ 24.00
Public Affairs	Sean Smith	To Support the Secretary	Guadalajara, MX			$0.00	$ 1,308.45
Public Affairs	Sean Smith	To Support the Secretary	Seattle, WA		See above S1's trip for	$0.00	$ 627.94

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
					this location; traveler accompanied S1 on government aircraft.		
Public Affairs	Robert Whithorne	Participated in COOP Exercise	Winchester, VA			$0.00	$ 205.78
Public Affairs	Robert Whithorne	Advanced Secretary's trip	New York		See above S1's trip for this location; traveler accompanied S1 on government aircraft (on the return leg).	$0.00	$ 1,111.97
Public Affairs	Maya Worman	Participated in COOP Exercise	Winchester, VA			$0.00	$ 63.13
Legislative Affairs	Chani Wiggins	Staffing Secretary in Canada/Port of Entry Tour with Rep. Price	Canada; Alaska			$0.00	$ 2,015.60
Legislative Affairs	Chani Wiggins	To Support the Secretary	El Paso, TX			$0.00	$ 750.01
Legislative Affairs	Chani Wiggins	To Support the Secretary	New Orleans, LA			$0.00	$ 373.24
Legislative Affairs	Chani Wiggins	To Support the Secretary	Detroit, MI		See above S1's trip for this location; traveler accompanied S1 on government aircraft.	$0.00	$174.60
Legislative Affairs	Chani Wiggins	To Support the Secretary	Laredo, TX			$0.00	$ 242.00
Legislative Affairs	Chani Wiggins	To Support the Secretary	Washington, DC			$0.00	$ 390.60
Legislative Affairs	Gena Chieco	USCIS National Stakeholder August Meeting	San Diego, CA			$0.00	$ 1,580.38

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Legislative Affairs	Nelson Peacock	To Support the Deputy Secretary	Scottsdale, AZ			$0.00	$ 221.68
Legislative Affairs	Nelson Peacock	To Support the Secretary	Orlando, FL			$0.00	Did not Submit Voucher
Legislative Affairs	Nelson Peacock	To Support the Secretary	Ft. Lauderdale, FL			$0.00	$ 271.48
Legislative Affairs	Nelson Peacock	To Support the Deputy Secretary	Washington, DC			$0.00	$ 459.53
General Counsel	Martin, David	Presenter at University of Denver Strategic Issues Symposium for Immigration Issues Panel	Denver, CO			$0.00	$ 684.90
General Counsel	Kim, Leezie	Presentation to International Olympic Committee	Chicago, IL			$0.00	$ 251.63
General Counsel	Kim, Leezie	Present Speech at ABA Conference	Chicago, IL			$0.00	$ 398.72
General Counsel	Grant, Daniel T.	Comprehensive Immigration Reform Meeting	New York, NY			$0.00	$ 280.95
General Counsel	Grant, Daniel T.	Comprehensive Immigration Reform Meetings	Los Angeles & San Francisco, CA			$0.00	$ 1,724.95
General Counsel	Sandweg, John R.	USCG Tour and Briefing of Operations at GTMO and Key West	Guantanamo Bay			$0.00	$ 728.86
General Counsel	Sandweg, John R.	Conference on Arms Trafficking and Meetings with ATF-DOJ Personnel	Phoenix, AZ			$0.00	$ 884.68
General Counsel	Sandweg, John R.	Tour and Briefings on Law Enforcement Training at FLETC, Meetings with OGC Personnel	Brunswick, GA			$0.00	$ 310.99
General Counsel	Sandweg, John R.	Tour Border Operations and Meetings with ICE and CBP Personnel	San Diego, CA			$0.00	$ 952.99
General Counsel	Gordon, Andrew S.	Meetings and Tour of Border Fence with CBP and Local Stakeholders, Briefings on	Brownsville, TX			$0.00	$ 65.00

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Fence/Environmental Issues					
General Counsel	Gordon, Andrew S.	Tour Border Operations with ICE and CBP Personnel	San Diego, CA; Phoenix, AZ			$0.00	$ 830.29
General Counsel	Gordon, Andrew S.	USCG Tour and Briefing of Operations at GTMO and Key West	Guantanamo Bay			$0.00	$ 754.26
General Counsel	Gordon, Andrew S.	Tour and Briefing at Ambassador Bridge POE, Meeting with Stakeholders	Detroit, MI			$0.00	$ 656.62
General Counsel	Fong, Ivan K.	Site Visit and Briefing at JAG School	Charlottesville, VA			$0.00	$ 33.00
General Counsel	Fong, Ivan K.	Attend DEA/ICE Firearms Trafficking Meeting	Albuquerque, NY			$0.00	$ 498.39
General Counsel	Fong, Ivan K.	Attend S&T Legal Meetings	Chicago, IL			$0.00	$ 551.26
General Counsel	Fong, Ivan K.	Comprehensive Immigration Reform Meeting with Stakeholders	New York, NY			$0.00	$ 281.69
General Counsel	Fong, Ivan K.	Comprehensive Immigration Reform Meetings with Stakeholders	Los Angeles & San Francisco, CA			$0.00	$ 2,002.25
General Counsel	Fong, Ivan K.	Speech at CBP Chief Counsel Office Annual Strategic Management Meeting, Tour of Fusion Center, Meeting with DHS Attorneys	Minneapolis, MN			$0.00	$ 1,309.59
General Counsel	Fong, Ivan K.	USCG Tour and Briefing of Operations at GTMO and Key West	Guantanamo Bay			$0.00	$ 767.46
General Counsel	Davis, Virginia S.	Attorney Recruitment	New York, NY			$0.00	$ 128.00
Privacy Office	Mary Ellen Callahan	To Support the Deputy Secretary, Meet with Minister Ask to Discuss Privacy and Information Sharing, Meet with Officials to Accelerate Negotiations on Agreements and to	Frankfurt, Germany; Stockholm, Sweden		See above S2's trip for this location; traveler accompanied S2 on government	$0.00	$ 1,459.05

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Enhance Information Sharing Cooperation			aircraft (only on return leg).		
Privacy Office	Mary Ellen Callahan	To Speak at the American Library Association's Privacy Conference	Chicago, IL			$0.00	$ 442.75
Privacy Office	Mary Ellen Callahan	To Meet Key Partners at Ministries of Interior and Ministries of Justice to Advance DHS's Privacy Policy and Priorities and to Speak at the E-Identity Management Conference	The Hague, The Netherlands; Stockholm, Sweden; London, UK			$0.00	$ 4,577.21
Privacy Office	Mary Ellen Callahan	To Meet with Officials Responsible for Data Protection at Selected Ministries of Justice and Interior to Articulate Redress Available to Non-U.S. Persons. Meetings to Support DHS Mission of Information Sharing	Paris, France; Berlin, Germany; Brussels, Belgium			$0.00	$ 2,317.35
Privacy Office	Mary Ellen Callahan	To Attend and Chair the Data Privacy and Integrity Advisory Committee Meeting and Site Visits	Detroit, MI			$0.00	$ 798.55
Privacy Office	Lynn Parker	To Attend the Data Privacy and Integrity Advisory Committee meeting and Site Visits	Detroit, MI			$0.00	$ 831.85
Privacy Office	Lynn Parker	American Library Association Conference	Chicago, IL			$0.00	$ 781.75
Counternarcotics Enforcement	Kimberly O'Connor	Arms Trafficking Conference	Cuernavaca, MX			$0.00	$ 1,634.90
Counternarcotics Enforcement	Kimberly O'Connor	Press Conference on Southbound Interdiction Operations, Border Crimes, and Expanding Transborder Cooperation; Meeting with Sen. Feinstein and A/S	San Diego, CA			$0.00	$ 919.89

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
		Bersin and Drug Caucus Staff;					
Counternarcotics Enforcement	Kimberly O'Connor	SWB Counternarcotics Strategy Release	Albuquerque, NM			$0.00	$ 817.90
Counternarcotics Enforcement	William Garrett	CADCA Mid-Year Conference	Louisville, KY			$0.00	$ 1,203.91

Question: For the Immediate Office of the Secretary and the Immediate Office of the Deputy Secretary, please identify how much funding is in the base for the costs to reimburse other government entities for the use of their own planes for travel by the Secretary and Deputy Secretary. Please identify the assumptions behind the dollar figures for fiscal year 2009, and anticipated for 2010 and 2011.

ANSWER: The chart below outlines the base funding for government aircraft reimbursement in fiscal years 2009, 2010 and 2011 for Immediate Office of the Secretary and Immediate Office of the Deputy Secretary.

Base Funding for Government Aircraft Reimbursement			
	FY 2009	**FY 2010**	**FY 2011**
Secretary	$985,000	$1,936,000	$1,936,000
Deputy Secretary	$155,000	$349,000	$349,000

The FY 2009 base funding for Immediate Office of the Secretary and Immediate Office of the Deputy Secretary reflects actual costs for reimbursement of government aircraft usage.

The Immediate Office of the Secretary has $2,185,000 in the base for travel in FY 2010 and FY 2011, which represents the following:

- funds to reimburse other government entities for the use of aircraft - $1,936,000;
- reimbursement to the State Department for costs associated with international travel - $186,000; and
- personnel travel orders - $63,000.

The relative amount of funds spent between these actives varies based on the mix of foreign versus domestic travel; the more international travel, the higher the reimbursement costs are to the State Department, whereas less foreign travel leaves more funding available for aircraft fees for domestic travel.

The Immediate Office of the Deputy Secretary has $449,000 in the base for travel in FY 2010 and FY 2011, which represents the following:

- funds to reimburse other government entities for the use of aircraft - $349,000;
- reimbursement to the State Department for costs associated with international travel - $60,000; and
- personnel travel orders - $40,000.

The Deputy Secretary operates under the same circumstances as the Secretary, whereby the amount of funds available for reimbursement for plane costs varies on the amount of international and domestic trips.

Contracts

Question: Please provide a list of the sole source contracts executed by OSEM, USM, CIO and CFO in 2009. Organize the list by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and reason for issuing a sole-source contract.

Answer: See the table on the following page.

CONTRACTOR	PURPOSE	DOLLAR AWARD	FULL PERFORMANCE VALUE	CONTRACT START DATE	CONTRACT END DATE	REASON FOR SOLE-SOURCE
DIGITALIBIZ, INC.	Software and system engineering support for Position Navigation and Timing services for critical infrastructure.	$314,141.71	$314,141.71	8/27/2009	8/26/2010	8a Small Business Authorized by Statute
MAPQUEST, INC.	Purchase of MapQuest annual license with extended Geographic coverage license fee.	$82,500.00	$82,500.00	12/15/2008	12/15/2009	Only One Source
STRATECON, LLC.	Security, Test & Evaluation services.	$2,564,246.40	$2,564,246.40	9/30/2009	9/29/2010	8a Small Business Authorized by Statute

Question: Please provide for the record a list of all OSEM, USM, CIO and CFO contracts, grants and other transactions where work is performed outside of the United States. Organize by contractor, purpose, dollar award, full performance value, as well as contract start and end date.

Answer: NetCentric Technologies, Inc. is the only contract/grant/other transaction for which work is performed outside the United States in support of OSEM, USM, CIO and CFO program offices.

CONTRACTOR	PURPOSE	DOLLAR AWARD	FULL PERFORMANCE VALUE	CONTRACT START DATE	CONTRACT END DATE	PLACE OF PERFORMANCE COUNTRY
NETCENTRIC TECHNOLOGIES, INC.	Acquisition for software that enables Section 508 accessibility for PDF documents	$73,940	$73,940	6/4/2006	6/22/2007	CANADA

Working Capital Fund

Question: Please provide a table that shows all initiatives funded by the Department's working capital fund (WCF) in fiscal years 2008 and 2009, and those that are planned in fiscal years 2010 and 2011.

ANSWER: See the following table.

FY 2008-2011 WCF Activities
(Dollars in Thousands)

Activity Name	FY 2008 Actual	FY 2009 Actual	FY 2010 Enacted	FY 2011 Request
Fee for Service Activity				
GSA RENT	40,299	48,422	75,606	94,088
FEDLINK/(Library of Congress)	10,869	10,671	11,203	22,028
Financial Management (Finance & Acctg Shared Services)	29,176	26,413	22,657	31,271
Financial Statement Audit	13,212	13,544	15,552	18,806
Internal Control Audit	1,129	1,447	4,935	1,846
Financial Management	3,338	3,943	4,267	4,140
Bankcard Program	527	215	532	48
TIER	561	666	722	882
NFC Payroll Services & Reporting	30,710	32,344	35,045	38,560
HQ Human Capital	13,915	6,477	14,324	14,619
HCBS/Payroll Service Ops	7,227	6,244	7,809	11,254
Flexible Spending Plan	1,362	1,582	2,128	2,158
DHS Executive Leadership Development/Secretary's Leadership Conference	892	455	973	994
HQ Executive Leadership Development (TEI; SES FORUM and General Workforce Trng)	292	282	306	307
Employee Assistance Program	38	51	61	61
CIO/DHS Infrastructure Transf Pgm	50,455	51,237	52,649	53,422
NCR Infrastructure Operations	93,635	108,725	121,315	123,049
- Software Enterprise Licenses - Microsoft	21,129	51,960	46,474	54,562
Procurement Operations	43,935	44,090	48,131	49,112
Data Center Consolidation			150,000	178,540

Activity Name	FY 2008 Actual	FY 2009 Actual	FY 2010 Enacted	FY 2011 Request
Sub-Total	**362,702**	**408,768**	**614,689**	**699,746**
Tri-Bureau Service Activity				
Tri-bureau Human Resources Shared Services	22,859	20,730	-	-
IT Services from DOJ	37,119	43,243	37,977	41,024
Sub-Total	**59,978**	**63,973**	**37,977**	**41,024**
Government-wide Mandated Service Activity				
Interagency Council Funding	555	889	600	608
Recruitment One-Stop	1,101	862	1,191	1,208
e-Training	5,701	6,645	13,721	10,335
Enterprise HR Integration	2,724	3,689	3,763	3,778
Business Gateway	435	-	-	-
e-Rulemaking	735	636	765	357
e-Grants.gov	596	757	620	620
Human Resources Line of Business	261	261	266	267
e-govBenefits	134	139	-	-
Financial Management Line of Business	143	143	286	145
Geospatial Line of Business	-	62	65	63
Budget Formulation and Execution LoB	-	95	97	96
IAE Loans & Grants	190	190	192	190
e-gov.Integrated Acquisition Environment	1,733	2,271	1,680	1,668
e-gov. Disaster Management (DisasterHelp.gov)	12,270	12,270	12,515	12,945
Grants Management LoB	-	59	-	-
Sub-Total	**26,578**	**28,968**	**35,761**	**32,279**
DHS Cross-Cutting Activity				
Capital Planning and Investment Control (CPIC)	5,193	5,294	7,697	7,774
Ready Campaign (Ready.gov)	619	630	-	-
Strategic Sourcing	2,566	1,445	2,755	2,794
CPO Shared Reporting	4,400	3,999	5,267	5,267
Sub-Total	**12,778**	**11,368**	**15,719**	**15,835**
Working Capital Fund Operations	901	1,110	1,316	1,600
Sub-Total	**901**	**1,110**	**1,316**	**1,600**
Grand Totals	**462,937**	**514,187**	**705,463**	**790,484**

Question: Please provide a summary chart identifying each DHS agency and the total amount that each agency will be paying into the WCF in fiscal years 2010 and 2011.

ANSWER: See the following table.

FY 2010-2011 Component Assessment		
Component	**FY 2010 Enacted**	**FY 2011 Budget Request**
U.S. Customs & Border Protection	$87,124,348	$86,254,061
Federal Law Enforcement Training Center	$3,130,121	$3,216,991
U.S. Immigration & Customs Enforcement	$67,546,866	$58,774,964
Transportation Security Administration	$60,125,331	$55,623,761
Federal Emergency Management Agency	$29,526,513	$32,630,891

FY 2010-2011 Component Assessment		
Component	**FY 2010 Enacted**	**FY 2011 Budget Request**
National Protection and Program Directorate	$63,040,832	$69,268,819
Office of Health Affairs	$8,868,378	$11,125,571
Operations Coordination and Intel & Analysis	$41,364,932	$45,635,016
Office of the Inspector General	$744,224	$1,748,172
Science & Technology Directorate	$40,094,577	$46,947,054
Domestic Nuclear Detection Office	$15,599,526	$15,337,319
U.S. Coast Guard	$28,281,728	$33,298,154
U.S. Citizenship & Immigration Services	$49,108,520	$67,230,536
U.S. Secret Service	$6,394,058	$17,683,199
U.S. Visit	$14,688,694	$41,958,469
MGT - Office of the Under Secretary for Management	$48,490,050	$46,817,795
MGT - Chief Financial Officer	$6,836,306	$10,035,209
MGT - Chief Information Officer	$108,153,809	$117,456,861
OSEM - Office of the Secretary	$26,343,754	$29,441,533
Total Working Capital Fund	**$705,462,568**	**$790,484,377**

Reception and Representation

Question: Please provide a summary chart by DHS agency that shows the amount of reception and representation expenses provided in fiscal years 2009 and 2010 and requested in fiscal year 2011.

ANSWER: Please see the table on the following page.

Department of Homeland Security
Official Reception and Representation Distribution
Fiscal Year 2010
As of February 28, 2010

Component	FY 2009 Appropriated	FY 2009 Actual As of 9/30/2009	FY 2010 Enacted	Current Obligation- To-Date (2/28/10)	Unobligated Authority	Expenditures Year-To- Date (2/28/10)	FY 2011 President's Request
Office of the Secretary & Executive Management	$ 60,000	$ 59,894	$ 60,000	$ 10,460	$ 49,540	$ 10,445	$ 60,000
Office of the Under Secretary for Management	3,000	-	3,000	-	3,000	-	3,000
Analysis and Operations	5,000	1,374	5,000	-	5,000	-	5,000
Customs and Border Protection	45,000	44,896	45,000	16,783	28,217	13,802	45,000
Immigration and Customs Enforcement	15,000	12,316	15,000	6,564	8,436	6,564	15,000
Transportation Security Administration	10,000	9,533	10,000	1,526	8,474	1,526	10,000
United States Coast Guard	20,000	20,000	20,000	2,618	17,382	2,618	20,000
United States Secret Service	25,000	19,123	25,000	12,777	12,223	3,501	25,000
National Protection and Programs Directorate	5,000	1,161	5,000	2,971	2,029	2,971	5,000
Office of Health Affairs	3,000	-	3,000	-	3,000	-	3,000
Federal Emergency Management Agency	3,000	1,000	3,000	300	2,700	-	3,000
Federal Law Enforcement Training Center	12,000	11,857	12,000	1,265	10,735	841	12,000
Science and Technology	10,000	9,892	10,000	781	9,219		10,000
Domestic Nuclear Detection Office	3,000	-	3,000	-	3,000	-	3,000
Total	**$219,000**	**$191,045**	**$219,000**	**$56,045**	**$162,955**	**$42,269**	**$219,000**

Question: Please provide a table showing the amount each agency spent in 2009 for reception and representation, and how much funding has been obligated to date in 2010 for reception and representation. Please provide details on each expenditure.

ANSWER: Please see the following table.

Department of Homeland Security
Official Reception and Representation Obligation and Expenditures in 2nd Qtr. FY 2010 by Component
As of March 31, 2010

Component Name	Name of Event(s)	Date of Event	List Number of Guests/Attendees	Purpose of Event	Description of Items Purchased	Obligations/Cost of Item(s) purchase	Expenditures As of March 31, 2010	Remaining Budget Authority	FY 2010 Enacted
Office of the Secretary & Executive Management (OSEM)									
	official gifts	10/21/2009	1	official meeting	Gift - Book "Clemente: The Passion & Grace of Baseball's last Hero"	13	13	59,987	$60,000
	official gifts	10/21/2009	1	official meeting	Shipping & Handling	12	12	59,975	
	official gifts	10/21/2009	1	official gifts	Shipping & Handling	12	12	59,963	
	official gifts	10/22/2009	1	official gifts	Gift - Book "Baseball from the Heart"	28	28	59,935	
	official gift supplies	10/28/2009	23	official gifts	Gift wrapping supplies	35	35	59,900	
	official gifts	10/29/2009	3	official gifts	Sterling silver "T" clip pens	405	405	59,495	
	official gifts	10/29/2009	2	official gifts	USS Constitution Ball Point Pens	230	230	59,265	
	S1 official meeting	11/2/2009	DHS - 3; Non-DHS - 5	official meeting	coffee service	16	16	59,249	
	S2 official meeting	11/2/2009	Breakfast: DHS - 1; Non-DHS - 3 Lunch: DHS - 8; Non-DHS - 9	official meeting	breakfast and lunch service	270	270	58,979	
	S1 official lunch meeting	11/2/2009	DHS - 1; Non-DHS - 1	official meeting	lunch service	18	18	58,961	
	S1 International Meeting	11/2/2009	DHS - 5; Non-DHS - 5	official meeting	coffee service	20	20	58,941	
	S1 International Meeting	11/2/2009	DHS - 3; Non-DHS - 9	official meeting	coffee service	24	24	58,917	
	official gifts	11/2/2009	1	gifts for official meetings	Book "The American Eagle"	75	75	58,842	
	official gifts	11/2/2009	5	gifts for official meetings	Salisbury Pewter Revere Bowl (1), Salisbury Pewter Images Bowl (2), Salisbury Pewter Paperweight (2)	435	435	58,407	
	official gifts	11/3/2009	2	gifts for official meetings	Official Gift - Brass Compass	89	89	58,318	
	S2 JCG Meeting	11/13/2009	DHS - 12; Non-DHS - 18	official meeting	lunch and afternoon snack service	151	151	58,167	
	official gifts	11/20/2009	1	official gifts	Credit for Shipping Charges	(12)	(12)	58,179	
	S2/UK JCG Meeting	11/23/2009	DHS - 12; Non-DHS - 18	official meeting	breakfast service	150	150	58,029	
	S2/UK JCG Meeting	11/23/2009	DHS - 12; Non-DHS - 18	official meeting	lunch service	450	450	57,579	
	official meeting supplies	11/23/2009	1	official meeting	Coffee & creamers for meetings w/ foreign delegations at RBB	30	30	57,549	
	S1/Int'l Delegation breakfast meeting	11/23/2009	DHS - 1; Non-DHS - 2	official meeting	breakfast service	22	22	57,527	
	S2 official meeting	12/3/2009	DHS - 3; Non-DHS - 3	official meeting	coffee service	12	12	57,515	
	S2 reception HQ UK delegation	12/4/2009	DHS - 25; Non-DHS - 30	official meeting	S2 JCG reception	1,838	1,838	55,677	
	S2 reception HQ UK delegation	12/4/2009	1	official meeting	fee for convenience check #10,21	37	37	55,640	
	official gifts	12/7/2009	10	official gifts	American Indian Glass Sculptures for SI Gifts	870	870	54,770	
	official gift supplies	12/7/2009	12	official gifts	gift wrapping supplies	50	50	54,721	
	official gift supplies	12/14/2009	7	official gifts	gift wrapping supplies	55	55	54,666	
	official gifts	12/21/2009	4	official gifts	Jay Strongwater Star of David Box and Hannah Scroll Mezuzah	657	657	54,009	
	official gifts	12/24/2009	5	official gifts	glass sculptures	505	505	53,504	
	official gift supplies	12/28/2009	24	official gifts	gift wrapping supplies	23	23	53,481	
	water supplies for official meetings	1/6/2010	5	official meeting	bottled water for RRB	20	20	53,461	
	S2/Int'l Delegation meeting	12/3/2009	DHS - 3; UK delegation - 3	official meeting	coffee service	10	10	53,451	
	S1 official meeting	12/15/2009	DHS - 5; Immigration Advocates - 17	official meeting	water service	10	10	53,441	
	S2/Int'l Delegation meeting	12/9/2009	DHS - 5; El Salvador delegation - 6	official meeting	coffee service	15	15	53,426	
	S2/Int'l Delegation meeting	12/9/2009	DHS - 5; Canada delegation - 6	official meeting	coffee service	15	15	53,411	
	official gifts	1/5/2010	5	official gifts	glass sculptures	495	495	52,916	
	official gifts	1/8/2010	2	official gifts	poetry books	150	150	52,766	
	official gifts	1/8/2010	2	official gifts	poetry books	260	260	52,506	
	official gifts	1/8/2010	6	official gifts	leather padfolios	300	300	52,206	
	S2-hosted/Int'l Delegation lunch in Australia	1/10/2010	DHS - 7; Australia delegation - 8	official meeting	lunch service	341	341	51,865	
	official gifts	1/11/2010	2	official gifts	book	105	105	51,760	

	official gifts	1/13/2010	6	official gifts	leather padfolios	619	619	51,141	
	official gifts	1/18/2010	3	official gifts	compass	99	99	51,042	
	official gifts	1/21/2010	1	official gifts	sales tax refund	(4)	(4)	51,046	
	official gift supplies	1/19/2010	20	official gifts	Gift wrapping supplies	12	12	51,034	
	S1-hosted/Int'l Delegation breakfast meeting	1/22/2010	DHS - 4; German delegation- 4	official meeting	breakfast service	76	76	50,958	
	official gifts	1/25/2010	1	official gifts	sales tax refund	(31)	(31)	50,989	
	official gifts	1/22/2010	1	official gifts	book tip-in page	10	10	50,979	
	S1/Int'l Delegation meeting	1/25/2010	DHS - 3; Japan delegation- 2	official meeting	coffee service	10	10	50,969	
	S1/Int'l Delegation meeting	1/25/2010	DHS - 4; China delegation - 4	official meeting	coffee service	16	16	50,953	
	S2/Int'l Delegation meeting	2/19/2010	DHS - 4; Nigeria delegation - 7	official meeting	coffee service	22	22	50,931	
	official gifts	2/22/2010	4	official gifts	book tip-in pages	40	40	50,891	
	official gifts	2/22/2010	4	official gifts	books and tip-in pages	250	250	50,641	
	Croation Delegation	1/25/2010	DHS - 11 Croations - 24	VWP Info Sharing Discussions	Meals	400	400	50,241	
	Croation Delegation	1/26/2010	DHS - 11 Croians- 24	VWP Info Sharing Discussions	Meals	249	249	49,992	
	Austrian Delegation	2/2/2010	DHS 8 Austrians - 15	VWP Info Sharing Discussions	Meals	231	231	49,761	
	EU PNR Delegation	2/8/2010	DHS - 8 EU Reps - 8	VWP Info Sharing Discussions	Meals	65	65	49,696	
	EU PNR Delegation	2/9/2010	DHS - 8 EU Reps - 8	VWP Info Sharing Discussions	Meals	156	156	49,540	
TOTAL OSEM Rep Funds						**$ 10,460**	**$ 10,460**	**$ 49,540**	**$ 60,000**
Office of the Under Secretary for Management (USM)									
TOTAL USM Rep Funds						**$ -**	**$ -**	**$ 3,000**	**$ 3,000**
Analysis and Operations									
	ITACG Advisory Council Meeting	12/10/2010	11 Guest 13 DHS 7 Other Guest	ITACG Advisory Council meetings are held on a quarterly basis	Morning Break Food	$333	$333	$4,668	
TOTAL A&O Rep Funds						**$ 333**	**$ 333**	**$ 4,668**	**$ 5,000**
U.S Customs and Border Protection (CBP)									
	Kenya Dinner Meeting	10/10/2009	6 - Kenyan Officials 1 - Department of State 4 - CBP Officials	In support of capacity building efforts CBP hosted a border tour for 6 Kenyan officials from Kenya's Administration Police and Kenyan Wildlife Service	Food, Beverages	800	$ 472	$ 44,200	$ 45,000
	Executive Steering Committee Meeting w/Mexico	11/6/2009	5 - Mexican Officials 1 - DHS - HQ Official 5 - CBP 5 - ICE	Executive Steering Committee hosted by CBP for Commissioner of Mexican Revenue Service and his delegation to discuss U.S. - Mexico bilateral issues	Light Food, Beverages	400	297	43,800	
	Meeting with New Zealand	10/6/2009	5 - New Zealand Officials 5 - CBP	Meeting with Martyn Dunne, Chief Executive Officer of New Zealand Customs to discuss Mutual Recognition, 10+2, 100%+ Scanning	Food, Beverages	300	257	43,500	
	International Expedited Traveler (IET) Initiative Steering Committee meeting w/Netherlands	11/13/2009	8 - Netherlands Officials 1 - Canada 9 - CBP	Meeting between U.S. and Netherlands to conduct a 6-month review of the Fast Low-Risk Universal Crossing (FLUX) program	Food, Beverages	500	500	43,000	
	Reception	12/1/2009	Various Embassy Officials and other high level officials	Holiday Reception hosted by Acting Commissioner of Customs	Food, Beverages	7700	7700	35,300	
	LEWG Reception - Brussels	12/4/2009	30 - Customs Officials from various Embassies	Law Enforcement Working Group reception to facilitate outreach to a variety of critical partners who support U.S. interests and goals	Food, Beverages	500	0	34,800	

	LEWG Reception - Canada	12/8/2009	Various Embassy Officials and other high level officials	Law Enforcement Working Group reception to facilitate outreach to a variety of critical partners who support U.S. interests and goals.	Food, Beverages	500	500	$2,300	
	Dinner	12/9/2009	30 - Mexican Officials 2 - DHS 3 - DHS - HQ Officials 1 - CBP 1 - ICE	Dinner hosted at Ambassador Carolos Pascual residence in Mexico for DHS Assistant Secretary, Alan Hershon and Mexican Commissioner, B.Al. Avigeal Ocampo and other high-level Mexican dignitaries.	Food, Beverages	367	0	33,793	
	LEWG Reception - Italy	12/10/2009	300 Foreign Dignitaries	Law Enforcement Working Group reception to facilitate outreach to a variety of critical partners who support U.S. interests and goals.	Food, Beverages	1000	1000	32,793	
	Working breakfast and lunch	12/11/2009		CBP Chief of Staff hosted a meeting with several private sector general to discuss policy issues and concerns of these stakeholders in the border communities.	Food, Beverages	616	0	32,177	
	Protocol Supplies	12/11/2009		Purchase of protocol supplies to be used by the Office of the Commissioner when hosting high level foreign dignitaries.	Supplies	500	500	31,677	
	Lunch Meeting	12/14/2009	8 - Hong Kong Officials 3 - CBP	Luncheon meeting for Hong Kong Customs and Immigration officials hosted by CBP to promote bilateral relations and discuss IAPM, scanning, BSI and other issues.	Food, Beverages	575	336	31,102	
	LEGW Reception	1/14/2010	300 Foreign Dignitaries	The Group meets to discuss pressing security issues in an attempt to mitigate any potential risks to the U.S.	Food, Beverages	160	0	30,942	
	Dinner Meeting	1/17/2010	26 - Chinese officials 1 - UN Consul General 3 - CBP	Dinner hosted by CBP Representative Office in Beijing to furtherance of the cooperative relationship between CBP and Government of China	Food, Beverages	953	953	29,989	
	Dinner Meeting	1/26/2010	23 - Mexican Officials 28 - CBP & ICE Officials	Dinner hosted by CBP Attache, Mexico in order to advance the US-Mexico bilateral partnership while fulfilling the CBP mission.	Food, Beverages	300	300	29,689	
	Dinner	2/15/2010	7 -Mexican Officials 7 - DHS Officials	Dinner hosted at Ambassador Carolos Pascual residence in Mexico for Mexican Government Officials, Alan Hershon and other representatives from DHS.	Food, Beverages	432	0	29,257	
	Working Dinner	2/17/2010	4 Mexican Officials (Non-DHS attendees) 4 CBP/DHS Official	Dinner hosted by CBP Chief of Staff - informal discussion on collaboration for border security.	Food, Beverages	968	968	28,289	
TOTAL CBP Rep Funds						**$ 16,711**	**$ 12,802**	**$ 28,289**	**$ 45,000**
U.S Immigration and Customs Enforcement (ICE)									
	SEDENA Officials (Lunch)	10/19/2009	10 DHS/3 Non-DHS	Meet SEDENA Officials to promote the exchange of intelligence information and coordination of ICE vetted units in support of Mexico and the U.S. efforts at disrupting and dismantling major cartel networks operating within Mexico and the U.S.	Food/Beverages	$ 180	$ 180	$ 14,820	$15,000
	SEDENA Officials (Dinner)	10/20/2009	4 DHS/9 Non-DHS	Meet SEDENA Officials to promote the exchange of intelligence information and coordination of ICE vetted units in support of Mexico and the U.S. efforts at disrupting and dismantling major cartel networks operating within Mexico and the U.S.	Food/Beverages	1,217	1,217	13,603	
	Chief Exec Lin Homer	11/17/2009	4 DHS/2 Non-DHS	Increase law enforcement cooperation facilitated by the ICE Attache London.	Food/Beverages	101	101	13,503	
	Mexican Deputy Attorney General (Lunch)	11/19/2009	3 DHS/4 Non-DHS	Increase law enforcement cooperation facilitated by the ICE Attache Mexico City.	Food/Beverages	168	168	13,334	
	Mexican Deputy Attorney General (Lunch)	11/20/2009	7 DHS/2 Non-DHS	Increase law enforcement cooperation facilitated by the ICE Attache Mexico City.	Food/Beverages	232	232	13,102	
	Abraham Gonzalez, Former Deputy Secretary of Gobernacion (Lunch)	11/29/2009	3 DHS/2 Non-DHS	Increase law enforcement cooperation facilitated by the ICE Attache Mexico City.	Food/Beverages	447	447	12,655	
	Saipan	12/2/2009	9 DHS/10 Non-DHS	Initiate the building of partnerships with key governmental and non-governmental officials in the Commonwealth of the Northern Mariana Islands.	Food/Beverages	750	750	11,905	

	Natl. IPR Center	12/2/2009	15 DHS/55 Non-DHS	CEO Industry Luncheon and Corporate Security Meeting	Food/Beverages	1,200	1,200	10,705	
	Ontario Provincial Police	12/15/2009	6 DHS/2 Non-DHS	Increase law enforcement cooperation facilitated by the ICE Attache Ottawa	Food/Beverages	383	383	10,321	
	Introduce El Salvadoran delegation to ICE	1/11/2010	6 DHS/6 Non-DHS	Introduce El Salvadoran delegation to ICE reps. To discuss the upcoming tour of ICE facility and Ice removal flight to El Salvador	Food/Beverages	658	658	9,664	
	Dinner for Law Enforcement Officials	1/19/2010	2 DHS/4 Non-DHS	Constitute a partnership between law enforcement officials in Arizona and the ICE Agency	Food/Beverages	428	428	9,236	
	Northern Border Posse	2/3/2010	11 DHS/18 Non-DHS	Binational law enforcement meeting that was attended by. DHS, CBP, ICE and high level local and foreign dignitaries	Food/Beverages	800	800	8,436	
TOTAL ICE Rep Funds						**$ 6,564**	**$ 6,564**	**8,436**	**$ 15,000**
Transportation Security Administration									
	Dinner with UK Officials	10/5/2009	1- DHS 1 Non-DHS	discuss transportation security initiatives	none	$ 198	$ 198	$ 9,802	$ 10,000
	Euro Civil Aviation Conference	10/5/2009	1 -DHS 5 - Non-DHS	Host European Civil Aviation Conference	none	155	155	$ 9,647	
	Embassy Community Open House	10/5/2009	100 -DHS approx 133- Non- DHS	Host open house for transportation counselor from approximately 100 embassies.	none	461	461	$ 9,186	
	US-France TSWG	10/15-16/2009	9 - DHS 15 Non-DHS	Host the US-France TSWG meeting	none	250	250	$ 8,936	
	US European Union transportation Security Cooperation group	10/28-29/2009	8 -DHS 15 - Non DHS	Host the TSCG meeting	none	148	148	$ 8,789	
	US -Israel Aviation Security Working Group	11/17-18/2009	3 - DHS 6 - Non DHS	Host ASWG meeting	none	315	315	$ 8,474	
TOTAL TSA Rep Funds						**$ 1,526**	**$ 1,526**	**$ 8,474**	**$ 10,000**
United States Coast Guard (USCG)									
	Dignitary Visit	11/30/2009	1	Foreign Visit	Plaque for Gift	$ 41	$ 41	$ 19,959	$ 20,000
	Visits by Foreign Dignitaries	Various (1 Oct 09 - 31 Dec 09)	188	Foreign Dignitary Visits	Coffee/Light refreshments/Meals @ average cost $2.32/guest in USCG HQ flag mess	436	436	19,524	
	Visit by Director, Irish Coast Guard	10/2/2009	1 DHS 6 Non-DHS	Foreign Dignitary Visit	Food & refreshments for reception in Commandant's Quarters	258	258	19,266	
	Visit by Secretary Mexican Navy	11/9/2009	5 DHS 6 Non-DHS	Foreign Dignitary Visit	Food & refreshments for reception in Commandant's Quarters	253	253	19,013	
	Meeting with IMO Representatives	11/23/2009	3 DHS 15 Non DHS	Foreign Meeting	Breakfast & Lunch at IMO, London, UK	819	819	18,194	
	Visit by International Association of Lighthouse Authorities	1/14/2010	5 DHS 15 Non-DHS	Foreign Dignitaries Visit	Food & refreshments for reception in USCG Flag Officers Mess	600	600	17,594	
	Visit by European Union Representatives	1/21/2010	4 DHS 6 Non-DHS	Foreign Dignitaries Visit	Food & refreshments for reception in Commandant's Quarters	192	192	17,402	
TOTAL USCG Rep Funds						**$ 2,598**	**$ 2,598**	**$ 17,402**	**$ 20,000**
United States Secret Service (USSS)									
	DHS EEO & Civil Rights Directors Meeting	10/7/2009	DHS-10	EEO Directors Meeting	Light Refreshments	$ 83	$ 83	$ 24,917	$ 25,000
	Nat'l Security Meeting for Business Exec	10/20/2009	DHS- 4 Non-DHS- 19	National Security Meeting	Light Refreshments	50	50	24,867	
	Nat'l Security Luncheon for Business Exec	10/21/2009	DHS- 4 Non-DHS- 19	National Security Luncheon	Luncheon	361	361	24,506	
	Canadian Security & Intelligence Liaison	10/21/2009	DHS- 1 Non-DHS- 5	Canadian Security & Intelligence Luncheon	Luncheon	84	84	24,423	
	Combined Federal Campaign Reps Mtg	11/4/2009	DHS- 2 Non-DHS- 5	CFC Reps Luncheon	Luncheon	180	180	24,243	

	CFC Reps Charity Fair	11/16/2009	DHS-1	Non-DHS- 23	CFC Reps Charity Fair	Light refreshments	81	81	24,162	
	CFC Reps Kick Off Event	11/16/2009	DHS-1	Non-DHS- 23	CFC Reps Kick Off Event	Light Refreshments	132	132	24,030	
	Director's Holiday Reception	12/4/2009	DHS-140	Non-DHS-260	Director's Holiday Reception	Refreshments	525	525	23,505	
	USSS Recruiting Meeting	12/4/2009	DHS- 6	Non-DHS- 10	USSS Recruiting Luncheon	Luncheon	228	228	23,278	
	Director's Holiday Reception	12/9/2009	DHS-140	Non-DHS-260	Director's Holiday Reception	Ice for Reception	19	19	23,259	
	Former PPD and VPD SAIC meeting	12/9/2009		DHS- 2 Non-DHS-13	Former PPD and VPD SAIC meeting	Light refreshments	60	60	23,198	
	Former PPD and VPD SAIC luncheon	12/9/2009		DHS- 2 Non-DHS-13	Former PPD and VPD SAIC luncheon	Luncheon	625	625	22,573	
	Director's Holiday Reception	12/9/2009	DHS-140	Non-DHS-260	Director's Holiday Reception	Catered Reception	9,276	-	13,297	
	Melwood/Emcor Reception	12/23/2009		DHS-7 Non-DHS-45	Reception honoring Melwood and Emcor Employee's	Light refreshments	71	71	13,226	
	Protection review Committee meeting	01/06/2010		DHS-2 Non-DHS-5	Protection review Committee meeting	Light Refreshments	153	153	13,073	
	Protection review Committee meeting	01/06/2010		DHS-2 Non-DHS-5	Protection review Committee meeting	Luncheon	283	283	12,790	
	Protection review Committee meeting	01/28/2010		DHS-2 Non-DHS-4	Protection review Committee meeting	Luncheon	145	145	12,645	
	Protection review Committee meeting	01/29/2010		DHS-2 Non-DHS-4	Protection review Committee meeting	Luncheon	145	145	12,500	
	Protection review Committee meeting	01/28-29/10		DHS-2 Non-DHS-8	Protection review Committee meeting	Light Refreshments	93	93	12,407	
	Meeting with Univ of Miami representatives	02/14/2010		DHS-2 Non-DHS-13	Meeting with Univ of Miami representatives	Light Refreshments	32	32	12,375	
	Irongate meeting	02/22/2010	DHS-3	Non-DHS-53	Irongate meeting	Light Refreshments	152	152	12,223	
TOTAL USSS Rep Funds							$ 12,777	$ 3,501	$ 12,223	$ 25,000
National Protection and Programs Directorate (NPPD)										
	Meridian Conference	10/29/2009		DHS - 9 Non DHS - 47	DHS Sponsored - Facilitate information sharing and trust building regarding critical information infrastructure protection (CIIP) among international partners	Food & Beverages	$ 2,971	$ 2,971	$ 2,029	5,000
TOTAL NPPD Rep Funds							$ 2,971	$ 2,971	$ 1,958	$ 5,000
Office of Health Affairs (OHA)										
TOTAL OHA Rep Funds							$ -	$ -	$ 3,000	$ 3,000
Federal Emergency Management Agency										
	Russian Dignitaries Visit	12/11/2009	2 USG Guest, 11 Foreign Dignitaries and 8 FEMA Employees		EMERCOM of Russia Leadership met with FEMA Leadership	10 Qty. - DHS FEMA Agency Color Pins	$ 100	$ 100	$ 2,900	$ 3,000
	Russian Dignitaries Visit	12/11/2009	Same as above		Same as above	10 Qty. - DHS Presentation Coin Display Boxes	150	150	2,750	
	Russian Dignitaries Visit	12/11/2009	Same as above		Same as above	1 Qty. - DHS Silver Plated Cuff Links	25	25	2,725	
	Russian Dignitaries Visit	12/11/2009	Same as above		Same as above	Expedited Shipping Costs	25	25	2,700	
	Geomagnetic Storm Workshop	2/23/2010	Primary Participants : 5 USG Guests, 7 Foreign Dignitaries and 5 FEMA Employees. Secondary Participants 7 Foreign, 8 FEMA Employees, 7 Federal Government Employees, and 10 support Staff		Emergency Management Workshop with Foreign Agencies	Coffee/Refreshments	315	315	2,385	
TOTAL FEMA Rep Funds							$ 615	$ 615	$2,385	$ 3,000

Federal Law Enforcement Training Center (FLETC)									
	Various	Various	Non-DHS - 63	Various	Cafeteria Meal Tickets	$ 424	$ -	$ 11,576	$ 12,000
	Law Enforcement Appreciation Breakfast	10/21/2009	DHS - 9 Non-DHS - 23	Recognize Outstanding Local Law Enforcement Officials	3 Law Enforcement Appreciation Plaques	291	291	11,285	
	Visit of Admiral Allen, Commandant USCG	10/23/2009	DHS - 12 Non-DHS 16	Graduation Guest Speaker; Meet with Director	Luncheon	419	419	10,866	
	Visit of Admiral Allen, Commandant USCG	10/23/2009	DHS - 12 Non-DHS 16	Graduation Guest Speaker; Meet with Director	Clock	71	71	10,795	
	Visit of Deputy Secretary Jane Holl Lute	2/23/2010	DHS - 6 Non-DHS 35	Visiting Deputy Secretary, her staff, and Partner Organization representatives	Light Refreshments	113	113	10,682	
TOTAL FLETC Rep Funds						**$ 1,318**	**$ 894**	**10,682**	**$ 12,000**
Science and Technology (S&T)									
	Exchange items for Dignitary visits and meetings (Grant Program, Kick-Off and Close-Out meetings and other preparatory and follow- on meetings related to bilateral conferences) for FY 2010	12/16/2009		Gift exchange for Foreign National leaders participating in bilateral conferencs and meetings in FY 2010	Various Gifts, lapel Pins	$ 461	$ 461	$ 9,540	$ 10,800
	Lunch for our counterparts in Singapore (Ministry o (Home Affairs) and S&T	1/26/2010	3 Singaporeans and 4 DHS	Gift exchange for Foreign National leaders participating in bilateral conferences and meeting in FY 2010	Food	29	29	9,511	
	Lunch for the DHS S&T UK home Office Meetings	1/27/2010	5 UK and 6 DHS	**United Kingdom's Home Office in meetings with Under Secretary on planned bilateral activities.**	Food	47	47	9,464	
TOTAL S&T Rep Funds						**$ 536**	**$ 537**	**$ 9,464**	**$ 10,000**
Domestic Nuclear Detection Office (DNDO)									$ 3,000
TOTAL DNDO Rep Funds						**$ -**	**$ -**	**$ 3,000**	**$ 3,000**
TOTAL DHS REP FUNDS						**$ 56,410**	**$ 43,802**	**$ 162,520**	**$ 219,000**

QUESTIONS FOR THE RECORD SUBMITTED BY

The Ranking Member Harold Rogers

Secretary Napolitano
FY2011 Budget

Staffing for DHS Departmental Management

Question: Please list the title, job description, assigned office/agency, and location for each of the 576 FTE position enhancements funded in FY11, including annualized positions and contractor conversions, above FY10 and detailed by PPA for each appropriation within Departmental Management, including: the Office of the Secretary and Executive Management; Office of the Under Secretary for Management; Office of the Chief Financial Officer; Office of the Chief Information Officer; and DHS HQ Consolidation.

Answer: See the table on the following page.

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
USM	CSO	9		23	Special Security Officers	Provides Protection of SCI
				1	Procurement Specialist	Processes OS Procurements
				1	Human Capital Specialist	Provides OS Human Capital Services
				2	Security Specialists	Provides OS Asset Management
				5	Security Specialists	Provides Classification Management
				2	Counterintelligence Coordinators	Provides Counterintelligence Services
				4	Security Specialists	Provides Technical Surveillance Counter Measures
				6	Physical Security Specialists	Provides Physical Security Support
		5		18	Security Specialists	Provides Security Adjudications
				5	Security Assistants	Provides Security Adjudication Support
				5	Security Specialists	Provides Access Control Support
	CPO	2			Program Managers Supervisory Branch Chiefs	Serves as acquisition technical experts to the assistant Director/Director APMD, USM, CPO and other Headquarters staff, DHS activities relative to the implementation, management and operation of the DHS acquisition system.
		4			Program Managers	Provides oversight of individual acquisition programs at all levels within DHS
		1			Systems Engineer	Provides advice and assistance on the system engineering (SE) aspects of acquisition at DHS.
		1			Logistician	Provides advice and guidance on undefined issues and elements relating to logistical acquisition initiatives critical to the DHS mission.
		1			Management Analyst	Performs office management duties such as action item tracking, COTR, and personnel administration.
		1			Correspondence Manager	Provides routing and retrieval direction and structure for all incoming and

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
						outgoing correspondence.
		3			Contracting Officer	Section Heads and Supervisory Contracting Officers for the Cyber Security Program (2) and a remote location (1); Responsible for all contracting activity within their sections and all personnel actions for their subordinates.
		1			Cost Analyst	Cost Analyst to support all programs supported by OSA, including Life Cycle Costing, Proposal Review, and EVM.
		4			Contract Specialists/Officers	Contracting support to DNDO (2), I&A (1) and a remote location (1). Individuals plan, develop and establish contractual strategy for contracting activities; determine the types of contracts to be used, and develop the terms and conditions of the solicitation.
		2			Contract Specialist	Contract Specialists to support remote location. Individuals plan, develop and establish contractual strategy for contracting activities; determine the types of contracts to be used, and develop the terms and conditions of the solicitation.
		1			Administrative Specialist	Administrative and Procurement support to the OSA HCA and all OSA contracting personnel. Provides routing and retrieval direction and structure, contract distribution and contract file maintenance.
		1			Contracting Specialist	Contract Specialist to support Cyber Security Program. Individuals plan, develop and establish contractual strategy for contracting activities;

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
						determine the types of contracts to be used, and develop the terms and conditions of the solicitation.
		18			Contract Specialists	Performs developmental assignments involving the planning, negotiation, award and administration of contract actions.
		18			Program Managers	Provides oversight of individual acquisition programs; analyzes program performance and trends.
		6			System Engineers	Analyzes, evaluates, and advises regarding systems engineering requirements of acquisition programs; performs requirements analyses; identifies functional requirements.
		2			Logistician	Develops and implements integrated logistics support plans for acquisition programs; conducts research and studies that involve design influence, maintenance planning, technical data, and support equipment.
		3			IT Specialist	Provides advice and recommendations regarding technical requirements for major IT acquisitions; provides recommendations to accomplish IT objectives.
		3			Business Cost Estimator	Performs cost analysis of acquisition systems; performs cost sensitivity and cost benefit analyses.
			*75		Note* A CPO-led staffing analysis of the major program offices & contracting activities will determine the placement of these positions.	These are not intended to be HQ positions. We expect to identify program mgmt, logistics, system engineering & other acquisition disciplinary functions to be filled by these FTEs.
				16	Contract Specialists	Performs developmental assignments involving the planning, negotiation, award

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
						and administration of contract actions.
				18	Program Manager	Performs developmental assignments in support of acquisition programs to include the analysis and evaluation of cost, schedule, and performance objectives to ensure achievement of acquisition goals.
				8	Systems Engineer	Performs developmental systems engineering assignments in support of acquisition programs for new, fielded or modified acquisition systems.
				2	Logistician	Performs developmental assignments such as maintenance planning and evaluation of technical data requirements in support acquisition programs.
				3	Information Technology Specialist	Performs developmental assignments, such as requirements analysis and alternatives analysis in support of major IT acquisitions.
				3	Business Cost Estimator	Performs development assignments to include cost analysis of systems/subsystems and development of cost estimates in support of acquisition programs.
	CHCO	1			Program Analyst (Budget)	Duties: formulation and execution activities to include development of budget narrative, certification of funds, monthly reconciliations, and developing periodic budget reports to support all OCHCO program requirements
		1			HR Specialist (Accountability)	Duties: Assess Department-wide HC Programs for effectiveness, efficiency, and compliance with merit system principles, laws, and regulations.
		1			HR Specialist (Policy)	Duties: Develop, implement, and

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
						evaluate corporate policy for: (1) Classification; (2) Staffing; (3) Compensation; and (4) Benefits.
		1			HR Specialist (Diversity)	Duties: Develop, implement, and evaluate policy; recruitment and outreach activities; develop and deploy department-wide training for managers and supervisors
				12	Program/Management Analyst	Duties: Functional and Technical Analysis, Enterprise Reporting
				6	Program/Management Analyst	Duties: Project Management, Risk Management, Strategic Planning
				1	Program/Management Analyst	Duties: Business Management (Acquisition Management, Capital Planning and Investment, Financial Analysis)
				2	Program/Management Analyst	Duties: Training Technical Support
				4	Program Specialist	Duties: Systems Design, Testing and Certification
				1	Program Analyst	Duties: Integration and special projects lead; oversee the development of communications and products; develop, draft and implement protocols and policies for OCHCO and Department-wide; lead Webmaster for OCHO
				1	Program Analyst	Duties: Assess and evaluate the effectiveness of OCHCO communication strategies, programs, materials, distribution and feedback channels; develop, design and review human capital communication plans, products and tools; develop, format, and review communications, including internal website; special projects
				1	HR Specialist (Leadership and	Duties: Oversees the SES CDP Program,

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
					Succession Programs)	the DHS Fellows Program, and the National Security Professional Development Program, as well as other leadership development programs.
				1	Program Manager (Training)	Duties: Oversees all leadership training for DHS Headquarters and other special training programs as requested.
				1	HR Specialist (Policy, Plans and Outreach)	Duties: Serves as the POC for all academic outreach programs including those at the Senior Service Schools and works on training and development-related policy and planning initiatives.
				1	Instructional Systems Designer	Duties: Designs curricula, conducts assessments and evaluations on training, and participates in Human Resources Operations Audits.
				1	HR Specialist (Training)	Duties: Works on developing training related to the National Security Professional Development Program.
				1	HR Specialist (Training)	Duties: Under the guidance of the Instructional Systems Designer, provides support for designing curricula, conducting assessments and evaluations on training, and fulfilling requirements associated with Human Resources Operations Audits.
				2	HR Specialist (Performance Management)	Duties: Assist with formulation and/or maintenance of DHS employee performance management and recognition policy and programs.
				1	HR Specialist (Workforce Planning/Analysis)	Duties: Conduct competency assessments; provides strategic organizational planning advice to components; analyze and integrate the HR information required by staff into

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
						retrieval capabilities of automated data systems.
				1	Program Analyst	Duties: Research good practices. Develop reporting requirements and formats; synthesize results for review. Develop and analyze data requests and basic statistics.
				1	HR Specialist (Policy)	Duties: develop, implement, and evaluate corporate policy for: (1) Classification; (2) Staffing; (3) Compensation; and (4) Benefits; provide technical advice in these areas.
				1	HR Specialists (Accountability)	Duties: Assess Department-wide HC Programs for effectiveness, efficiency, and compliance with merit system principles, laws, and regulations; and, provide analyses and integration of HR information required for Department-wide reporting.
				1	HR Specialists (Accountability)	Duties: Assess Department-wide HC Programs for effectiveness, efficiency, and compliance with merit system principles, laws, and regulations; and, provide analyses and integration of HR information required for Department-wide reporting.
	CAO	1			Security Manager	Physical Security
		1			Management/Program Analyst	Electronic records analyst and/or advisor to management for records systems
		5			Physical Security Specialists	Physical security of facilities, personnel, and property
CFO	Budget	3.5			Budget Analyst	Provide budget execution and formulation support for all phases of the budget cycle.
	Program Analysis	3			Program & Management Analyst	Serve as a senior analyst/advisor to

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
	& Evaluation					management concerning complex management and program processes and systems.
	Office of Financial Management	3.5		13	Staff Accountant	Serve as an expert on complex issues related to the financial management operations as well as the development of related policies and financial management program goals
	Resource Management & Transformation Office			6	Program Analyst	Serve as a senior analyst/advisor to management concerning complex management and program processes and systems.
CIO	Salaries and Expenses			33	IT Specialist	Serve as technical experts for the development, implementation, management, and support of IT systems and networks
				11	Mgmt and Program Analyst	Analyze and propose ways to improve the organization's structure, efficiency, and productivity in a variety of disciplines such as human resources, budget, administration, or procurement.
				5	Program Manager	Accountable for the leadership, planning, education, staffing, measurement, communication, and coordination related to all functions of the program.
				6	Program Specialist	Develop and implement programs and interpret the program's policies and procedures
	Information Technology Services			23	IT Specialist	Serve as technical experts for the development, implementation, management, and support of IT systems and networks
				8	Mgmt and Program Analyst	Analyze and propose ways to improve the organization's structure, efficiency, and productivity in a variety of disciplines

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
						such as human resources, budget, administration, or procurement.
				4	Program Manager	Accountable for the leadership, planning, education, staffing, measurement, communication, and coordination related to all functions of the program.
				4	Program Specialist	Develop and implement programs and interpret the program's policies and procedures
	Infrastructure and Security Activities			6	IT Specialist	Serve as technical experts for the development, implementation, management, and support of IT systems and networks
				1	Mgmt and Program Analyst	Analyze and propose ways to improve the organization's structure, efficiency, and productivity in a variety of disciplines such as human resources, budget, administration, or procurement.
				2	Program Manager	Accountable for the leadership, planning, education, staffing, measurement, communication, and coordination related to all functions of the program
				2	Program Specialist	Develop and implement programs and interpret the program's policies and procedures
	National Security Systems			1	Mgmt and Program Analyst	Analyze and propose ways to improve the organization's structure, efficiency, and productivity in a variety of disciplines such as human resources, budget, administration, or procurement.

Approps	Office	FTE Enhancements			Job Title	Job Description
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OSEM	Office of Policy	1			Business Information Manager	The incumbent will serve as the Office of Policy's Business Information Manager, responsible for the performance, integrity and security of the Office of Policy information management program to include, databases and web content. Develops the procurement, supply and distribution of information for the Office of Policy in support of its needs and objectives. Services provided include internal and external electronic information, especially online databases and internet resources, as well as traditional library materials. Regularly reviews and updates digital information of various media types for Policy's various pages on the Intranet (the new Connect), internet (dhs.gov), related extranet sites (HSIN, Continuity of Operations (COOP)), cross-agency sites and social media platforms.
		1			Supervisory Policy Analyst	The incumbent is responsible for conducting complex analysis and measurement of policies and programs to determine their effectiveness and impact on the Department's strategic objectives and mission accomplishment including the Quadrennial Homeland Security Review, and outlining long-term (ten to twenty year) objectives and challenges facing the changing homeland security environment.
		2			Policy Analyst	The incumbent conducts strategic planning, special initiatives, and policy analyses and development to enhance Federal preparedness programs and to strengthen national preparedness. This is a developmental position established to assist senior analysts in any of the Office of Policy subordinate organizations by performing research and analysis of homeland policy issues involved in policy development, strategic planning, international affairs or

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
						other assigned programs areas.
		1			Correspondence Analyst	The incumbent is responsible for planning, and carrying out daily responsibilities; addressing backlogs; resolving all but the most difficult problems, coordinating work with others as necessary; and interpreting policies on own initiative. The incumbent keeps the Supervisory Correspondence Analyst informed of potentially controversial matters/ or other types of problems and offers constructive solutions to problems that surface within the incumbent's area of responsibility.
	Office for Civil Rights and Civil Liberties	1			Supervisory Final Agency Decision Analyst	Provides complaint adjudication guidance and leadership to analyst
		1			Senior Equal Employment Opportunity Manager	Responsible for managing the Department-wide model Equal Employment Opportunity program
		2			Equal Employment Opportunity Alternative Dispute Resolution (ADR) Analyst	Coordinates and reports on activities of component Equal Employment Opportunity Alternative Dispute Resolution Managers
		1			Freedom Of Info Act Specialist	Handle all Freedom of Info Act requests
		1			Office Manager	Responsible for maintaining day to day operations of the office
		1			Program Specialist - Equal Employment Opportunity	Provide program support to the Civil Rights and Civil Liberties' Equal Employment Opportunity and Diversity Unit
		1			Program Specialist - Programs & Compliance	Provide program support to the CRCL Program and Compliance Unit

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
		1			Policy Advisor - Review & Compliance	Focus on traveler screening and passenger redress issues
		1			Supervisory Management and Program Analyst - Civil Liberties Impact Assessment	Acting as team lead for the development of Civil Liberties Impact Assessments
		2			Policy Advisor - Immigration	Advise the Department and Civil Rights and Civil Liberties on Immigration matters
		2			Program Analyst - Civil Liberties Institute	Provides Civil Rights and Civil Liberties advise and training
			2		Intelligence Analyst	Total assist with the review of intelligence products
			4		Program Analyst - Civil Liberties Institute	Program Training Support for the Civil Rights and Civil Liberties' Civil Liberties Institute
	Office of the Executive Secretary		2		Program Manager	Manage all aspects of the execution of the Department-wide Efficiency Review program, including design, development, and implementation of the Department's efficiency initiatives through coordination with representatives and leadership of all DHS components. Monitor ongoing initiatives, identify and resolve problems, and report progress to senior DHS leadership.
			0.S		Program Support Specialist	Provide administrative and analytical support for the execution of Department-wide efficiency initiatives.
	Office of Intergovernmental Affairs		1		Chief of Staff	With IGA growing in FY2011 and onboarding an additional 10 FTEs a Chief of Staff will be essential in IGA's daily office operations. The Chief of Staff will be responsible for managing IGA's budget, human capital needs (hiring, performance evaluations, etc.), facilities, and will be responsible for providing support to the Assistant Secretary and Deputy Assistant Secretary with daily operations and needs of an office expecting to grow to 27 FTEs.

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
			1		Executive Secretariat	With IGA being placed in the Secretary's Office in FY2010 IGA has had an increase in tasking requirements from within DHS, other federal agencies, Congress, and external entities. The Executive Secretariat will manage, consolidate, and track all correspondence and tasking response for IGA. This position requires knowledge and expertise on DHS state, local, tribal, and territorial activities within DHS.
			1		State and Local Coordinator	The State Coordinator will be responsible for working with 4-5 states and working with the State Homeland Security Advisor, the Governor's Office, and other State homeland security officials. Additionally, the coordinator will be assigned 2-3 DHS components to liaison with and ensure coordination with any state, local, tribal or territorial efforts within those components are made transparent and with these constituents in mind.
			2		Two Local Affairs Coordinator	The Local Coordinators will be with the major urban areas and their elected and appointed officials on homeland security issues. The Coordinators will be responsible for knowing the major homeland security issues to their areas of responsibility and also understanding the political issues that are at the forefront of those geographical areas.
			2		Tribal Coordinators	There are 564 federally recognized tribes within the United States. The two tribal coordinators will report to the IGA Tribal Liaison and will work with all federally recognized tribes on homeland security issues. Additionally, the tribal coordinators will be responsible for working with the IGA coordinators and the DHS components Tribal points of contact to ensure tribal issues are being addressed in DHS policy making and implementation and that tribal needs are

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
						being adhered to.
			1		Public Engagement Assistant	This position will support the Public Engagement Director and help to ensure consistent messaging to State, local, tribal, and territorial issues on Department policies and initiatives. Additionally, this person will assist in managing IGA's external and internal website to ensure up-to-date information is being placed on the website as well as contact database. This position will also assist with compiling IGA's weekly report to the Secretary and establishing an IGA newsletter to its stakeholders.
			2		Administrative Support Personnel	These positions will support IGA leadership and staff on general administrative taskings, travel, purchase orders and other administrative office functions.
	Privacy Office		2		Privacy Program Analyst/Training	Provide training in support of Fusion Centers for Intelligence and Analysis employees and support the efforts of Fusion Centers to provide training to state and local employees; and continue to provide privacy education and outreach across the Department.
			2		Privacy Program Analyst	Provide high-level review of all Office of Intelligence and Analysis intelligence products that contain Personally Identifiable Information of U.S. Persons or individuals in the United States, in accordance with the Secretary's instructions in 2009.
	Total	126	97.5	287		

* The Office of the Chief Procurement Officer revised the anticipated number of FTE onboarding in FY2011 from 150 FTE to 75 FTE. This accounts for the difference between the 586 requested in the FY2011 Congressional Justification, and the 511 detailed in the table above.

Clear Funding for Unbudgeted Items

Question: Please specifically explain where funds (estimated at $15.5 million) will be taken from to support the costs of the 181 Border Patrol agents proposed to be eliminated/reduced in the original FY11 budget request. Also, please specifically explain where funds to support the FY11 costs of the NBAF (estimated at $40 million) will be taken. The answers to both of these questions should be specific and should not allude to some future, undefined reprogramming.

Answer: CBP will realign travel funding from across CBP to restore the $15.5 million needed to fund the 181 Border Patrol agents. This table represents the travel funding attributed to each PPA.

PPA	[$000s]
Headquarters Management and Administration at the Ports of Entry	(959)
Headquarters Management and Administration between the Ports of Entry	(959)
Inspections, Trade, and Travel Facilitation at the Ports of Entry	(2,306)
International Cargo Screening	(1,007)
Other International Programs	(61)
C-TPAT	(1,102)
Trusted Traveler Program	(22)
Inspections and Detection Technology	(60)
Systems for Targeting	(83)
National Targeting Center	(138)
Training at the Ports of Entry	(820)
Border Security and Control between the Ports of Entry	(6,898)
Training Between the Ports of Entry	(930)
Air and Marine Operations Salaries	(178)
Total	(15,523)

With regards to NBAF: The Science and Technology Directorate (S&T) plans to submit a reprogramming for an estimated $40 million dollars in FY 2011 for construction of the central utility plant for the National Bio and Agro-Defense Facility. This reprogramming will come from S&T's prior year unobligated balances. The tables below show the balance of S&T's prior year unobligated funds as of February 18, 2010. The reprogramming will most likely come from the FY 2007 through 2009 balances not currently committed to a contracting action. The Department will determine the exact distribution at the time of the reprogramming.

Summary of S&T Unobligated Prior Year Balances As of February 18, 2010

	Unobligated		Total
	Commitments	**Uncommitted**	**Unobligated**
FY 2003	0	1,409,687	1,409,687
FY 2004	186,998	1,490,044	1,677,042
FY 2005	799,342	5,359,983	6,159,324
FY 2006	809,706	6,058,582	6,868,289
Total FY 2003-2006	**1,796,046**	**14,318,296**	**16,114,343**
Prior Year Funding for Contract Closeout**			-8,000,000
Rescission of prior year funds from FY 2010 Approps			-6,944,000
Remaining			1,170,343

**Less than .2% of total prior year obligations to cover unexpected costs/expenditures from contract closeout (a little in each year based on outstanding contracts)

Science and Technology Directorate Projected Obligations

		Unobligated		Total	Percent
	Enacted	Commitments	Uncommitted	Unobligated	Obligated
FY 2007					
Borders and Maritime	33,436,000	0	22,650	22,650	99.9%
Chemical and Biological	312,851,416	2,361,482	2,602,840	4,964,322	98.4%
Command, Control & Interoperability	62,617,585	0	407,893	407,893	99.3%
Explosives	110,338,224	114,757	1,562,113	1,676,870	98.5%
Human Factors	6,800,501	0	63,121	63,121	99.1%
Infrastructure and Geophysical	74,781,213	0	663,573	663,573	99.1%
Innovation	38,000,000	0	309,168	309,168	99.2%
Laboratory Facilities	105,935,537	77,523	1,728,716	1,806,239	98.3%
T&E/Standards	25,431,868	0	9,041	9,041	100.0%
Transition	24,039,516	0	532,172	532,172	97.8%
University Programs	48,575,000	0	745,939	745,939	98.5%
Overall Total	**842,806,860**	**2,553,762**	**8,647,226**	**11,200,989**	**98.7%**

		Unobligated		Total	Percent
	Enacted	Commitments	Uncommitted	Unobligated	Obligated
FY 2008					
Borders and Maritime	25,478,998	0	15,499	15,499	99.9%
Chemical and Biological	208,019,996	140,354	663,849	804,203	99.6%
Command, Control & Interoperability	56,979,996	37,280	181,423	218,703	99.6%
Explosives	77,653,998	941,173	1,879,300	2,820,473	96.4%
Human Factors	14,206,001	0	42,968	42,968	99.7%
Infrastructure and Geophysical	64,500,069	246,626	556,528	803,154	98.8%
Innovation	33,000,000	49,526	0	49,526	99.8%
Laboratory Facilities	103,484,905	6,350,150	4,389,110	10,739,260	89.6%
T&E/Standards	28,519,999	2,000	141,425	143,425	99.5%
Transition	30,264,995	1,003,652	1,247,118	2,250,770	92.6%
University Programs	49,296,748	2,500,000	1,702,074	4,202,074	91.5%
Overall Total	**691,405,705**	**11,270,762**	**10,819,294**	**22,090,055**	**96.8%**

		Unobligated		Total	Percent
	Enacted	**Commitments**	**Uncommitted**	**Unobligated**	**Obligated**
FY 2009					
Borders and Maritime	33,049,999	125,942	83,625	209,568	99.4%
Chemical and Biological	200,379,390	16,674,042	11,392,812	28,066,854	86.0%
Command, Control & Interoperability	74,889,820	650,181	87,899	738,080	99.0%
Explosives	96,149,148	6,926,851	3,964,409	10,891,260	88.7%
Human Factors	12,459,999	564,000	189,165	753,165	94.0%
Infrastructure and Geophysical	75,816,500	5,784,911	3,343,070	9,127,981	88.0%
Innovation	33,000,001	544,399	416,404	960,803	97.1%
Laboratory Facilities	161,896,247	2,136,769	7,267,293	9,404,062	94.2%
T&E/Standards	28,674,001	314,432	339,440	653,872	97.7%
Transition	28,831,130	2,921,255	9,271,766	12,193,021	57.7%
University Programs	50,270,000	7,425,047	1,888,904	9,313,951	81.5%
Homeland Security Institute	5,000,000	0	0	0	100.0%
Overall Total	**800,416,235**	**44,067,830**	**38,244,788**	**82,312,618**	**89.7%**

		Unobligated		Total	Percent
	Enacted	**Commitments**	**Uncommitted**	**Unobligated**	**Obligated**
FY 2007-2009					
Borders and Maritime	91,964,997	125,942	121,774	247,717	99.7%
Chemical and Biological	721,250,802	19,175,878	14,659,502	33,835,380	95.3%
Command, Control & Interoperability	194,487,401	687,461	677,215	1,364,676	99.3%
Explosives	284,141,370	7,982,781	7,405,822	15,388,603	94.6%
Human Factors	33,466,501	564,000	295,254	859,254	97.4%
Infrastructure and Geophysical	215,097,782	6,031,537	4,563,171	10,594,708	95.1%
Innovation	104,000,001	593,925	725,572	1,319,497	98.7%
Laboratory Facilities	371,316,689	8,564,442	13,385,118	21,949,561	94.1%
T&E/Standards	82,625,868	316,432	489,906	806,338	99.0%
Transition	83,135,641	3,924,908	11,051,056	14,975,964	82.0%
University Programs	148,141,748	9,925,047	4,336,918	14,261,965	90.4%
Homeland Security Institute	5,000,000	0	0	0	100.0%
Overall Total	**2,334,628,800**	**57,892,354**	**57,711,308**	**115,603,662**	**95.0%**

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE Ciro D. Rodriguez

Secretary Janet Napolitano
Budget Hearing
2/25/2010

Funding for additional CBPOs

Question: I applaud your request for increases for journeyman pay and you emphasis on Cyber security among other aspects of your request. However, your budget asks for only 318 additional Customs and Border Protection Officers and 71 support positions. Your own data tells us that only 28 percent of "major violators" attempting to enter the U.S. at the ports of entry are detected and apprehended. We rely on the CBP Officers to use their skills and instincts to identify the bad guys. You are routinely working them on double shifts, which naturally can dull their instincts and produce fewer results.

Studies done by the Texas Border Coalition, the Government Accountability Office (GAO), the National Treasury Employees and others, show that we need about 5,000 more CPBOs to properly staff the land ports of entry, not just the 300 you propose. We just opened a new port of entry at Anzalduas and we have others in Donna and El Paso county coming on line in the next few years. As the rate in your budget, we won't be properly staffed until 2028.

The Department along with this subcommittee has done a good job staffing the Border Patrol at 20,000 officers. When does the department plan to demonstrate similar resolve for staffing the ports of entry -- where the cartels are targeting their attack on the United States?

ANSWER: Since FY 2006, CBP has increased Customs and Border Protection Officer (CBPO) staffing by 19 percent – from 17,859 CBPOs in FY 2006 to 21,294 CBPOs in FY 2009. Along the southwest border, where the drug cartels are most active, CBP has also increased Officer staffing levels by 19 percent – from 4,760 CBPOs in FY 2006 to 5,660 CBPOs in FY 2009.

Housing for Agents

Question: Madame Secretary, like you know very well that the majority of our borders are rural and remote, both in the southern and northern borders. I have nearly 800 miles of border with Mexico with a significant CBP footprint: 3 border patrol sectors, 17 stations, and 7 ports/crossings. Many of the 20,000 border agents we hired are deployed into my district. For example, the tiny community of Sanderson, TX just a few years ago had a small 2 room station that housed 5 agents. Now, the Sanderson station boasts a $5 million, 16,000 sq ft station that houses about 30 agents. That's the case in many small border communities.

With this tremendous growth of agents; where are they all going to live? I was going through Sanderson and stopped to meet with constituents at a little café. The café owner told me she had 2 border patrol families living in her home (agent, wife and kids), because there is no housing in Sanderson. Most agents have several hour commutes to and from the station because of lack of adequate housing in these rural areas. And just like most rural and remote regions, you have to often drive a couple hours to see a doctor, or to go to the supermarket.

My question is: what is the Departments plan to ensure that there is adequate housing for its agents and officers in order to ensure a solid quality of life for agents and their families.

ANSWER: CBP is committed to providing adequate housing for agents, officers and their families through the CBP Housing Program.

The FY 2008 and FY 2009 Construction Appropriations provided approximately $40 million for CBP Housing, which will be utilized for the construction of 118 new, replacement, and emergency relief housing units.

The CBP Housing Program's current construction initiatives are as follows:

- Ajo, Arizona: Provide 24 new housing units to accommodate current and additional OBP and OFO personnel.
- Piegan, Montana: Provide 16 new housing units to accommodate additional OBP and OFO personnel.
- Presidio, Texas: Provide 26 new housing units and 44 mobile homes to accommodate current and additional OBP and OFO personnel.
- Big Bend, Texas: Provide 8 new housing units to accommodate Border Patrol agents who will staff the joint centralized law enforcement center at Big Bend National Park.

CBP selected these 118 projects for near-term execution because the operational staffing requirements at their sites have resulted in the most critical housing shortfalls.

Termination of FLAP

Question: Since its implementation in 1997, the Foreign Language Awards Program (FLAP) has been instrumental in identifying and utilizing Customs and Border Protection (CBP) employees who are proficient in a foreign language, a skill especially important in their role of dealing directly with foreign travelers and trade. Under the program, which incorporates more than two dozen languages, CBP Officers and Agriculture Specialists who qualify after language proficiency testing can earn awards of between 1 and 5 percent of their pay if they use a language other than English for more than 10 percent of the time during their daily duties. Thousands of frontline CBP employees use their language skills in this way every day.

CBP employees' foreign language skills enhance the agency's important homeland security and trade-related missions. Rewarding employees for using their language skills to protect our country, facilitate the lawful movement of people and cargo across our borders, and collect revenue that our government needs makes sense. Congress agreed that employees should be encouraged to develop their language skills by authoring FLAP. Not only does it improve efficiency of operations, it makes the U.S. a more welcoming place when foreign travelers find CBP Officers can communicate in their language.

At CBP, this program has been an unqualified success, and not just for employees but for the travelers who are aided by having someone at a port of entry who speaks their language, for the smooth functioning of the agency's security mission. For these reasons I am quite concerned that the FY 2011 DHS budget proposed to eliminate this Congressionally-authorized program, and was further surprised to learn that, on February 4, 2010, CBP notified its employees that it was immediately suspending this program citing lack of FY 2010 funding.

- Why was this program immediately suspended? Has not foreign language proficiency by CBP frontline employees benefited the traveling public and enhanced CBP's security mission? What budget planning went into this decision to immediately suspend and eliminate FLAP at CBP?
- FLAP has a dedicated funding source—customs user fees collected from the traveling public and the trade community. How will customs user fees that formerly funded FLAP now be

distributed? For what programs will these user fees be used? And is this customs user fee diversion supported by statute?

Answer: CBP Officers and Agriculture Specialists hired since June 2004 and initially assigned to the southern border, Puerto Rico and Miami have a mandatory Spanish proficiency requirement as a condition of employment and are expected to utilize that skill, as needed, in the performance of their duties. Officers and Agriculture Specialist lacking sufficient proficiency in Spanish are provided five additional weeks of language training. Managers will continue to encourage all employees to utilize their language skills to accomplish the CBP's mission, and will use other traditional awards to appropriately recognize and reward employees.

With regards to how those customs user fees are distributed: FLAP awards are funded through customs, immigration, and agriculture user fees. Due to a substantial reduction of airline travel and commercial conveyances entering the United States in recent years, there has been a substantial decline in fee revenues. The customs user fees currently support approximately $10.2 million of the FLAP program. This funding will be redirected towards other requirements and will allow CBP to more fully fund overtime and premium pay.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE ALAN B. MOLLOHAN

DHS Secretary Janet Napolitano
DHS FY2011 BUDGET REQUEST

Interagency Coordination

Question: The actions of DHS can often initiate a domino effect of government agency actions. How is DHS working with the Department of Justice (DOJ) to coordinate budget requests—understanding that the more effectively DHS agencies do their job, the greater the budgetary impact on DOJ and its components?

ANSWER: ICE management coordinates with DOJ from both civil and criminal perspectives. Regarding civil enforcement, ICE provided DOJ's Executive Office for Immigration Review (EOIR) with projections of increased criminal alien cases resulting from new ICE initiatives, which EOIR was able to use as part of its Fiscal Year (FY) 2010 budget proposals for an increase in the number of immigration judges. ICE is already taking steps to coordinate its future forecasts of workflow with EOIR. To formalize the ongoing partnership, ICE established an Interagency Working Group (IWG) in the summer of 2009 encompassing the entire life cycle from the Notice to Appear stage to the Final Order stage. The IWG monitors and provides interagency coordination for the following initiatives:

- Optimization of Alternatives to Detention (ATD)
- Use of stipulated removals and deferred enforcement
- Alignment of funding between DOJ and DHS
- Collaboration between USCIS and EOIR
- Efforts to enhance EOIR docket efficiency

The IWG is reviewing goals and objectives related to each initiative cited above and ensures consensus in terms of roles and responsibilities, resolution and documentation of any issues, and collaborative decision-making and communication. An executive committee, consisting of principals from DOJ, ICE and CIS will be convened as needed to facilitate approvals or achieve consensus.

The IWG was established as a result of the interagency sessions held in July 2009. The IWG charter is currently being reviewed by the participating agencies with an expected 'stand-up' date of early 2010.

Regarding criminal enforcement, ICE recommends that we and our DOJ partners continue to examine all of our enforcement-related activities in a way that accounts for resources such as Agents, Inspectors, Officers, professional support staff, Assistant U.S attorneys, and Deputy U.S. Marshals in addition to the facilities and infrastructure needed to support them.

National Protection and Programs Directorate and the Office of Infrastructure Protection

Question: The President's FY2011 Budget proposes a significant reduction in funding to the National Protection and Programs Directorate (NPPD) and the Office of Infrastructure Protection (OIP).

Explain in detail the Department's reasons for proposing to cut funding to these important programs.

ANSWER: The National Protection and Programs Directorate (NPPD) FY 2011 request is over $2.3 billion. Funding decreases were proposed to remove the earmarks from the FY 2010 enacted budget; eliminate one-time data-center migration costs; realize program efficiencies gained through contractor conversions and contracting actions; and shift funding to higher priority programs.

The Infrastructure Protection (IP) budget request proposed reductions to the National Infrastructure Protection Plan (NIPP) because, as the critical infrastructure and key resources sectors have matured, they have completed plan development. Moreover, despite modest proposed reductions, the FY 2011 request supports the sustainment of the current sector partnerships and information sharing processes, and IP will continue to perform vulnerability assessments in FY 2011 based on the highest-priority requirements.

Vulnerability Assessments

Question: As our nation is continually confronted with advanced and ever-evolving threats, it is imperative that our state and local governments, as well as the private sector are trained in risk reduction and mitigation. The vulnerability assessments completed by the Office of Infrastructure Protection help to contribute to state and local training efforts. The President's FY2011 Budget proposes to eliminate 175 vulnerability assessments.

Explain in detail the Department's reasons for proposing to eliminate 175 vulnerability assessments.

ANSWER: The Department of Homeland Security (DHS) is requesting $22.763 million in FY 2011 to support vulnerability assessment activities, which support the continuation of approximately 275 nationally significant assessments. Of the proposed funding reduction, $1.2 million is attributable to efficiencies realized by the discontinuation of the Argonne National Laboratory's Linking Encrypted Network System (LENS), predicated on the creation of the Joint Technology Laboratory that will manage and store the data currently in LENS.

Office of Bombing Prevention

Question: According to the recent testimony of our Nation's most senior intelligence experts, the U.S. is facing an almost certain threat of terrorist activity within the next 6 months. Given that improvised explosive devices (IED) are one of the most common instruments used by terrorists to carry out an attack, why has DHS requested to decrease funding for the Office of Bombing Prevention – the DHS office charged with deterring, detecting, preventing, and responding to terrorist improvised explosive device (IED) threats?

In light of this decrease in funding, how can we be assured that the OBP is getting all the support it needs to do its job and keep our nation safe?

What is DHS doing to support the work of this Office?

ANSWER: The FY 2011 Budget Request for Bombing Prevention is $14.636 million dollars. While this is represents a modest reduction of $132,000 from the FY 2010 enacted funding, the funding requested supports the Office's core homeland security responsibilities, including strategic coordination, capabilities analysis, and information sharing.

With regards to the assurance that OBP is getting the support it needs: Under the FY 2011 request, the Office for Bombing Prevention (OBP) will be able to perform its core mission and carry out the actions assigned to OBP in the Homeland Security Presidential Directive 19 Implementation Plan.

DHS fully appreciates the importance of the OBP and will continue to ensure it has adequate financial resources to conduct its mission activities to detect, prevent, protect and respond to the terrorist use of explosives.

Homeland Security Presidential Directive 19

Question: Homeland Security Presidential Directive 19 mandated the development of a national strategy and implementation plan, on preventing, detecting and responding to the terrorist use of explosives in the United States.

Provide an update of DHS's work in this area. Explain how DHS coordinates with the Department of Justice in this area?

ANSWER: Homeland Security Presidential Directive (HSPD) 19 established a national policy and called for the development of a comprehensive report assessing the nation's capabilities to deter, prevent, detect, protect against and respond to the threat of terrorist use of explosives in the United States.

HSPD-19 required the Department of Justice (DOJ) to lead the development of this report to the President. The Office for Bombing Prevention (OBP), serving as the DHS lead, worked closely with DOJ to draft the report to the President, which outlines 35 recommendations, developed with interagency concurrence, to execute the National Strategy to Combat Terrorist Use of Explosives in the United States.

HSPD-19 also required the Attorney General to develop a plan to implement the report's recommendations. The Federal Bureau of Investigation as lead, and OBP as co-lead, worked with Homeland Security Council staff and other interagency partners to draft the HSPD-19 Implementation Plan, which outlines the specific tasks and actions required to execute the recommendations in the report. These tasks and actions fill identified priority gaps to improve overall capabilities, especially for state and local partners, in the domestic counter-Improvised Explosive Device (C-IED) mission. The Implementation Plan was signed by the Attorney General and provided to the Homeland Security Council on January 16, 2009.

DOJ stood up the Joint Program Office for Combating Terrorist Use of Explosives (JPO), which includes the participation of DHS' OBP, National Protection and Programs Directorate, Transportation Security Administration, and Science and Technology Directorate, in April 2009. As called for in the HSPD-19 Implementation Plan, the JPO tracks HSPD-19 implementation and serves as a source of expertise and coordination on explosives-related policy and programs in the United States. OBP leads departmental efforts in the JPO and provides the Deputy Director position.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE NITA M. LOWEY

Secretary Janet Napolitano
FY11 Budget for DHS

Interoperability Grants

Question: Congress provided $50 million in FY10 for Interoperable Emergency Communications Grants. Given its importance to our first responders, why does the FY11 request zero out funding for this program?

ANSWER: In the FY 2011 Budget Request, FEMA rolled the funding for Interoperable Emergency Communications Grants projects (IECGP) into the Urban Area Security Initiative (UASI) and State Homeland Security Program (SHSP) in order to realize administrative efficiencies and to provide maximum flexibility for grantees. The authorizing language for UASI and SHSP provides that grant funds may be used for interoperable emergency communications. There are significant costs associated with the administration of multiple grant programs, at the federal level as well as the state and local level. By consolidating programs, grantees can fund larger initiatives, shift funds to meet current priorities, and reduce application and grant reporting burdens.

Stimulus Spending/Advanced Imaging Technology

Question: Politico recently reported that not one of the AIT devices purchased utilizing ARRA funding has yet to be deployed. What is the timeframe for deploying this technology at our busiest airports, including Kennedy and LaGuardia in New York?

Given the apparent struggle to spend $25 million in ARRA funds for AIT devices, what assurances can you give this Committee that you can quickly and effectively spend the increased funding level being proposed by the President to deploy nearly 1,000 AIT machines across the country?

ANSWER: American Recovery and Reinvestment Act (ARRA)-funded Advanced Imaging Technology (AIT) units were installed the first week of March at Boston Logan International and Chicago O'Hare International airports. Based on security and operational needs, the Transportation Security Administration (TSA) plans to deploy additional ARRA-funded AIT units to the following airports by summer 2010:

Fort Lauderdale-Hollywood International (FLL)
Cincinnati/Northern Kentucky International (CVG)
Mineta San José International (SJC)
Los Angeles International (LAX)
Port Columbus International (CMH)
Oakland International (OAK)
San Diego International (SAN)
Kansas City International (MCI)
Charlotte Douglas International (CLT)

In total, TSA plans to deploy 490 AIT units in 2010 to airports across the country, including John F. Kennedy International Airport and LaGuardia Airport.

With regards to the assurance DHS can give that we can quickly and effectively spend the increased funding level: Following the attempted terrorist attack on Northwest Flight 253 on December 25, 2009, DHS accelerated the deployment of Advanced Imaging Technology (AIT) units to airports across the country. On March 5th, I announced the first 11 airports to receive AIT units purchased with ARRA funds – listed above – and committed to deploying all of these units by this summer. TSA plans to deploy a total of 490 AIT units in 2010 and has requested funding for an additional 500 units in the Administration's FY 2011 Budget. Production, procurement, testing and implementation schedules are being closely monitored to ensure that AIT project deployment targets are achieved for both FY 2010 and FY 2011.

While we are deploying these units as quickly as possible, we are also bound by the physical footprints at our Nation's airports. Before AIT units can be deployed, TSA has to consider critical factors such as airport readiness, checkpoint infrastructure and privacy protections, including the construction of a separate, remotely-located room for viewing to ensure passenger privacy.

Coast Guard

Question: Given the constant threat faced in the New York region and the presence of numerous waterways and water-accessible landmarks, how can you justify eliminating the key Maritime Safety and Security units currently based in the New York City region?

ANSWER: The New York Coast Guard Sector has one of the largest concentrations of Coast Guard units, boats, and people in the country with more than 700 personnel and 35 vessels, and is well equipped and prepared to protect the state's waterways and maritime borders. In fact, during 2009, the New York Maritime Safety and Security Team (MSST) spent a significant portion of its time deployed in other locations around the country. Accordingly, to make the most of current operating capabilities, the FY 2011 Budget Request transitions the MSSTs to a regional model, enabling the Coast Guard to rapidly deploy teams of skilled professionals to ports and operating areas across the country based on risk and threats as needed.

Intelligence Sharing and Coordination

Question: I am deeply concerned about the breakdown in intelligence sharing during the attempted Christmas Day attack and appalled the counter terrorism community failed to piece together the various intelligence in U.S. agencies that would have allowed Mr. Abdulmutallab to be watchlisted. How are DHS, the State Department, and the Intelligence Community coordinating? What is being done to fill the gaps and prevent another attack from happening again?

ANSWER: DHS, the Department of State (DOS), and other members of the Intelligence Community (IC) are coordinating closely on national security issues. DHS and DOS meet frequently and have established robust information sharing mechanisms, such as the placement of U.S. Immigration and Customs Enforcement Visa Security Program operations at 14 diplomatic posts in 12 countries. Additionally, DHS Office of Intelligence and Analysis (I&A) analysts – in partnership with the National Counterterrorism Center (NCTC), the Federal Bureau of Investigation, and DOS – regularly collaborate to address threats to the homeland. I&A works regularly with DHS components and IC partners to ensure that national-level intelligence information and current threat streams are shared and that DHS components can adjust operations to respond to evolving threats.

With regards to what is being done to fill the gaps: DHS is working with its interagency partners to bolster aviation security. DHS continues to support the Intelligence Community's (IC) efforts to re-evaluate and modify the criteria and processes used to create watch lists and improve information sharing. At the same time, DHS is improving its own coordination with the intelligence community to ensure we're providing frontline law enforcement personnel with the information they need to prevent and mitigate threats. I&A works closely with the NCTC, and DHS components work with and through I&A to ensure close coordination with the IC.

Shortly after the attempted attack on December 25, 2009, I&A institutionalized a distinct contingent of I&A analysts and DHS operational component representatives to address emerging homeland threats and support investigations. This contingent facilitates DHS analysis in identifying and assessing homeland security threats; informs DHS leadership decision making; and ensures that intelligence supports and informs component operations in the field.

Haiti

Question: DHS has been playing a critical role in the relief effort in Haiti, and I commend the immediate action you took to grant humanitarian parole to Haitian orphans and those needing critical medical care and granting temporary protected status (TPS) to Haitians in the U.S.

What is DHS doing to ensure visa processing for Haitians who have applied for legal permanent residency and already in the system? Will there be an expedited process?

ANSWER: The visa petitions that are approved are sent to the National Visa Center at DOS to determine visa availability and, if applicable, for further processing. We respectfully refer you to DOS for information on their efforts with respect to Haitian Visa processing.

USCIS is doing everything it can to adjudicate pending Haitian-related applications as quickly as possible.

Nonprofit Security Grant Program

Question: In FY10, $19 million was provided through the Urban Area Security Initiative (UASI) for the Nonprofit Security Grant Program for target hardening at nonprofit locations. This is particularly important in as diverse an area as New York, where numerous synagogues, churches and mosques are located throughout the region. In fact, in May 2009, 4 men were arrested for a plot to bomb two synagogues in Riverdale, NY, just outside of my district.

In light of the proposed funding cut to this program, what additional steps is the Department taking to assist nonprofits and religious institutions across the New York area and the nation that face the constant threat of terrorism or hate-related activity aimed at their institutions.

ANSWER: The FY 2011 Budget Request seeks to consolidate a number of grant programs, so that states, territories, and metropolitan areas have added flexibility to better establish their own priorities and apply DHS grant funding to areas where it addresses the most significant risks. All of the activities allowed under the Nonprofit Security Grant Program continue to be allowable under both SHSP and UASI. FEMA and DHS provide ongoing outreach to stakeholders (including nonprofits) throughout the year to ensure that they are familiar with the application process.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE SAM FARR

Secretary Janet Napolitano

Hometown Security and Gang Violence

Question:
While all Americans are affected by a terrorist incident, DHS touches the day to day lives of more Americans because of the frequency of natural disasters. My district has been the site of 7 presidentially declared natural disasters. The largest wildfires in CA in 2008 occurred in my district. Last year there were 29 gang related homicides in my district. My district would like assistance from DHS to address the horrific gang violence problem.

How can local law enforcement officers in Monterey County get access to DHS intelligence resources and assets, like but not limited to Fusion Centers, to assist them in addressing the gang violence issue?

ANSWER: DHS and the FBI jointly recognize six fusion centers in California: California State Terrorism Threat Assessment Center (Mather, California), Central California Intelligence Center (McClellan, California), Joint Regional Intelligence Center (Los Angeles, California), Orange County Intelligence Assessment Center, Northern California Regional Intelligence Center (San Francisco, California), and the San Diego Law Enforcement Coordination Center.

Monterey County falls within the Area of Responsibility for the Northern California Regional Intelligence Center (NCRIC). The NCRIC has designated a Terrorism Liaison Officer assigned to Monterey County who serves as a liaison to the fusion center. NCRIC Director Ron Brooks is committed to supporting Monterey County in efforts to address the issue of gang violence and has offered the use of NCRIC analytic personnel to assist, as necessary, with gang violence in Salinas.

Center for Homeland Defense and Security

Question:
I am pleased that your FY11 budget recognizes the tremendous value the Center for Homeland Defense and Security provides to our nation's first responders and governors and mayors. Thank you for continuing your support of this important and innovative program.

The Center has just exceeded 500 alumni between its Masters and Executive Leaders programs. These are the professional "practioner-scholars" and leaders who serve in all homeland security disciplines at all levels of government. When you were Governor of Arizona, officials in your state were frequent participants in CHDS programs.

I believe that the Department has already and will continue to benefit from tapping into this incredible network of knowledge and practice.

- Please tell me how CHDS can have a greater impact on national Homeland Security issues?
- To leverage even more the investment DHS is making in CHDS, I request you task you staff to develop a process for incorporating the cutting edge research undertaken by these Masters' students into the Homeland Security Institute.

ANSWER: CHDS demonstrates the extraordinary level of research and analysis occurring in the homeland security arena, and CHDS' valuable output can be further leveraged to drive departmental policies.

With regards to your request: As the primary research and development arm of the Department, the Science and Technology Directorate is the clear choice to lead this process.

Cybersecurity

Question:
I have a unique team of DoD academic, operational and scientific agencies in my district, collectively called Team Monterey, that are successfully performing classified cybersecurity missions such as:

1. Supporting secure identity management for single agency use and for shared enterprise missions
2. Advising and assist on cyber policy, information security, and high assurance network matters
3. Testing and developing cybersecurity technologies and checklists
4. Providing means to guard against insider threats
5. Maintaining records of designated cybersecurity personnel
6. Identifying knowledge and skill requirements for cybersecurity personnel.

These Team Monterey entities have a Secure Operations Center and can leverage their respective information technology and business efficiency teams to address DHS cybersecurity needs.

- I request that you task staff to determine how these Team Monterey cybersecurity assets can further the cybersecurity mission of DHS.

ANSWER: The Department's Office of Cybersecurity and Communications regularly leverages its public, private, and academic sector partnerships to approach its cybersecurity mission in an efficient manner. As DHS further explores and expands its relationship with the Naval Postgraduate School and other academic institutions, there may emerge significant opportunities to build partnerships with Department of Defense assets – especially in the areas of secure identity management, information security and high-assurance network matters.

Southwest Border

Question: I know that through the Border Enforcement Security Task Forces program and others, DHS has developed good working relationships with other federal agencies like ATF and DEA, as well as with the Mexican government, and I am pleased to see your plans to continue these inter-agency cooperative efforts. However, I remain concerned that we are not doing enough to stem the violence on the Southwest Border. Your testimony mentions strengthening security efforts though infrastructure and technology on the Southwest Border, but does not provide specific examples.

Can you tell me more about DHS's plans disrupt cartel violence along the border?

How will DHS use these increased resources prevent the southbound flow of weapons and money?

How will DHS measure the success or failure of these new efforts?

ANSWER: The security of our southwest border remains a key priority for the Department, and the FY 2011 Budget Request strengthens investments in smart and effective border security initiatives. In the past year, DHS increased resources through additional law enforcement and technology along the border, and took a more collaborative and intelligence-based approach to combat smuggling.

As part of the Administration's Southwest Border Initiative, launched in 2009, DHS doubled assignments to Border Enforcement Security Task Forces, tripled the number of intelligence analysts, and quadrupled the number of Border Liaison Officers working at the border. Additionally, DHS started screening 100 percent of southbound rail shipments for illegal weapons and cash – for the first time ever. We have also increased resources at ports of entry, deploying additional Border Patrol agents to augment outbound inspections, technology to help identify anomalies in passenger vehicles, and cross-trained canine teams to detect both weapons and currency.

The Border Patrol is better staffed today than at any time in its 85-year history, having nearly doubled the number of agents from approximately 10,000 in 2004 to more than 20,000 in 2009. DHS has completed 643 miles of fencing of a planned 652 miles – including 344 miles of pedestrian fencing and 299 miles of vehicle fencing. As a result of these efforts, seizures of contraband – guns, drugs and cash- have increased across the board and illegal crossings continue to decline. Additionally, for the first time, DHS began screening 100% of southbound rail shipments for illegal weapons, drugs, and cash.

We also continue to leverage our partnerships with local, state, federal and tribal law enforcement agencies, as well as our counterparts in Mexico to mutually address threats and combat cartel violence. CBP is expanding cooperative law enforcement efforts along the border with Mexico to include sharing basic seizure and license plate reader information relevant to law enforcement, expanding joint bi-national operations and supporting Mexico's law enforcement capacity via the Merida initiative.

With regards to how will DHS use these increased resources: In 2008, ICE initiated Operation Armas Cruzadas – a comprehensive, collaborative, intelligence-driven and systematic partnership with the Government of Mexico to identify, disrupt and dismantle the criminal networks that illicitly transport arms across the border into Mexico. As part of this operation, DHS initiated a surge operation along the southwest border in an effort to identify, interdict and investigate weapons trafficking organizations. Additionally, in 2009, DHS began screening 100% of southbound rail shipments for illegal weapons, drugs and cash – for the first time.

Increased resources will also directly support CBP's outbound efforts by ensuring that trained CBP Officers and Border Patrol Agents are available to conduct outbound operations; that CBP possesses adequate outbound facilities, equipment and technology to conduct these operations; and that CBP Officers and Border Patrol Agents have the automated targeting assistance they need to identify violators.

In order to address the escalating violence in Mexico and to increase outbound operations throughout the United States, CBP created the Outbound Programs Division within the Office of Field Operations in March 2009. The Outbound Program works to stem the illegal flow of firearms and currency out of the United States; increase the interdictions of stolen vehicles and fugitives who are attempting to flee the country; and augment compliance with the Nation's export laws.

The deployment of outbound teams is both random and based on intelligence, which maximizes the impact of our resources. In FY 2011, CBP will continue to build on the current cooperative efforts with federal, state, local and tribal law enforcement agencies. This strategy, further supported by the development of port infrastructure, equipment and technology, will greatly enhance CBP's ability to target and interdict illicit currency and smuggled firearms.

Additionally, ICE is utilizing $100 million in FY 2010 appropriations to augment existing capabilities and take on additional tasks in order to confront a surge in illegal activities on the southwest border. This funding allows ICE to deploy additional staff to provide a greater level of investigative activity.

With regards to how will DHS measure the success or failure of these new efforts: In 2009, CBP launched new initiatives and strengthened existing ones to meet our key responsibilities: securing our borders against terrorists and weapons of terror, stemming the flow of illegal immigrants, and encouraging the flow of lawful trade and travel. Part of our mission focus has been to increase cooperation, capabilities and information sharing among federal, state, tribal and local partners, as well as with our international partners.

In 2009, as a result of our heightened outbound security operations, seizures of contraband increased across the board; for example, CBP seized more than $39.2 million in southbound currency – an increase of more than $29.4 million compared to 2008.

Secure Communities

Question: This committee knows that I have been a strong advocate for DHS making the removal of criminal aliens a priority, and I am pleased to see that in the Secure Communities program, DHS has found a way to coordinate with state and local law enforcement without shifting the burden of enforcing federal immigration law.

How is DHS exercising effective oversight of the Secure Communities program to ensure there is no possibility for "over active" local law enforcement to abuse the program?

ANSWER: There are several inherent characteristics within ICE's Secure Communities that limit the possibility of abuse by "over active" local law enforcement. First and foremost, the biometric identification technology is installed at booking locations, and used only after a person has been arrested for a crime. Local law enforcement agencies arrest and book individuals in compliance with state and local laws and statutes.

The Memorandum of Agreement between ICE and the states clearly states that "[u]se of IDENT/IAFIS for the purposes of racial and/or ethnic profiling or other activity in violation of the Fourth Amendment of the United States Constitution is not permitted and may result in the suspension of the local jurisdiction engaged in the improper activity. ICE reserves the right to take appropriate remedial action if necessary." Additionally, prior to the deployment of biometric identification technology, ICE provides a briefing to state and local officials explaining ICE's prioritized approach to criminal alien enforcement and its commitment to identify and remove the most dangerous criminal aliens from the community first.

Further, Secure Communities program management office looks for patterns that may indicate use of the biometric identification technology that is inconsistent with ICE policies. Moreover, Secure Communities has coordinated with the Department of Homeland Security (DHS) Office for Civil Rights and Civil Liberties (CRCL) to expand their existing complaint process to include Secure Communities and implement a mechanism where Secure Communities will be notified of complaints. Specifically, Secure Communities website at http://www.ice.gov/secure_communities/complaint_process.htm announces as follows:

ICE is committed to ensuring that the biometric identification technology capability, known as IDENT/IAFIS Interoperability, is used appropriately to identify and remove dangerous criminal aliens. ICE encourages reporting of any allegations of racial profiling, due process violations, or other violations of civil rights or civil liberties related to the use of IDENT/IAFIS Interoperability. All complaints should be filed with the DHS CRCL, on the CRCL complaint intake website.

Terrorism and Gang Violence

Question: We can, and should invest in programs that "disrupt dismantle and defeat terrorist networks", but I am not convinced this is as comprehensive an objective as we need to win because it doesn't include how we deal with the root societal and psychological causes of terrorism.

Does the FY11 budget request invest in programs that try to understand and address what motivates human beings to become members of violent groups whether they are terrorists or gang members?

I'm interested in this issue because Salinas, a small, rural city of 150,000 in my district, has a horrific gang violence problem – 29 gang related homicides last year. Military students at the Naval Postgraduate School who have come back from Iraq and Afghanistan are determining if any "lessons learned" from terrorist incidents can be applied to hometown security, in this case gang violence.

Their research may show profound similarities – gang recruitment might be more similar to how Al-Qaeda recruits than we realize. Are there similar feelings of alienation that drive both gang members and terrorists to join violent groups? Does poverty play a role? Are there cultural factors that "pre-dispose" more violent societies? Does martyrdom represent the same thing for both gangs and terrorists?

ANSWER: Yes, street gangs target youths from impoverished neighborhoods from vulnerable broken family structure. These recruiting organizations are effective because they attract susceptible youths by offering protection, acceptance and respect.

Yes, poverty plays a role. Gang recruitment offers protection, acceptance, and respect; these are attractive alternatives to susceptible youths from poverty stricken neighborhoods, many of whom also experience the additional vulnerability of growing up in a broken family structure.

No, there are not cultural factors that predispose move violent societies but law enforcement intelligence indicates that war torn nations with unstable government structures, such as El Salvador, have fostered environments where youths are conditioned and desensitized to violence in their daily lives.

No, martyrdom does not represent the same thing, but similar to terrorist organizations, street gangs delude their members with the ideology that their activities are done in the name of their organizations (gangs) and are accomplished for a higher purpose. For example, a gang member's prestige is heightened the more violence that they commit. Furthermore, gang members are persuaded that dying for the gang is the ultimate sacrifice.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE Ken Calvert

Secretary Janet Napolitano
FY11 Department of Homeland Security Budget

Air and Marine Operations Center

Question: My work as a Co-Chair of the Congressional Caucus to Fight and Control Methamphetamine has made me keenly aware of the constant threat Drug Trafficking Organizations pose on our southern border. I've recently learned that the commanders of SOUTHCOM and NORTHCOM have proposed to Secretary Gates the creation of a National Task Force in the Arrival Zone for interdiction. From my understanding the proposed National Task Force enterprise would be an actual, physical National Interdiction Center that focuses on the unique aspects of illicit trafficking that affects the arrival zone – our national borders.

What role do you see the Air and Marine Operations Center playing in that National Task Force as they are designated by the National Interdiction Command and Control Plan as the Homeland Security interdiction center focused on the Arrival Zone?

ANSWER: The Air and Marine Operations Center (AMOC) continues to play a critical role as a primary national law enforcement operations center responsible for detecting, tracking, and coordinating the interdiction of transnational threats entering or transiting the United States via general aviation. It is the only operations center in the country where approximately 450 FAA and DOD radar feeds come together to provide a unique capability to monitor air space along the Nation's borders. The Department does not see any change in the mission of the AMOC based on national interdiction command and control discussions held to date.

Question:
I have heard that there may be some interest by some of my colleagues from Texas for the creation of another "AMOC-like" center to be built in El Paso and run by the El Paso Intelligence Center.

Has the agency been involved in any planning of this kind? How would this center differ from what AMOC does and what value will it bring that cannot already be leveraged by AMOC?

ANSWER: The AMOC continues to play a critical role as a primary national law enforcement operations center responsible for detecting, tracking, and coordinating the interdiction of transnational threats entering or transiting the United States via general aviation. It is the only operations center in the country where approximately 450 FAA and DOD radar feeds come together to provide a unique capability to monitor air space along the nation's borders. The Department does not see any change in the mission of the AMOC based on national interdiction command and control discussions held to date.

With regards to if CBP has been involved in any planning of this kind: No, there are currently no plans to establish an "AMOC-like" center in El Paso.

TUESDAY, MARCH 2, 2010.

MAJOR SYSTEMS ACQUISITION

WITNESSES

JANE HOLL LUTE, DEPUTY SECRETARY

ELAINE DUKE, UNDERSECRETARY FOR MANAGEMENT

OPENING STATEMENT BY CHAIRMAN DAVID PRICE

Mr. PRICE. The Subcommittee will come to order.

Good afternoon, everyone.

We are pleased to welcome Deputy Secretary Jane Holl Lute before this Subcommittee to discuss how the Department is managing its major systems acquisitions.

This is her first appearance before us. It is somewhat like learning to swim by being thrown into the deep end of the pool, I guess, with all the details we are going to be getting into pretty quickly about these major acquisitions, but we are sure you are up to the task, and we look forward to hearing from you.

We also want to thank Under Secretary for Management Elaine Duke for being on hand as well to answer any questions that we may have on specific items.

Thanks to the both of you for being here.

Deputy Secretary Lute brings to the Department a formidable resume from her career in the U.S. Army, as a member of the National Security Council staff, as U.N. Assistant Secretary General and in the private sector. Her broad experience as a leader in organizing responses to international crises, military intervention, and peacekeeping operations will come in handy as she helps manage a sometimes unwieldy department.

Among the major tasks she faces is putting DHS major systems acquisitions on track and keeping them there.

The Department has struggled from its inception to manage major acquisition projects effectively. Congress chose to construct a large bureaucracy from scratch to manage and operate components that had been relocated from other departments at a time when securing the homeland had to be done both right and right away. It was inevitable that not everything would work smoothly in the beginning, but that was 7 years ago. Americans expect that a maturing agency should have addressed these issues, to ensure the taxpayers' dollars are well spent; that planning, design, procurement and deployment of systems directly supports the Department's mission priorities; and that deliverables arrive on time and on budget.

To be blunt, there has been great dismay at how some of the Department's major acquisition programs have been handled. While sometimes we can say enough is enough and pull the plug on projects that go off course, such as the Coast Guard's original com-

posite-hulled Fast Response Cutter or its Vertical Unmanned Aerial System, we often do not have that luxury.

Today we focus on four acquisition programs: an experimental border security system for Customs and Border Protection; a major capital asset for the Coast Guard; a consolidated financial management system for the entire Department; and a long-running project to modernize trade and customs processes. All of these programs have drawn public criticism for various failings, whether they have been for cost growth or charges of unfair contracting, delays, failure to define requirements or objectives, or simply not meeting agency needs.

What we hope to learn today is how the Department is repairing the acquisition processes for these major systems and to assess whether, despite initial problems, these acquisitions are now on track.

The Secure Border Initiative was launched in 2005 to leverage technology to expand our capacity to monitor and protect our borders, making our fencing and Border Patrol agents more effective. Four years ago, DHS held an industry day to show how our first case study, the Secure Border Initiative Network, would, "integrate multiple state-of-the-art systems and traditional security infrastructure into a single comprehensive border security suite for the Department."

It has been a bumpy road for SBInet. Initial plans deferred technology investment in favor of placing tactical fencing on 670 miles of Southwest border. The initial 28-mile pilot project was late and failed to live up to its billing. Finally, original SBInet plans, which called for technology to be deployed in Tucson and Yuma sectors by the end of fiscal year 2008 and to the entire Southwest border by fiscal year 2011, have been significantly delayed.

Block 1, the first operational deployment of SBInet, will not be formally tested until later this year, with completion in 2013, and no decisions for deployment beyond Tucson until the 2011 Acquisition Review Board meeting. No funding is requested for deployment beyond Tucson or Yuma or for block 2, the next SBI deployment.

Therefore, with only deployment to about 50 miles of the border scheduled, it appears that SBINet deployment will take many more years.

Our second case study, the Coast Guard's National Security Cutter, was a component of Deepwater, the much maligned recapitalization initiative for the Coast Guard. The goal of the National Security Cutter was to provide a more capable replacement for the aging fleet of High-Endurance Cutters, one that could operate in conjunction with Navy surface ships, provide command-and-control capabilities, and even serve as a mother ship for unmanned reconnaissance drones.

The Coast Guard now has two of these vessels, but problems were identified with the design that would shorten the service life of these ships. Costs have escalated significantly, and the production time table has slipped.

While supporters of the program say the vessels are extremely capable, critics have charged that the Deepwater acquisition process was more focused on the contractors designing a profitable ship

instead of giving the Coast Guard what it needed to accomplish its mission. The budget request before this Subcommittee requests $538 million for the fifth in this line of ships, which, if approved, will bring the total investment of the program to nearly $3 billion.

The Transformation and Systems Consolidation Project, or TASC for short, is our third case study, an ambitious project aimed at providing unified financial and asset management for the Department of Homeland Security. From its inception, the Department has struggled to demonstrate transparency and offer timely reporting on its finances. At OMB's direction, DHS attempted to develop an in-house financial management system called eMerge2. This was beyond the Department's capabilities, so they scrapped the program and sought the commercially available solution to their problem.

The contracting process has resulted in lawsuits charging a lack of fair competition, followed by changes in further lawsuits. The challenge of getting the right system to implement across the entire Department with its unique mix of old and new agencies would be difficult enough without such obstacles.

While the contract has not been awarded yet to begin this work, TASC is currently estimated to cost $450 million with lifecycle costs of over $1 billion.

Last but not least on today's list is ACE, the Automated Commercial Environment. ACE has been on the drawing board for Customs and now CBP for over a decade. When I sat on the former Treasury Appropriations Subcommittee, ACE was touted as the way to move Customs past its paper-bound, 19th century procedures and 1970s vintage computer systems and to implement the 1994 Customs Modernization Act. It was to be the platform for automating all major agency functions, to include import and export systems, finances, personnel, enforcement systems and procurement.

Over the past decade, Congress has appropriated $2.9 billion to develop and deploy ACE, including $123 million for the related International Trade Data System, an initiative to consolidate various Federal trade data reporting and statistical requirements into one virtual window. Congress has required expenditure plans for the project along the way to ensure that best practices were followed in designing and procuring the system.

There have been numerous GAO studies on the management of ACE, and OMB reviewed the program in 2006. It awarded it three stars, its highest score, for program performance and effectiveness.

Given that the initiative has been studied and restudied time and time again and that there are still major functions yet to be delivered by the program, I am eager to understand why the budget seeks to scale the program back in 2011. To put it another way, it appears that you would like to halt the development of new products, take a step back and substantially redefine the requirements and timeline of the Automated Commercial Environment.

We thought this type of review had been completed long ago, so we anticipate learning about your plan for getting ACE and ITDS back on track. I certainly approach this issue with an open mind, so I am seeking your assistance in determining the most prudent course to take.

So, Madam Deputy Secretary, we look forward to hearing from you, receiving your perspective on the problems I have outlined. Your full statement, of course, will be entered into the record, so I ask you to limit your oral remarks to a 5-minute presentation, after which, we will have questions.

Before we begin, let me recognize our distinguished ranking minority member, Hal Rogers, for any comments he wishes to make.

[The information follows:]

COMMITTEE ON APPROPRIATIONS

David Price (D-NC), Chairman, Subcommittee on Homeland Security

EMBARGOED UNTIL DELIVERY (*Approx. 2:10 PM*)
Tuesday, March 2, 2010

Media Contact: Andrew High
202-225-1784

OPENING STATEMENT OF CHAIRMAN DAVID PRICE
Oversight Hearing: Major Systems Acquisition
March 2, 2010 / 2:00 pm

We are pleased to welcome Deputy Secretary Jane Holl Lute before this Subcommittee to discuss how the Department is managing its major systems acquisitions. This is her first appearance before us, so it is somewhat like learning to swim by being thrown into the deep end of the pool, but we are sure she is up to the task.

Deputy Secretary Lute brings to the Department a formidable resume from her career in the U.S. Army, as a member of the National Security Council staff, as UN Assistant Secretary-General, and in the private sector. Her broad experience as a leader in organizing responses to international crises, military intervention and peacekeeping operations will come in handy as she helps manage a sometimes unwieldy Department. Among the major tests she faces is putting DHS major systems acquisitions on track and keeping them there.

The Department of Homeland Security has struggled from its inception to manage major acquisition projects effectively. Congress chose to construct a large bureaucracy from scratch to manage and operate components that have been relocated from other Departments, at a time when securing the homeland had to be done both right, and right away. It was inevitable that not everything would work smoothly in the beginning. But that was seven years ago. Americans expect that a maturing agency should have addressed these issues – to ensure that taxpayer dollars are well spent; that planning, design, procurement and deployment of systems directly supports the Department's mission priorities; and that deliverables arrive on time and on budget.

To be blunt, there has been great dismay at how some of the Department's major acquisition programs have been handled. While sometimes we can say "enough is enough" and pull the plug on projects that go off course -- such as the Coast Guard's original composite-hulled fast-response cutter, or its Vertical Unmanned Aerial System -- we often do not have that luxury.

Today we focus on four major acquisition programs: an experimental border security system for Customs and Border Protection; a major capital asset for the Coast Guard; a consolidated financial management system for the entire Department; and a long-running project to modernize trade and customs processes. All of these programs have drawn public criticism for various failings, whether they have been cost growth, charges of unfair contracting, delays, failure to define requirements or objectives, or simply not meeting agency needs.

What I hope to do today is learn how the Department is repairing the acquisition processes for these major systems, and to assess whether, despite initial problems, these acquisitions are now on track.

The Secure Border Initiative was launched in 2005 to leverage technology to expand our capacity to monitor and protect our borders, making our fencing and Border Patrol agents more effective. Four years ago DHS held an "industry day" to show how our first case study, the Secure Border Initiative network, would "integrate multiple state of the art systems and traditional security infrastructure into a single comprehensive border security suite for the department."

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There have been numerous GAO studies on the management of ACE. And OMB reviewed the program in 2006 and awarded it three stars, its highest score, for program performance and effectiveness. Given that this initiative has been studied and restudied time and time again, and that there are still major functions yet to be delivered by the program, I am eager to understand why the budget seeks to scale the program back in 2011. To put it another way, it appears that you would like to halt the development of new products, take a step back, and substantially re-define the requirements and timeline of the Automated Commercial Environment. We thought this type of review had been completed long ago, so we anticipate learning about your plan for getting

ACE and ITDS back on track. I approach this issue with an open mind, so I'm seeking your assistance in determining the most prudent course to take.

Deputy Secretary Lute, we look forward to hearing from you, and receiving your perspective on the problems I have outlined. Your full written statement will be entered into the record, so I ask you to limit your oral remarks to a five minute presentation. Before we begin, let me recognize the distinguished Ranking Member, Hal Rogers, for any comments he may wish to make.

# # #

OPENING STATEMENT BY RANKING MEMBER HAROLD ROGERS

Mr. ROGERS. Thank you, Mr. Chairman.

Welcome to both of you to the table.

Madam Secretary, this is your first visit with us, and we hope it is a good one for you and us.

We are pleased that Elaine Duke is with us today, undersecretary for management. I understand she is due to retire next month after 28 years of government service.

You do not look that old.

Ms. DUKE. Thank you, thank you, Mr. Rogers.

Mr. ROGERS. But thank you for your service to your country.

Madam Secretary, while your years of military and legal experience have surely prepared you for your duties as DHS's deputy secretary, it is your expertise in peacekeeping and conflict resolution that perhaps makes you ideally suited for overseeing the challenge of managing DHS's major acquisitions. From Deepwater to SBInet to the multitude of IT systems across the Department, acquisition programs at DHS have unfortunately encountered more setbacks than success.

However, what gets lost in all the GAO and IG reports on cost and schedule overruns is the fact that these acquisition programs serve the vital purpose of equipping and supporting our brave security professionals in the field who are charged with keeping us safe and secure. In short, these acquisitions programs matter. We simply cannot achieve lasting success in Homeland Security without modern tools.

But that fact does not eliminate the need for stewardship of the taxpayers' precious dollars.

In my view, we should spend every dollar that is necessary on Homeland Security, but not a penny more. So we must get our major acquisitions right. We must find a way to expeditiously obtain and deploy the tools needed to meet our security requirements without breaking the bank or breaching the public's trust.

But as I look at DHS's fiscal year 2011 budget request, I see less traction toward this goal and more glaring questions and inconsistencies. First, the budget claims the substantial cuts to Coast Guard operations are necessary to "make room" for investments in new acquisitions, but the budget pushes many critical investments to future years, while also decreasing Coast Guard acquisitions by $155 million, 10 percent.

What this means in real terms for fiscal year 2011 and perhaps a few years following is that fewer drugs will be seized; fewer drug smugglers will be interdicted; fewer migrants will be saved; fewer ports and miles of coast line will be protected.

Secondly, on SBInet, the budget proposes a massive cut of $225 million, 28 percent plus below fiscal year 2010. Now I know this program has a history of failures and delays, but SBInet's operation was supposed to coincide with the deployment of 20,000 Border Patrol agents and robust air support. Sadly, the budget is proposing to cut all elements of border security operations at a time when a murderous drug war is raging along that border.

These proposed reductions to Deepwater and SBInet might make sense if we had the expenditure plans as required by law. But we do not have those plans, and they are well overdue.

And the record will show that, in the past, when we have been denied those expenditure plans, we simply do not appropriate, or cut them severely pending the presentation to us of the plans for expenditures. We have to have that; that is what we do for a living, if you will.

And so due to this failure to comply with the law, and this requirement is in the law; it is in the bill language for the last 4 years. So due to the failure to comply with the law, I do not see how the Subcommittee can make informed decisions on these proposed cuts or the direction of these critical programs.

Finally, the budget request is proposing a sizable $24 million initiative to hire an additional 150 acquisition professionals. It is unclear what outcomes this costly initiative will actually achieve other than to simply hire more bureaucrats in the Department's administrative offices. And this proposal seems to overlook the fact that this Subcommittee has consistently and rather responsibly increased acquisition management staffing at DHS as needed over the past few years.

Madam Secretary, in the wake of a terrorist attack, with mounting threats at every turn and when fiscal discipline is so badly needed, how can Congress even contemplate sweeping bureaucratic increases, prolonged delivery schedules and severe cuts to frontline operations? Furthermore, how can you expect the Subcommittee to accept the budget's far-fetched claims when the administration has so badly failed to comply with mandated planning and oversight requirements?

Mr. Chairman, from where I sit, questionable cuts to essential security operations, vague promises for the future, and the failure to plan and comply with the law do not meet this Subcommittee's standards for adequate budgeting. So to say I have a few questions on how the Department is approaching its major acquisitions is a gross understatement.

Secretary Lute, it is my understanding that you are taking a very deliberate and aggressive stance toward the management of the Department's major systems acquisitions, so I sincerely hope you can help us make sense of the budget's questionable proposals. As you well know, far too much is at stake for us to fail.

Thank you, Mr. Chairman.

[The information follows:]

OPENING STATEMENT

CONGRESSMAN
Hal Rogers

FIFTH DISTRICT • KENTUCKY

Offices in
Washington, D.C.
Somerset, Prestonsburg,
Hazard

Contact: Stefani Zimmerman
202.225.4601

Opening Statement

Committee on Appropriations
Subcommittee on Homeland Security

Major Systems Acquisition at DHS

Witness:
Deputy Secretary Jane Holl Lute

2:00 PM | Tuesday | March 2, 2010 | 2359

Thank you, Mr. Chairman.

Welcome to Deputy Secretary Lute for what marks your first appearance before the Subcommittee.

While your years of military and legal experience have surely prepared you for your duties as DHS's Deputy Secretary; it is your expertise in peacekeeping and conflict resolution that perhaps makes you ideally suited for overseeing the challenge of managing DHS's major acquisitions.

From Deepwater to SBInet to the multitude of IT systems across the Department, acquisition programs at DHS have unfortunately encountered more setbacks than successes.

However, what gets lost in all the GAO and IG reports on cost and schedule overruns, is the fact that these acquisition programs serve the vital purpose of equipping and supporting our brave security professionals in the field who are charged with keeping us safe and secure.

In short, these acquisition programs matter – we simply cannot achieve lasting success in homeland security without modern tools.

But, that fact does not eliminate the need for stewardship of the taxpayers' precious dollars. In my view, we should spend every dollar that is necessary on homeland security – but not a penny more.

So, we must get our major acquisitions right. We must find a way to expeditiously obtain and deploy the tools needed to meet our security requirements without breaking the bank or breaching the public's trust.

But, as I look at DHS's FY11 budget request, I see less traction towards this goal and more glaring questions and inconsistencies.

First, the FY11 budget claims the substantial cuts to Coast Guard operations are necessary to "make room" for investments in new acquisitions.

⇒ But, the budget pushes many critical investments to future years while also decreasing Coast Guard Acquisitions by $155 million or 10%;

⇒ What this means, in real terms for FY11 and perhaps a few years following, is that fewer drugs will be seized, fewer drug smugglers will be interdicted, fewer migrants will be saved, and fewer ports and miles of coastline will be protected.

Secondly, on SBInet, the budget proposes a massive cut of $225 million, or 28.2%, below FY10. Now, I know this program has a history of failures and delays; but, SBInet's operation was supposed to coincide with the deployment of 20,000 Border Patrol agents and robust air support.

⇒ Sadly, the FY11 budget is proposing to cut all elements of border security operations at a time when a murderous drug war is raging along our border.

These proposed reductions to Deepwater and SBInet might make sense if we had the expenditure plans – as required by law – for these acquisitions; but, unfortunately we don't.

⇒ So, due to this failure to comply with the law, I don't see how this Subcommittee can make informed decisions on these proposed cuts or the direction of these critical programs.

Finally, the FY11 budget is proposing a sizable $24.2 million initiative to hire an additional 150 acquisition professionals.

⇒ But, it is unclear what outcomes this costly initiative will actually achieve other than simply hiring more bureaucrats in the Department's administrative offices; and

⇒ This proposal seems to overlook the fact that this Subcommittee has consistently – and, rather responsibly – increased acquisition management staffing at DHS as needed over the past few years.

Madam Secretary, in the wake of a terrorist attack; with mounting threats at every turn; and when fiscal discipline is so badly needed; how can Congress even contemplate sweeping bureaucratic increases, prolonged delivery schedules, and severe cuts to frontline operations?

Furthermore, how can you expect the Subcommittee to accept the budget's far-fetched claims when the Administration has so badly failed to comply with mandated planning and oversight requirements?

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So, to say I have a few questions on how the Department is approaching its major acquisitions is a gross understatement.

Secretary Lute, it's my understanding that you are taking a very deliberate and aggressive stance towards the management of the Department's major systems acquisitions. So, I sincerely hope you can help us make sense of the FY11 budget's questionable proposals. As you well know, far too much is at stake to fail.

Thank you, Mr. Chairman. I look forward to today's discussion.

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Mr. PRICE. Thank you.

Madam Secretary, please proceed.

STATEMENT BY DEPUTY SECRETARY JANE HOLL LUTE

Ms. LUTE. Mr. Chairman, Ranking Member Rogers, thank you and the other members of the Subcommittee very much for this opportunity to appear before you, particularly to appear with my colleague Elaine Duke, who is retiring and in whom we have placed enormous trust and learned a great deal during the past year. She is much admired by her colleagues in the Department and is a mainstay of our operations across the board. Thank you for this opportunity to recognize her.

It is my hope to provide you today with some insight into how the Secretary and I are thinking about implementing procedural and systemic reforms and oversight in the acquisition process.

Mr. Chairman, you mentioned that I was thrown into the deep end of the pool. In many ways, I was born in the deep end of the pool. I am the middle of seven kids, God rest my parents' souls, and was born with very much a sense of responsibility and a commitment to public service. And from my time in peacekeeping, from my time in the United States Army and from my time in Homeland Security, people tell me I am developing a bit of a specialty in large, far-flung struggling bureaucracies. And it is a privilege to be in the Department today.

As this Subcommittee knows well, the Department's major program portfolio encompasses 67 programs with an aggregate cost of $232 billion. By any measure, this is a lot of money. The Secretary and I take our responsibility to ensure proper execution of this portfolio very seriously. When you speak to the Secretary, you get a view of the Department's work, perhaps from the flagpole. When you speak to me, you will get a view of the Department's work from the motor pool. And when you speak to Elaine Duke, you will get a view of the Department's work from the wash rack. We will give you a very fulsome understanding of how the Department is trying to live up to the responsibilities that have been entrusted to it by the American people.

Allow me please to say just a few words about the essential elements of our acquisition process; that is to say, the policies, the procedures and the people that we have in place to ensure that the operators of this Department have what they need and have what they need when they need it because this is, as Ranking Member Rogers has said, an operating department. And it is an operation that we take very seriously.

And as you know, if you are an operator, and I am one, that the most important operating factors you have are your people and, for us in acquisition, recognizing the importance of getting the right people, as this Committee not only knows but has helped us work through over the years. It is important that we establish a core of acquisition experts at every key position within the Department of Homeland Security. These professionals, both at headquarters and in the components, provide valuable improvements in program oversight, in-place expert support and other key aspects of logistics, engineering, testing and evaluation for the Department's programs.

But we also recognize that we still have a shortage of acquisition professionals within the Department, and so we have developed and implemented an Acquisition Professional Career Program, which has drawn in 109 new entry level acquisition positions. We are on track to grow this program to 300 by the end of Fiscal Year 2011.

Additionally, we have established a formal acquisition certification program for contracting and program management and have created a partnership agreement with the Department of Defense (DOD) to allow our workforce to take advantage of existing DOD best practice and training programs and developing opportunities as well.

Extending beyond our people, we have been looking intensively at our policies and our processes. Why is this important? As this Committee well knows, we need to have solid policies and processes in place for two key reasons. The first key reason is that we can replicate success of a reliable way, and the second is that we can avoid encountering every problem as if for the first time.

One of the very first steps we took in establishing a robust oversight organization was to expand the competencies and capabilities of our Procurement Office in the Department, moving it from procurement-focused, emphasizing contracting and the contracting discipline, to an acquisition orientation and acquisition focus that emphasizes the synergies among multiple disciplines. Again, this is essential for an operating organization because, whether you are in the field or anywhere else, it is impossible to operate if you do not have what you need or if you do not have what you need when you need it. And it is for this purpose that an acquisition process is designed and built.

We established the Acquisition and Program Management Division to develop, implement and oversee an acquisition governance process. And we have established the Cost Analysis Division to provide independent assessments of life-cycle cost estimates for level 1 programs at major decision points, in part because we know that the acquisition process covers the entire life-cycle of a commodity, program or service. We established the Office of Test and Evaluation to provide independent assessments of program testing evaluation plans and of actual test results.

And finally, I would note that, in our effort to improve departmental oversight, we have completed a comprehensive revision of our Acquisition Review Process. The previous department acquisition governance process was modeled after the DoD, but our acquisitions are generally focused on service and information technologies, not entirely on development of hardware efforts. This revised Acquisition Review Process is tailored to match our actual situation.

Looking forward, Mr. Chairman, several steps are highlighted in my written testimony. However, I think it is important to note that these reforms and improvements, while important, are really in alignment with the broader strategy and undertaking we have in the Department of Homeland Security.

At the instruction of Congress, we have produced and recently released the Quadrennial Homeland Security Review (QHSR). This document represents the first strategic look at the enterprise of

Homeland Security because it does take an enterprise to keep this homeland secure. It articulates a vision for Homeland Security, that is to say, a safe, secure and resilient place where the American way of life can thrive and we can live our lives protected from terrorist threats or any others who would do us harm.

In the service of this vision, we have articulated five mission area sets: preventing terrorist attacks; securing our borders; enforcing our immigration rules; ensuring resilience and the ability to respond quickly from disasters; and establishing a new mission in the area of cyber security. For each of these missions, the QHSR lays out an approach, goals and objectives to achieve the goals that we know will help ensure that these missions are achieved and that this vision of a secure homeland is itself achieved as well.

Following up the QHSR, we are working on a bottom-up review of the Department to look comprehensively at how we are organized, whether we are organized optimally and effectively, not only with respect to personnel but also with respect to policy and processes as well.

So I do not view reform of our acquisition process as purely a management problem or a problem that happens outside the broader context of the purpose and function of the Department of Homeland Security.

Secretary Napolitano and I recognize that improving our acquisition process is, as you say, Mr. Chairman, and as the ranking member has said, fundamental to our Department's ability to make progress on the strategic goals that we have articulated in the QHSR. Our work on acquisition reform is appropriately viewed as part of this overall effort to mature the strategic orientation of the Department of Homeland Security.

I thank you, Mr. Chairman, for your interest in and the continued support of this Committee for the acquisition program and for this opportunity to appear before you today.

At this point, I stand ready, with the help of Under Secretary Duke, to answer any questions you may have.

[The information follows:]

TESTIMONY OF JANE HOLL LUTE
DEPUTY SECRETARY
DEPARTMENT OF HOMELAND SECURITY

BEFORE THE
SUBCOMMITTEE ON HOMELAND SECURITY
COMMITTEE ON APPROPRIATIONS

UNITED STATES HOUSE OF REPRESENTATIVES
March 2, 2010

Chairman Price, Ranking Member Rogers, and members of the subcommittee, thank you for this opportunity to appear before you to discuss the Department of Homeland Security (DHS) acquisition program.

As this Subcommittee knows, the Department's major program portfolio encompasses 67 programs with an aggregate cost of $232 billion. This Subcommittee is also aware that in the first year of this Administration, the Secretary, myself, and the Under Secretary for Management have devoted a great deal of time and attention to bringing smart reform and oversight to the acquisition process at DHS—to ensure that we have the right people, the right policies, and the proper systems to ensure that we purchase the right things at the best value for the American taxpayers. We take this responsibility very seriously and are grateful for the support this Subcommittee has provided throughout this process.

People

The Department of Homeland Security relies on the professionalism of its staff in every aspect of our mission. Acquisition is no different. As this Subcommittee knows, successful acquisition requires having a combination of people expert in various disciplines, including program management, policy, contracting, engineering, logistics, business and financial management, cost estimating, and testing. Upon arrival at the Department, it was clear that the Department needed to work on building a cadre of acquisition professionals. Under Secretary Napolitano's leadership, we have put key initiatives in place to get the right people in place within the Department to do just that.

We have now established and are continuing to build a core group of acquisition experts at key positions within the Department. These professionals, both at the headquarters and at the components, have provided valuable improvements in program oversight and expert support for the Department's programs.

We have developed and implemented the DHS Acquisition Professional Career Program (APCP) to continue to build and strengthen our acquisition personnel. Since its January 2008 inception, APCP has grown to 109 new entry-level positions in the acquisition field. From the initial Contracting career field, we are expanding this program to other acquisition career fields to include Program Management, Logistics, Systems Engineering, Industrial Engineering and Information Technology Acquisition. We are on track to grow the program to 300 positions by the end of fiscal year 2011.

We have also established formal DHS acquisition certification programs for contracting and program management. Through this effort, we ensure that our acquisition professionals have the education, experience, and training to perform their mission. We have also created a partnership agreement with the Under Secretary of Defense (Acquisition, Technology and Logistics) and the President of the Defense Acquisition University to leverage existing Department of Defense training and development opportunities and help develop our workforce on a long-term partnership basis.

After developing a certification program for program managers, we have worked diligently to ensure a properly certified program manager is running each major acquisition program. The percentage of properly certified program managers running the 42 largest (Level 1) programs has significantly increased since the start of this certification program. Additionally, DHS is committed to ensuring every Level 1 program is run by a properly certified program manager by the end of this calendar year.

Policy/Processes

One of the first steps we took to establish a robust oversight organization was to expand our Department's Chief Procurement Office from a procurement-focused organization emphasizing contracting discipline to an acquisition-focused organization that emphasizes synergy between multiple disciplines. This is not just a matter of semantics. This change requires the addition of systems engineering, logistics, testing and evaluation, and cost estimating skills to our contracting and program management knowledge base to achieve holistic, critical thinking at each step of the acquisition lifecycle.

The Acquisition and Program Management Division was established to develop, implement, and oversee an acquisition governance process. Part of maturing our acquisition process was the development and implementation of Acquisition Directive 102-01, which establishes the policy for governance for all DHS acquisition programs. This directive sets forth the roles and responsibilities of headquarters and component personnel. It integrates the planning, requirements, budgeting, and acquisition processes. It also defines the three levels of programs, when a program needs to be reviewed, and the decision authorities for the respective program levels.

We established the Cost Analysis Division to provide independent assessments of lifecycle cost estimates for Level 1 programs at major decision points. Sound lifecycle cost estimates, based on defined and documented requirements, are crucial to measuring programs for cost performance. In the early years of DHS, programs often underestimated the total cost of program execution; this division is helping improve our program cost estimates.

Finally, we established the Office of Test and Evaluation to provide independent assessments of program test and evaluation plans and actual test results. A program must address its testing plan during our acquisition reviews and satisfy an independent testing authority from our Science and Technology Directorate.

In our effort to improve Departmental oversight, we also completed a comprehensive revision of our acquisition review process. The previous DHS acquisition governance process was modeled after the Department of Defense policy and targeted developmental, hardware acquisition programs. However, as DHS acquisition is generally focused on service and information technology programs, we revised the acquisition review process to match our needs, effectively queuing programs for leadership review and decision based on milestones and risk management. This review process provides a clear insight

into each program's overall performance and controls related to cost, schedule and contract performance. It allows us to make a risk assessment for each major program and then take appropriate actions to mitigate risk and align our resources.

Since the new review process was implemented, there have been more than 50 Acquisition Review Boards (ARBs) held either by me or the Under Secretary for Management. During an ARB, we discuss program status, progress against the current program plan, and current risks and other program issues. The ARB, comprised of key executive stakeholders from across the Department, assesses the program's progress, establishes criteria for further execution, and documents the findings, decisions, and actions in an Acquisition Decision Memorandum.

To complement the ARB process, we also implemented Component Portfolio Reviews. This process, jointly executed by the component and the Department, supports management of the component's acquisition portfolio and strengthens Departmental governance and oversight. These reviews also provide insight as to systemic acquisition risks across the Department.

We have conducted seven Independent Expert Program Reviews on programs of senior leadership interest. These reviews provide an independent, in-depth assessment of the program to inform the Department's acquisition governance leadership on program status and risks. They also recommend appropriate actions to improve program execution.

DHS also has designated six Component Acquisition Executives (CAEs) who are responsible for program execution at their respective components. The CAE is a dedicated governance and oversight entity within the component to help resolve issues and reduce risk.

Systems

Visibility and transparency into programs performance requires technology that will support our needs. We have therefore developed and implemented the next generation Periodic Reporting System, which provides information to acquisition leadership on the cost, schedule, and performance of the Department's acquisition programs.

Next steps

One of the early benefits of the new acquisition review process has been the improved communication between the acquisition and program review board (PRB) processes. We will continue to increase the integration between our acquisition governance and our resource allocation processes. The results of acquisition reviews and decisions are being used to influence Resource Allocation Decisions.

We have also initiated a department-wide strategic requirements process to complement the Department's acquisition and resource allocation processes. This requirements process brings together interagency and departmental operational and business owners'

perspectives to set measurable targets that flow from goals and objectives identified in the Quadrennial Homeland Security Review. It also identifies critical capability gaps and recommends how departmental programs can best address those gaps.

We are investigating methods to improve governance of IT programs, particularly focusing on enterprise-wide efficiencies. As a first step, the new DHS Chief Information Officer is conducting comprehensive IT reviews on all of our key programs. We want to explore reviewing programs from a functional portfolio perspective to identify opportunities for reuse and to focus our limited resources on critical gaps.

Finally, we are initiating a study of acquisition program staffing focused on the key disciplines needed to successfully execute a program. We want to understand if our major acquisition programs have the necessary key personnel in program management, system engineering, information technology, logistics, cost estimation, and test & evaluation, and develop concepts to rapidly fill identified gaps. The President's Budget requests additional resources to allow the department to fill these gaps and improve the capability and capacity of the department's entire acquisition workforce.

Summary

While we have strengthened many aspects of our acquisition program, we will continue to seek improvements in our processes and provide our acquisition professionals the tools they need to both meet our missions and achieve acquisition excellence.

Thank you, Mr. Chairman for your interest in, and continued support of the DHS Acquisition Program, and for the opportunity to testify before the Subcommittee about the DHS acquisition program. I am happy to answer any questions you or the members of the Subcommittee may have for me.

Homeland Security

Deputy Secretary: Jane Holl Lute

Deputy Secretary Jane Holl Lute has over thirty years of military and senior executive experience in the United States government and at the heart of efforts to prevent and resolve international crises.

Ms. Lute served as Assistant Secretary-General of the United Nations, responsible for support to peacekeeping operations. In this capacity, Ms. Lute managed operational support for the second-largest deployed military presence in the world. At the United Nations, Ms. Lute led rapid-response support to a wide variety of operations and crises in some of the most remote, austere, and dangerous environments in the world. She also effectively directed the growth of United Nations Peacekeeping support from a $1.8 billion to nearly $8 billion operation. Most recently, Ms. Lute led the United Nations initiative designed to coordinate efforts to build sustainable peace in countries emerging from violent conflict.

Prior to joining the United Nations, Ms. Lute served on the National Security Council staff under both President George H.W. Bush and President William Jefferson Clinton.

Ms. Lute was Executive Vice-President and Chief Operating Officer of the United Nations Foundation and the Better World Fund, the entities established to administer Ted Turner's $1 billion contribution to support the goals of the United Nations. She also headed the Carnegie Commission on Preventing Deadly Conflict and was a senior public policy fellow at the Woodrow Wilson International Center for Scholars.

Ms. Lute had a distinguished career in the United States Army, including service in the Gulf during Operation Desert Storm.

Ms. Lute has a Ph.D. in political science from Stanford University, and a J.D. from Georgetown University.

CHANGES TO ACQUISITION REVIEW PROCESS

Mr. PRICE. All right, thank you very much. We will proceed with questions.

Let me begin with one that takes as its point of departure your comments on the second page of your written testimony, your indication that comprehensive review of the Acquisition Review Process has taken place. The changes that resulted from this review geared the process, to use your terms, for acquisition of service and information technology programs rather than developmental hardware acquisition programs.

Can you provide more detail on how the process has changed, how the new process differs from the old one? And in orienting the processes, you said, more towards supporting services and IT acquisition programs, what do these changes mean for major capital acquisitions, like the National Security Cutter, or the Deepwater programs and for developmental efforts, like the SBInet and ACE?

Ms. LUTE. Thank you, Mr. Chairman.

The reform of the acquisition process began before January of last year. A number of elements were being put in place to establish the kind of competent control over the acquisition process the Department needed.

When you are in a standup of a relatively new department, as we are, you live in your past, your present and your future all at the same time. You have to overcome the legacy tendencies of the past. You have to operate in the current environment, and you have to plan for the future.

The comprehensive review was designed to look at every aspect of the programs that we had underway, all of our level 1 programs, equally our level 2 and level 3. This resulted in a policy directive being signed in January of this year that established, for the first time in the Department, a standardized acquisition life-cycle process where needs requirements were articulated and defined. Solution sets were analyzed and selected, where we went through the process of procuring or obtaining the solution that was selected. And we followed through with the deployment of the support onward to disposition. We had not had that before.

We have laid out overall management policies regarding every step of this process, generating a better handle on the programs' overall performance and flow. And we have introduced senior decision-making at key points at each step along the way of the acquisition process.

I, along with Under Secretary Duke, have—I think "aggressive" was the term that Ranking Member Rogers used—I have been aggressive in establishing senior leader accountability and responsibility for every step in the acquisition process. I have myself 18 Acquisition Review Boards. Under Secretary Duke has 19 in just about a year's worth of time on station. And we have linked these processes as well to the program review boards and then the resource allocation decisions.

As we have said, in the Department, we recognize that service and IT acquisitions are major dollar investments that we have to get a better handle on. We do have major capital programs, as you mentioned, like SBInet and like the National Security Cutter.

Those programs are in train and underway. And we believe that this system, resulting from the review, will serve those as well because those programs will take their place in this schema of the acquisition life-cycle that I mentioned.

Mr. PRICE. All right, you are getting at what I was trying to understand more fully. You suggest in your testimony that the previous acquisition governance process was modeled on DOD, on the Defense Department, and targeted developmental hardware acquisition programs. But you are suggesting that, because DHS acquisition is generally focused on service and information technology, you have now undertaken these revisions. I gather this is an adaptation, in other words, to the bulk of the acquisition efforts that DHS has underway and is a departure from an earlier modeling on DOD that you concluded was not entirely appropriate. I want to really understand what you are saying here, though, and what the thrust of it is for these major programs.

Ms. LUTE. Essentially, Mr. Chairman, the DOD approach, as I have come to understand it, and the Department of Homeland Security and the developmental approach to acquisition is to identify requirements that need to be filled—operational requirements in the field—and then to work with industry to develop a technological solution. This very often requires a large capital investment over many years, novel to the solution of those requirements that exist in the field. Working interactively in that developmental process is a major function of the acquisition that we are doing.

The Department has done some of that. We will continue to do some of that. But our entire acquisition process is focused more on identifying the requirements and needs that we have for systems and services support, and for the IT systems that undergird those as well, and less on novel technological solutions requiring major capital investments to secure over time.

Mr. PRICE. Thank you.

We will return to some of the specifics of these four cases, but let me ask Mr. Rogers for his questions.

COAST GUARD BUDGET CUTS

Mr. ROGERS. Thank you, Mr. Chairman.

Talking about the Coast Guard, the budget is proposing to cut 1,112 military billets and decommissioning key assets, including four of the 12 High-Endurance Cutters; four fixed-wing aircraft; five H–65 helicopters; five of the 13 Maritime Safety and Security Teams, including those in New York, New Orleans, and Anchorage, and so forth. And you claim that these cuts to Coast Guard's operational expenses and decommissioning of assets will "make room for acquisitions in the future."

But in Congressional Quarterly yesterday, the Commandant of the Coast Guard, Admiral Allen, says these cuts will have a real impact, making the Coast Guard less capable in fiscal year 2011 than it has been in fiscal year 2010, and disagreeing with the Secretary on how important these cuts are.

Your budget claims that you are cutting Coast Guard operations and acquisitions to make room for acquisitions in the future. Well, I assume you are talking about the National Security Cutter, the

Maritime Patrol Aircraft, and the unmanned aerial system and H–65 helicopters.

However, that does not stand up to logic, because in the budget for the National Security Cutter, for example, you include money only for NSC number five. Unlike previous years, the budget does not include funding for the long-lead materials for the following NSC cutter number six. And I want to recollect that eight NSC cutters are planned to replace the 12 378-foot High-Endurance Cutters. And since these long-lead materials can take up to a year to obtain, the planned delivery schedule of one cutter per year is unlikely to stay on track.

Probable consequence of the budget proposal is the elongation of the delivery reschedule for number six, seven and eight of the NSCs, which will create that huge mission gap for the Coast Guard surface fleet over the next several years.

Maritime Patrol Aircraft, you include $40 million for only one aircraft, no funding for spare parts. And by budgeting for only one Maritime Patrol Aircraft, the Guard is likely to pay a higher unit cost, since previous budgets have included funding for two to four MPAs as well as funds for spare parts. So the mission gap will grow there as well.

Unmanned aerial systems and the H–65 helicopters: no funding for a cutter-based UAS; that is an essential and plan component of the National Security Cutter; and includes the unplanned deactivation of five of the H–65 helicopters.

The bottom line claims that cuts to the Guard's budget are to allow for funding to be put toward acquisitions are simply unfounded, since the funding for the NSC, the aircraft and the unmanned aerial systems are either prolonged, diminished or nonexistent. In the meantime, the Coast Guard is crippled and at a time when we cannot afford it.

What do you think?

Ms. LUTE. Congressman Rogers, what I would say is that the Coast Guard is ready and prepared to execute its missions.

The Secretary and the Commandant have said publicly that the readiness of the Coast Guard is essential to the security of this homeland and to the other missions that it is asked to perform on behalf of the Nation.

We are, in fact, undergoing the recapitalization and indeed a reprofiling of the Coast Guard fleet, and we are doing that systemically and comprehensively as well.

There are a number of specific issues that we can address in detail. For example, there has been a change in policy with respect to splitting the long lead-time requests and the requests for builds. We are combining those, and so number six will have that come together.

With the unmanned aerial vehicle (UAV), a seaborne aerial system, we are conducting joint testing with the Navy.

But part of what you raise is an issue of great concern to me and one that I have been focused on and looking at very hard for the past year. And that is, how to get a solid multiyear commitment for recapitalization investments that can be sustained over time like DOD has? Part of that requires that we get our internal

plumbing and wiring in the Department cleaned up and put together.

It is not possible right now to speak about budget comparability; we do not have common budget alignment. It is not possible to speak about capability reinforcement; we do not have performance indicators and metrics that allow us to compare assets across the entire Department.

Mr. ROGERS. Let me interrupt you. It is fairly simple what I am asking; your budget says that you want to, you are making these cuts, substantial cuts, in both equipment and manpower, in order to fund investments in the new equipment that is coming on board, and yet, you do not include money for the new equipment coming on board. In the meantime, the Coast Guard is hurting for certain now on interdicting drugs, smugglers, the drug war on the border, the violence and not to mention the seagoing difficulties.

Do you not agree that the cuts are now, but the investments are not there for the future in this budget request?

Ms. LUTE. What I would say to you is that I believe that the Coast Guard is ready and able to perform its missions and that the budget takes a realistic view of the asset requirements that currently exist and are projected in Fiscal Year 2011.

Mr. PRICE. Mr. Farr.

Mr. ROGERS. Mr. Chairman, is my time up?

Mr. PRICE. Yes.

I am sorry, we will have a second and possibly a third round.

Mr. Farr.

REDUCING RELIANCE ON CONTRACTORS

Mr. FARR. Thank you very much, Mr. Chairman.

I am rather new to this Committee, and I am just amazed at some of the things I have learned preparing for this hearing. One is that the acquisition budget for the Department is $332 billion and that you have supervision over 67 major acquisition programs in the Department, but that the number of employees, the Department has 188,000 Federal employees, but you employ 200,000 contractors, more than all the Federal force that works for the DHS, and that you're in the process of developing a professional career program, the APCP, that you have 190 entry positions now, and you want to grow to 9,300, is that correct? Is that math right? By the end of 2011.

How much does that program cost to train the new acquisition professionals?

Ms. LUTE. We have asked for $24 million for acquisition professionals.

Mr. FARR. And who provides the curriculum, is that a contracted-out curriculum, or do you do that in house?

Ms. LUTE. We are also working with the Department of Defense Acquisition University to leverage the university's expertise in training opportunities.

Mr. FARR. But these will be in-house employees when they finish and they get certified as acquisition——

Ms. LUTE. For acquisition professionals within the Department, yes.

Mr. FARR. Why has it taken so long? With 200,000 or more contractors than in-house employees, it seems like the fox is guarding the hen house.

Ms. LUTE. Congressman, when the Department was stood up, a premium was placed on establishing a rapid capacity to operate. And part of the solution for that was to rely on contractors and contracting services.

Out of the number of contractors that you highlight, we have identified about 70,000 that we are looking at intensively in the professional ranks. A number of others, many thousands of others, provide building and custodial services and the kinds of contracting services that are common elsewhere in the Federal Government. We recognize, though, that this is a ratio that we want to get substantially down in order to consolidate and evolve the Department.

Mr. FARR. So when you are working with DOD, this partnership you are having, is it essentially to get to that kind of professional capacity? I mean, how does the partnership with DOD get implemented?

Ms. LUTE. The under secretary may want to elaborate. But part of what we are trying to do through our certification program is to reach the point where we have only certified level 2 or level 3 program managers for level 1 and level 2 acquisition programs. It requires a combination of education, training and experience that we validate in the Department and work with DOD.

Mr. FARR. Does that parallel with what DOD has in its professional cadre of acquisition professionals?

Ms. LUTE. It is my understanding, yes.

Mr. FARR. I represent the Naval Postgraduate School out in Monterrey, and DOD uses, that is a Masters, Ph.D. Program. And acquisition management is one of their training programs. DHS has a program there, but it is not that. Do you use assets like that for training?

Ms. LUTE. We do. Perhaps Under Secretary Duke can elaborate on some of the specific aspects of the DOD structure that we make extensive use of.

Ms. DUKE. We use the Naval Postgraduate School for some of our Homeland Security professionals. We have an ongoing partnership with them.

We use Defense Acquisition Training for the basic training of our young people entering the workforce. And we use them because they had established curricula that basically meet our needs.

Mr. FARR. So that is not what is going on in Naval Postgraduate School. Naval Postgraduate School is more firemen, police chiefs and others in their getting their Masters degrees.

Ms. DUKE. No, we are using them for Homeland Security employees, not specifically for acquisition.

Mr. FARR. Okay. Today's Post has an article about you are planning to drop the Bush-era nuclear detectors. And it says, recent testing revealed that the consequences of these machines being deployed nationwide in 2007 as DNDO intended could have been disastrous, the GAO's director of natural resources environment said. How many of these machines that could have been disastrous are installed?

[The information follows:]

At this time there are no ASP detectors deployed in an operational capacity. There are 15 ASP detectors installed at ports of entry as test units to support field validation and operational testing and evaluation. While DHS recognizes the right of the GAO to offer their opinion on the potential consequences of deploying ASP systems nationwide, the Department is unaware of any testing or analysis that would support the claim that such actions could have been "disastrous." The decision discussed in the Washington Post article was based on projected performance and cost data, but additional testing and analysis of ASP systems is still on-going. The Department continues to pursue the deployment of ASP systems to secondary inspection locations, and is committed to following stated acquisition processes. These processes will culminate in a procurement and deployment decision from the Acquisition Review Board, followed, if successful, by Secretarial certification of the system's performance.

Ms. LUTE. I will have to get back to you, Congressman. I have not seen the article.

Mr. PRICE. Mr. Culberson.

COAST GUARD BUDGET CUTS

Mr. CULBERSON. Thank you, Mr. Chairman.

Madam Secretary, I share Mr. Rogers' concerns about the proposed cuts to the Coast Guard. They are an absolutely essential part of our Homeland Security network. And the ships they currently have are badly out of date. They are always ready, as any branch of the military is, to do their job.

But Mr. Rogers had I think some very good points to make that I share, the proposed increases and funding for headquarters at a time when the Coast Guard is proposed to be cut. I also wanted to be sure to bring to your attention the need for, because I do not see it in here, a new ice breaker. They have completely inadequate—the ice breakers that they are running now are ancient and break down. And it is essential that we maintain that ability to get ships down to the South Pole.

In fact, if I could Mr. Chairman, I would like to yield the remainder of my time to Mr. Rogers, if I could, because he had some good follow up.

If you would like some additional time, I would like to yield my time to you, sir.

Mr. ROGERS. I will have a second round.

Mr. CULBERSON. Okay. But I share Mr. Rogers' concern, and I wish you could address in a little more detail what he was asking you about with regard to the Coast Guard.

Ms. LUTE. Congressman, it is the view of the Secretary and certainly my view, as reflected in the President's budget, that the Coast Guard will be properly resourced in the coming budget year.

We recognize that we are in the process of recapitalizing the fleet, and that requires major investments and major decisions about those investments.

I would respectfully disagree that funding, I think what you have termed bureaucracy, at the expense of the Coast Guard is the choice that we have made. I am an operator. I know what it is like to operate in the field. I know that, for effective operations, we need the ability of a high-quality, highly trained, highly responsive acquisition system. And this Department, with the help of this Committee, has made a series of investments and improvements over the years, and we are building on that and continuing those

improvements. So the Coast Guard is not the bill payer for our strengthening our acquisition system.

Mr. CULBERSON. No, but it is just simply a matter of priorities.

And I share Mr. Rogers' concern that, at a time when the Coast Guard's mission requirements have increased, you are proposing a reduction in critical funding for the ships and equipment that they need, at a time you are proposing an increase in the bureaucracy. It is a matter of prioritization, and I think it is the wrong priorities, and I share Mr. Rogers' concerns.

Mr. PRICE. Thank you.

Let me weigh in, too, on the Coast Guard and the National Security Cutter and try to get a focus on this from the standpoint of today's hearing, which has to do with acquisition management.

Of course, Madam Secretary, the National Security Cutter is a highly capable vessel, but as originally envisioned, it was at the heart of the Deepwater fleet. Eight National Security Cutters were to replace the 12 High-Endurance Cutters, as Mr. Rogers recalled, with greater numbers of days on patrol, increased reach, due to the use of unmanned aircraft, as well as traditional helicopters and greater command-and-control capabilities.

NATIONAL SECURITY CUTTER AND DEEPWATER PROGRAMS

Now since that original concept the National Security Cutter has become less mission-capable because the unmanned aircraft program failed to deliver an operational vehicle as hoped, and design flaws that would have shortened the structural life of the ships have required changes that reduce the flexibility of the cutters by adding additional weight.

Furthermore, as you know, the program has been plagued by escalating costs. According to a GAO report from July of 2009, the eight National Security Cutters will cost over $4.75 billion. That is 38 percent more than the 2007 baseline of $3.45 billion. So some questions about this.

The original design and requirements for the National Security Cutter were developed by the Deepwater integrated systems contractor before 9/11, based on the contractor's assessment of the Coast Guard's needs at that time.

So my first question, how has the NSC program been reviewed to ensure that the ship we are buying meets the Coast Guard's own assessment of its needs today?

Secondly, what methods has the Department explored for keeping coast growth in the NSC program under control?

And then, finally, since I became Chairman of this Subcommittee, we have provided $153 million to the Coast Guard to oversee the Deepwater contract in house, instead of depending on a systems integrator, with the hope of eliminating problems that I have already mentioned.

So, in your view, does the Coast Guard at this point have the capacity—have an adequate number of acquisition staff with enough training and expertise and experience—to act as lead systems integrator for NSC and other Deepwater elements?

Ms. LUTE. Yes, Mr. Chairman, I believe that they do.

We conducted an independent review on the National Security Cutter procurement process. And that review validated the requirements, the estimated cost projections and the schedule as well.

As I mentioned in my remarks, we have instituted an aggressive Acquisition Review Board (ARB) process, where every major step of the acquisition process is put to senior decision makers in the Department representing all of the major lines of business for review, discussion and validation before we go forward. And it is our determination to keep ourselves on track, on target, on schedule and within the bounds of acceptable cost as they have been projected.

Mr. PRICE. Can you say more about the methods the Department has explored for keeping cost growth under control?

Ms. LUTE. The principal method, as I have said, Mr. Chairman, is that the ARB process that we have, the Acquisition Review Process, engages the operators from the requirements point of view and then the program managers throughout the life-cycle of an acquisition to ensure that things are on schedule and within the cost bounds that have been estimated. We have introduced this deliberate decision-making process to understand, at the earliest opportunity, if costs are potentially getting out of control and to devise strategies, if that is the case, and to validate that we are, in fact, on track.

And, because of this process and a vigorous interchange between the Department and the components for all of the acquisitions, we now have and can address what has been one of the persistent Government Accountability Office and Inspector General findings, which is a lack of senior executive engagement and focus on the acquisition process.

The Secretary and I have made it very clear that acquisition is not purely the business of acquisition professionals or of our finance staff. This is a leadership responsibility that we have to engage in.

Mr. PRICE. So this movement away from using a systems integrator, a contractor to oversee other contractors, the development of the capability in-house is, in your view, that change has basically been executed and has achieved its objectives?

Ms. LUTE. Cutter number four is not under the lead system integrator in Deepwater.

Mr. PRICE. That is what I am asking.

Ms. LUTE. And moving forward.

Mr. PRICE. In your view, that transition has occurred successfully?

Ms. LUTE. Yes.

Mr. PRICE. All right.

Mr. Rogers.

OVERDUE EXPENDITURE PLANS

Mr. ROGERS. Madam Secretary, when can we get the spending plan, the expenditure plan for Deepwater and the other spending plans that are required by law, that we wrote into the law?

[The information follows:]

Response. The Department anticipates providing the FY 2010 Revised Deepwater Implementation Plan Review in the Third Quarter Fiscal Year 2010.

Ms. LUTE. I am aware, Congressman, of how behind we are, and it is unacceptable. As the Secretary said, nearly 300 reports are due for the current fiscal year. And it would be helpful to have the priorities of Congress in that.

And, for a specific answer to your question, I will have to get back to you with a date certain.

Mr. ROGERS. Well, to look at priorities, look at the statute, look at the law, not some extraneous request. There are a few, I do not know how many there are, there are just a few.

Ms. LUTE. There are 16 overdue from 2009.

Mr. ROGERS. That are required by law?

Ms. LUTE. Yes, sir.

Mr. ROGERS. Written in the bill?

Ms. LUTE. Yes, sir, the expenditure plans are overdue.

Mr. ROGERS. Yeah, but the ones that are written in the statute and the ones that we have specifically mentioned in these hearings, Deepwater, SBInet and so on, we want those; those are 2 months or more overdue. We cannot do our work until we know how you want to spend the money. That is what we do, and it is what your budget people are supposed to do. And yet we do not have those reports, so this is not just a request.

Ms. LUTE. I understand, sir.

Mr. ROGERS. This is the law, and we want those reports. That would settle a lot of these questions we have today about the Coast Guard around SBInet and the others. We would know specifically what it is that you plan to use and how much money for each and the timetable and the like, that way we would not waste this time verbalizing when those reports, assumedly by the experts, would be available for you and me as well.

So when do you think we can get those reports?

Ms. LUTE. Congressman, I am not in a position to give you a specific date for each of these reports with the exception of task C, which I believe we will have transmitted tomorrow, but we recognize that we have this obligation due.

Mr. ROGERS. Well, it hampers what we can do. And as I have told the Secretary the other day and this Subcommittee many times, I am not prepared to go for any expenditures until we have the plans for how you plan to spend the money. It hampers our capability to allocate funds across the whole Department.

So I think the Chairman joins me in this, that we need and want those reports, the spending plans.

OFFSHORE PATROL CUTTER

Now, that would also help us understand the Offshore Patrol Cutter (OPC). You included a request for $45 million for that cutter, to fund initial acquisition work, but we appropriated $40 million for similar work since 2004. And the Coast Guard has been studying and designing the OPC for more than six fiscal years. They say the cost for initial production will not be funded until fiscal year 2015, 5 years later than had been planned under the 2006 Deepwater Implementation Plan. And those 25 cutters are supposed to replace the 27 legacy medium-endurance cutters. So we are into the same predicament with them as what occurred with

the 378-foot high-endurance cutter and NSC. We have got a big gap in patrol time.

The bottom line, the exacerbation of the Coast Guard's gap in surface fleet mission hours brought about by the delay in delivery of the NSC will be further strained with a delay in the delivery of the OPC.

So we need to know what is the plans for the expenditures of funds for the OPC as well.

Ms. LUTE. What I can tell you, Congressman Rogers, is that the design work is complete to the best of my knowledge, but I would have to ask Under Secretary Duke to elaborate beyond that.

Ms. DUKE. The delay in the OPC was defining the requirement. The requirement is complete now. We have an approved acquisition strategy, and the procurement for the OPC will be coming out very soon and we can get a date for that.

Mr. ROGERS. Would that be in the plan, the expenditure plan that we are asking for?

Ms. DUKE. I will make sure it is.

Mr. ROGERS. Well, you know that is news. I hate for us to have to drag out every detail when your expenditure plan will answer our questions and we can devote this hearing to something a good deal more significant. But here we are dabbling around in details that the spending plan will tell us if it were timely, and we should have had that 2 months ago, as the law says, so we can plan our work.

Do you hear me?

Ms. LUTE. Yes, sir.

BUDGET CUTS FOR THE SECURE BORDER INITIATIVE (SBINET)

Mr. ROGERS. Now, you propose a cut of $225 million, 28 percent below 2010, to CBP's border security fencing infrastructure and technology account. Why are we proposing to eliminate the design and development of what is called Block 2 and scale back the program management resources for SBInet?

Ms. LUTE. Congressman, we are not proposing to eliminate Block 2. What we are going to do is to deploy those parts of Block 1, Tucson 1 and Ajo 1, subject those deployments to vigorous operational testing and use and then adapt those proven technologies and systems in the expansion as we move forward in order to avoid false starts again.

Mr. ROGERS. And when will that take place?

Ms. LUTE. I don't have them memorized, Congressman. If Elaine wants to jump in and rescue her deputy, that would be great. Tucson 1, we have 23 miles constructed and Ajo 1, 30 miles. But, at the moment, there is a preservation hold on expansion as I recall.

Ms. DUKE. Tucson 1 is in final testing and should be completed by the end of this fiscal year. Ajo 1 is on hold for deployment because of some environmental breeding reasons, and that will be deployed shortly and then go into testing. We expect the full rate production decision, which is what you are talking about "Do we go to Block 2" to be about a year from now.

Mr. ROGERS. Well, your budget submissions and justifications on page 20 say that you eliminate SBI Block 2.

Ms. DUKE. We are not funding SBI Block 2 because Block 1 is still in testing and deployment, and the decision of whether we will need Block 2, which is really an enhancement of Block 1, has not been decided. It is also part of the Secretary's directed assessment of the best way to secure the border. So it is not eliminated, but there is a decision to not request funding on it at this point because we are not ready to say what Block 2 will be. We have not even completed the decisions on Block 1, which is the initial deployment and the initial system.

Mr. ROGERS. So when your budget request says you eliminate SBI Block 2, it is inaccurate?

Ms. DUKE. We have eliminated it in this budget request. No funding for Block 2 is in this budget request.

Mr. PRICE. Mr. Farr.

REDUCING RELIANCE ON CONTRACTORS

Mr. FARR. Thank you, Mr. Chairman. In your testimony you indicated near the end that finally we are initiating a study of acquisition programs staffing focused on the key disciplines needed to necessarily execute a program, and then go on to say we want to understand if our major acquisition programs have the necessary key personnel and program management system engineering information technology, logistics, cost estimation, test and evaluation, and develop concepts to aptly fill identified gaps. The study that you are initiating, who is going to do that study; is that going to be internal or external?

Ms. LUTE. It is internal.

Mr. FARR. If indeed there is more contractors, there is more people outside working for DHS than inside, how do you get a handle on those in light of this—it wasn't today's paper, but Saturday's Post that points out that the Department engaged in buying these nuclear detection devices, and that each machine was supposed to cost $377,000, and indeed some cost as much as $822,000, and now that you have looked at them and bought them and in some cases installed them you are deciding to junk them. I mean if there is 200 more contractors out there than employees, how do you get there from here? This seems to me that it is just out of control. I mean everybody who sells something in this town has a great idea that it is going to solve all kinds of problems. And we as Members of Congress see that all the time. With vendors coming in here and saying here is a problem and we have got the ideal technology to solve it sounds pretty good. But then it takes a lot smarter people than we have in our world to try to do that, to really find out if this is cost effective and relevant and all those things. It seems to me that is what you are in the process of training for. But I mean if you have got a lot more contractors out there than the cadre of people that you are going to be training, and we see these kinds of disasters of acquisition, how do you explain to this Committee, how do you get your hands around it in a short time?

Ms. LUTE. Well, again——

Mr. FARR. Because a lot of money is at stake here.

Ms. LUTE. Absolutely right, by any measure, a lot of money is involved. And again, I haven't seen the article. I don't know if Under Secretary Duke has. The advanced spectroscopic portal monitoring,

we have decided to move those into secondary, not completely junk the program. So I don't know what the article is referring to.

Mr. FARR. Well, that is your excuse, you are going to move into secondary. It means you are spending $800,000 on equipment that doesn't do what it was supposed to do.

Ms. LUTE. But further to your point on contractors, the Secretary has instructed, and we are certainly concerned about our reliance on contractors and have been looking systematically at how to reduce that reliance in a way that doesn't put the operations of the Department at risk, prioritizing those functions that are inherently governmental functions for which full-time, government employees need to be providing and then systematically moving through our workforce to reduce our reliance.

Mr. FARR. Did you get what you asked for from OMB; is it in this budget or did OMB cut your training program?

Ms. LUTE. I don't remember.

Ms. DUKE. We have a small cut in our centralized training program in this budget. But we think, through our partnerships, we have brought down the cost of training considerably, and we think we can adequately train our resources with the President's budget.

Mr. FARR. And this training, explain something about internships. These aren't just typical interns that come in. You will retain them after they intern? They are not going to intern and then leave and go work for the private sector? Sell you some more equipment that doesn't work?

Ms. DUKE. I think it is important that there are a lot of them. Some are mid career, most predominantly new college graduates. They come in and go through a 3-year program. They are on-the-job, they do not work at headquarters and they are not overhead. From day one, they work in one of the operating components under a mentor doing actual contract work. And, during their 3-year program, they go to formal training. They are in the workplace, so they get the on-the-job training.

Another great piece of this is that they rotate through three DHS components so they get varied experience. For instance, they might do Coast Guard, Federal Emergency Management Agency and Transportation Security Administration, so they get a good feeling. When they graduate in 3 years, they are career employees, and they have the training and the experience to be contract officers.

Mr. FARR. Is there going to be enough of them to get your hands around this if there is 200,000 contractors out there? And frankly that figure came from the Washington Post. I don't think the Department knew the answer to how many contractors there were.

Ms. DUKE. Well, these acquisition interns will not replace the contractors. Those contractors are doing a wide variety of work.

Mr. FARR. I understand that. They are going to be monitoring these contracts, right? You are going to learn how to make sure that we get what we are promised? These contractors are smart. Hopefully we have less and less people that we need to contract with. It is cheaper to bring them in and make them Federal employees in some cases, not in every case, but in a lot of cases to have them work for the Department rather than for a private contractor.

Ms. DUKE. We very much agree and are looking at rebalancing our workforce for the principal purpose of making sure that the core capabilities of DHS are done by federal employees, and that is our phase one.

Mr. FARR. How long do you think it will take to get this cadre of people trained and in place?

Ms. DUKE. We have 109 that are in place now. We will be building to 300 by the end of fiscal year 2011. In terms of the conversion and making sure we have the right number of Federal employees, we have identified about 3,500 contractor positions that are more appropriately done by Federal employees, and those will be converted this fiscal year. And that is just phase one of our effort.

Mr. FARR. Thank you.

Mr. PRICE. Mr. Culberson.

SECURING THE SOUTHWEST BORDER

Mr. CULBERSON. Thank you, Mr. Chairman. Madam Secretary, I represent Houston and Texas, more than any other State, has a long and very special good relationship with Mexico. We have a special history with them and a keen understanding of the need for workers from Mexico to come here legally so we know who you are and you are here for a specific purpose, we know when you are going home. And because we have the longest border with Mexico than any other State we also have a keen understanding of the need to keep illegal activity out, people that are crossing the country and entering America illegally, that are bringing in contraband, drugs, weapons, et cetera. And in the Del Rio sector and the Laredo sector, with the help of several of my colleagues in this Committee, in a bipartisan way, we have successfully implemented a law enforcement program of zero tolerance where people that enter illegally under existing law are prosecuted and incarcerated and removed from the country in a criminal proceeding and it works beautifully. The local community loves it. The local community on the border is 96 percent Hispanic. Law enforcement is something that everyone in America understands, it works, it is common sense. Yet I see in your budget proposal, and it is here in the budget proposal that you have submitted, the fiscal year 2011 budget and brief, a 58 percent increase in Department operations; that this President's priority is a 58 percent increase in the bureaucracy, yet you are cutting the investment in the Coast Guard's operational needs 10 percent, you are proposing a 28.2 percent cut in the border patrols, border security fencing, infrastructure and technology account, you have eliminated Block 2 of SBInet, so how can—it is just common sense you can't proceed with Block 2 in future years if you are wiping it out. I mean, in addition, the concern the American people have over this administration and this Congress is this majority is out-of-control spending and the debt, the deficit, the fear that everyone has about spending. It is the priorities. And I have to tell you on behalf of my constituents I share absolutely Mr. Rogers' concern and frankly strenuous opposition to cutting the Coast Guard and cutting Customs and Border Protection's security fencing at a time when it is so critical.

If we would just enforce the law and secure the border. The crime rate in Del Rio and Laredo have dropped dramatically. In

Del Rio the crime rate has dropped around 60 percent. We have seen about a 50 percent drop in the crime rate in Laredo. It is the priorities that concern us, the absence of reports, as Mr. Rogers has said, that are required by statute to help us do our job. And I can tell you, the public, this is something that, this is one of many reasons the prioritization, your priority of our bureaucrats, in not helping our men and women in the field with the infrastructure that they need. That is unavoidable. There is no other conclusion. And I have to tell you, this is one of many reasons there is going to be a tsunami this November, and it is a real source of concern.

Why in the world would you cut the Block 2 when, and I understand about the problems with SBInet, but how do you propose to even move into Block 2 if you have wiped it out?

Ms. LUTE. So, Congressman, what I would say, in the first instance, the lion's share of the operating program changes are going to St. Elizabeth's, the new headquarters for the Department of Homeland Security, and we do not believe that we are causing the operational effectiveness of our operators in the field, whether they are in the Coast Guard or Immigration and Customs Enforcement or on the border patrol or anywhere else——

Mr. CULBERSON. Yes, ma'am, but you are increasing the—you are hiring, you are staffing up headquarters personnel or a bureaucracy at a time when you are proposing cuts and infrastructure to Border Patrol and Coast Guard. That is a fact.

Ms. LUTE. Congressman, I am an operator, and I will tell you from an operator's perspective that your teammates at headquarters are every bit as essential to your operation as your buddies in the field.

Mr. CULBERSON. I am just telling you that is not acceptable to the American people.

Ms. LUTE. And what I would respectfully clarify is that the priority is supporting our operations in the field with competent ability to operate at headquarters. There is never a good time to make the kinds of choices that we make, but we are determined to have this Department as responsive to our field requirements as we can be.

Mr. CULBERSON. I understand. I just wanted to confirm your priorities are bureaucrats rather than supporting the men and women in the field.

Ms. LUTE. I will say what I said before, Congressman. Our priority is supporting our field-based operations with all of DHS. And these requirements, whether in the acquisition workforce or elsewhere, are essential for operators to have what they need and have it when they need it.

Mr. CULBERSON. Are you aware the Tucson sector is essentially wide open? I have toured it several times myself. It is a problem with the DOJ and the prosecutor there. But the border patrol agents in the Tucson sector, and I talked to the Chairman and the Ranking Member and the Members about this, in Texas if you cross you are arrested and prosecuted. If you enter the United States illegally in the Tucson sector you will not be prosecuted unless you are carrying more than 500 pounds of dope. You have a 99.6 percent chance of being home in time for dinner, literally.

They are out of about 4 hours of time and they lose the load. It is crazy.

Tucson is wide open, yet you are not installing this critical infrastructure in the Tucson sector where it really is needed. That is the Wild West out there. Tucson is wide open.

Why would you not proceed in installing this infrastructure in Tucson where it is needed so badly?

Ms. LUTE. As Under Secretary Duke said, we are proceeding with Tucson 1 and Ajo 1. We expect them both to be operational by the end of the year. We expect to exercise them and use them vigorously and have them form the basis of——

Mr. CULBERSON. Is that the Yuma sector? I think that is in the Yuma sector. Or part is in the Yuma sector and parts of it right next door. We are on the edge of the Yuma sector in Tucson, out in the wilderness, right?

Ms. LUTE. Well, in addition, Congressman——

Mr. CULBERSON. Thank you, Mr. Chairman. Oh, Ajo, that is Yuma. They have zero tolerance in Yuma too, Mr. Chairman. That is the area where law enforcement is just enforcing existing law. So where you are building it is wonderful, but you are not building it where it is needed the most, Mr. Chairman, and that is in the Tucson sector. And I hope at some point you or any of my colleagues, we all need to look at Tucson and try to help those poor folks because it is a wide open superhighway in Tucson.

Thank you.

Mr. PRICE. Ms. Lute, feel free to complete your sentence. I didn't mean to cut you off.

Ms. LUTE. The only thing I was going to say is that in the interim, as you know, we have undertaken a strengthening of the Southwest border over the past year. We deployed mobile surveillance radars, we have increased the use of canine teams and reinforced best teams. The Secretary is certainly very aware of the entire border, having been there herself personally, and this has been a priority for the Border Patrol and will continue to be a priority for the Department.

Mr. CULBERSON. Thank you, Mr. Chairman, but take a close look at Tucson.

OVERDUE REPORTS AND EXPENDITURE PLANS

Mr. PRICE. Madam Secretary, let me pause just a minute to clarify a matter that was under discussion earlier, and indeed last week with the Secretary, having to do with reports and overdue reports. The number was bandied about last week that something like over 300 reports had been required of the Department of Homeland Security by this Subcommittee. I am here this afternoon to tell you that the House appropriations subcommittee mandated reports due to this point, number 105. That includes some from the 2010 bill and some late ones from 2009. Now, that is a lot of reports. A lot of those are a page or two, but some are major. But the number is less than 300. And while it is often said that jurisdiction over homeland security is spread all over our Committee structure that is manifestly not true on Appropriations. On Appropriations we have consolidated jurisdiction in one committee that deals with the entire Department, and the reports that we require

are very considerably in scope and format, but they do represent our best judgment from a single vantage point as to the overall functioning of this Department.

Mr. ROGERS. Will the gentleman yield on that?

Mr. PRICE. I would be happy to.

Mr. ROGERS. In the 2010 bill, the bill, the Act, has 18 expenditure plan requirements.

Mr. PRICE. In statutory language.

Mr. ROGERS. That is 18.

Mr. PRICE. That is right. 18 expenditure plans in statutory language. The balance of those reports and plans would be of a greater variety and usually not included in statutory language.

We do take this very seriously, and I think all of us have stressed that today. The major plans we are talking about here are the Deepwater expenditure plan, the SBI expenditure plan, and aviation security plans for explosive detection systems, checkpoints and air cargo. We made that very clear with the Secretary, and I trust it is clear today. But some of these numbers are confusing, and I hope this serves to clarify what we are dealing with.

SECURE BORDER INITIATIVE (SBINET)

Let me now turn to SBInet. SBInet was expected to leverage the expertise and resources of a major systems integrator, Boeing, and its team to apply commercial off-the-shelf solutions to help DHS, and in particular the Border Patrol, achieve operational control over land borders with Mexico and Canada. However, as everyone knows, the progress has been slower than expected. The original target to deploy SBInet to Tucson and Yuma sectors was October of 2008 with the Southwest border deployment of a common operating picture, as it is called, scheduled for December 2008. However, your budget indicates more conservative plans to complete testing just for Tucson Block 1 by the end of this year and finish deployment in 2013. That is 2 to 5 years later than planned. And as you have confirmed, Block 2 is deferred entirely—deferred, not canceled but deferred entirely—until completion of the Secretary's SBI review.

Last week the SBInet program manager said, and I am quoting, that "technology helps with the surveillance part" of Border Patrol's mission, but acknowledged mistakes made by DHS and Boeing over the past 4 years in relation to the use of radar, cameras, and defining of system requirements. He also said "we thought it would be very easy and it wasn't. Technology has to be a key part of the border security plan, it's not there. So what do we do in the meantime?"

So Madam Secretary, I want to ask you about "in the meantime." What steps are you taking to ensure benefits of technology will be realized in the meantime, and specifically we understand Boeing is permitting the Border Patrol to make operational use of some of the Block 1 technology now in testing. What is that all about? Will that speed up future acceptance testing, will it help define requirements, will it inform investment decisions?

OVERDUE REPORTS AND EXPENDITURE PLANS

Ms. LUTE. Well, Mr. Chairman, if I can just make a comment about the reports and to Ranking Member Rogers, you hear no excuses from me about why our reports are late. They are late; it is unacceptable. We understand what our requirements are, and we will work to meet them. I certainly understand the value of these reports for Congress to discharge its responsibility. This Committee, as I have mentioned before, has been extremely helpful to us in strengthening our acquisition process, and these reports are key instruments for that purpose.

Our job in homeland security is really to do three things: execute our mission sets, run ourselves and account responsibly for the resources that Congress has given us. We take each of those responsibilities very seriously, and so, with respect to reports, we recognize the importance. That message comes through loud and clear.

SECURE BORDER INITIATIVE (SBINET)

With respect to SBInet, we experience problems here, Mr. Chairman, that we have experienced in a number of our other areas, which, in part, is a problem of understanding our requirements and being in a position to be able to articulate what our operating requirements are to a commercial level of satisfaction. All over the public sector, industry has the ability to monetize every aspect of a capability: the durability of the equipment, the length of hours that it operates, the mean time between failure, everything. And we are, in many cases, operators. We are trying to strengthen our acquisition workforce across the range of capabilities that are designed to address these shortfalls and have us do it well once; to identify within an acceptable range what our operating capabilities and requirements are, to be able to assess and identify solution sets that are presented to us by industry and to engage with industry, where necessary. For prototyping, this is what DOD does, as you mentioned before, for limited production numbers and to interact in a way that validates what has been achieved or makes adjustments as we go forward.

So we have put in the hands of some of our operators some of this technical capability. And this is my old world. These are radars, cameras and command and control radios that talk to each other in terms of data and that allow operator manipulation command and control for the purposes of detection, attribution and interdiction.

This is a complicated, difficult system that is temperamental to the weather. It is a recipe for difficulty in acquisition. And so the decision was made to review SBInet entirely, at the Secretary's direction, to ask CBP to go back in and look at what we are requiring and, in the meantime, to use our technology such as the mobile radar surveillance capability. It is on the back of a truck and gives you night vision capability as well as day capability of movement and detection, plussing up agents at the borders and other mechanisms to help strengthen our border visibility and operation.

Under Secretary Duke may be able to elaborate beyond that.

Ms. DUKE. In addition to deploying the current technologies, as we continue to develop the Block 1 technology, we also are using

some of the ARRA funding that went to the Border Security Fencing, Infrastructure and Technology account to introduce opportunities for other companies that have proven technologies that can work along the border to propose those and that will broaden our tool box. The original philosophy for Block 1 was that it would be systematically reproduced along at least Arizona and potentially the whole Southwest border. That has not necessarily changed; it is just not decided yet. We want to look at how far Block 1 should be reproduced and what other technologies, both that we know about and don't know about yet, might be introduced to best protect the Southwest border.

Mr. PRICE. Can you give us a little bit more practical sense of what this Block 1 technology looks like, what it achieves, what we are getting out of this in the way of border security, apart from the testing and the projection of capabilities for future use?

Ms. DUKE. Yes. What you are getting is a system of unattended ground sensors. You are getting sensor towers. And the sensor towers have day cameras, night cameras and radar. And then there are relay towers, microwave towers, that are basically communications relay. The biggest things you are getting are technologies to allow, in Tucson, for example, four to five border patrol agents working from computers in an upgraded command center basically to get persistent visibility of the entire 23 miles, and the 23 miles is the border. Understand that, even inland, four to five border patrol agents get this view from computer screens from these, in this case of Tucson, nine towers. And so basically what you are doing is you are getting persistent surveillance completely, day and night, with sensors and with the technology.

So that is what you are getting. You are leveraging your border patrol agents and giving more complete visibility into the area.

Mr. PRICE. Well, it was originally assumed that this kind of technological fix was a good alternative, in some cases a superior alternative, to the actual construction of physical barriers, physical fencing.

Is that judgment still intact and do you anticipate that after this further period of demonstration and testing that will in fact be the case?

I presume that we are talking about areas here where the fencing solution itself has lots of challenges and difficulties.

Ms. LUTE. I think that is right, Mr. Chairman. As the Secretary has said repeatedly, a fence is not a strategy. SBInet is not a strategy. We need a combination of technology, people and processes to comprehensively address the border challenges, which, on the one hand, are to keep out people who are unauthorized to come here who might be dangerous but, on the other hand, particularly at our points of entry, to expedite legitimate trade and travel. And this as Under Secretary Duke said, is designed to give realtime border space operational awareness and to allow the kinds of decision-making, for interdiction purposes, that maximizes the personnel and the other infrastructure that exists.

Mr. PRICE. Mr. Rogers.

BUDGET CUTS TO COAST GUARD AND CUSTOMS AND BORDER PROTECTION

Mr. ROGERS. Well, you say that Block 2 is not eliminated and yet there is no funding there for it, which reminds me of that old saying that a vision without funding is a hallucination. And I hope we are not hallucinating here.

Somebody said a moment ago, I think you said a while ago, that the cuts to the Coast Guard will not be significant, will not be harmful. However, the Coast Guard says that their ability to interdict smuggled cocaine will drop by about 3 percent, the amount of cocaine removed will decline by 11 percent due to the loss of the assets proposed in the 2011 budget. In 2009, the four 378-foot cutters proposed to be decommissioned contributed to the removal of 35,000 pounds of cocaine, 400 pounds of marijuana with an estimated wholesale value of $493 million.

So I beg to differ with you. The loss of these assets will mean significant reduction in the capability of the Coast Guard, as the Commandant now has said.

Now, quickly moving to the CBP's air and marine operations, the Border Patrol relies heavily on robust air support, and the decision in this budget to decrease funding for procurement and operations of the air and marine division by $16.6 million, 3.2 percent, had air and marine salaries and expenses by $11.3 million, 3.7 percent below 2010, will be significant, is significant. What do you think will be the impact of the cuts to CBP and marine operations on border security at a time when we are in a big time war on the border?

Ms. LUTE. Congressman Rogers, as the Secretary has said and I certainly support, CBP, including its air and marine operations, is well equipped and prepared to discharge their missions to protect our Nation's borders. We again view this capability in the context of the overall approach to border operations, of which this is an integral part, and believe that we are profiled properly to discharge our missions and recognize, frankly, the importance of air and marine operations for that purpose.

Mr. ROGERS. Well, again, this is another report that we don't have yet that is required. If we had that report we wouldn't have to be asking these questions. We would know because you will have had your experts tell us precisely what you are going to do, what you are not going to do, and what impact it is going to have, what context these reductions are in. So again, as the chairman has said, these reports are not just debating points, these are the way we plan our work, because we have got to justify what we do to the rest of the Congress and to, more importantly, the people of the country. So can we have that report as well?

Ms. LUTE. Yes, sir.

AIRPORT SECURITY TECHNOLOGY

Mr. ROGERS. Now, the other day the chairman and I went to the airport, went to the TSA testing facility out here, to look at the new whole body imaging machines and watched a demonstration of the product. The budget request will acquire and deploy a huge number of these machines. In fact, according to TSA, 497 of the

machines are to be acquired with 2009 stimulus and 2010 funds, another 503 plan to be purchased with the 2011 request, and about 800 would potentially be sought in future years if they are working well in the field.

So we are in the business of testing and evaluating on the fly, if you will. One of us asked the question about whether or not these machines would replace the magnetometers. Of course they would not. But the magnetometers and the machines would be deployed together, but requiring an additional five FTEs per machine, which is a hefty budgetary item and personnel cost. The question is why aren't we just combining those two machines into one machine. It seems like it might be a fairly simple thing to do. And why are we deploying this huge number of these very expensive whole body imaging machines before they are integrated with the magnetometers?

Ms. LUTE. I am no technical expert in this regard, so I won't be able to satisfactorily address your question about why they are not being merged technologically. But what I can tell you is that we believe very strongly that this represents an enhancement as part of our overall layered defense in airport security and that we have, in looking at the whole body imaging, the magnetometers, the explosion trace detection, behavioral detection, the whole suite of measures that we employ at airports. We have tasked our Science and Technology Division, working together with the Department of Energy and the national labs, to take a hard systems look at three aspects of technology in the service of aviation security.

Aspect number one: Are we currently deploying existing technology to its maximum effect, whether maximizing its technical capabilities or maximizing the configuration as it relates to other pieces? Secondly, what new and promising technologies can we accelerate the development and deployment of?

Mr. ROGERS. No, no, no, the question is pretty simple. Magnetometers are needed——

Ms. LUTE. To detect metal.

Mr. ROGERS [continuing]. And whole body imagers appear to be great. But why did not S&T which is, according to Secretary O'Toole, Under Secretary O'Toole, S&T will be the testing and authority for the Department, which is the way it should be, but if that is true why did we not try to combine these two machines before they are separately bought and deployed? It seems to me like we could save some money, significant monies, if we are able to combine the two, not only in equipment cost but in personnel cost.

Ms. LUTE. On the specific question——

Ms. DUKE. I think the issue is the Directorate for Science and Technology performs the test and evaluation. Industry develops the new technology. This is just an example. Right now the combined capability doesn't exist in industry. We feel that the threat is such that we need the immediate detection of nonmetal threats. And so it is a series. We make decisions about where to deploy existing technology——

Mr. ROGERS. All S&T would have had to do is to issue specs for a combined machine and industry assumedly would have provided it forthwith and we could have saved, I think, a lot of money.

Ms. DUKE. And we have many specs out to which the industry is working. This particular technology is ready to deploy, and we feel the threat warrants deploying it as a separate technology at this point.

Mr. ROGERS. Thank you.

Mr. PRICE. Mr. Farr.

Mr. FARR. Thank you, Mr. Chairman. Just a personal observation. When the Chairman led us on a tour of the border and SBInet was described to us, it just seemed to be overwhelming. It was more like Star Wars. And what we really found on the ground that the Border Patrol needed and very complimentary of was the mobile radar units. I mean I became very critical of the UAVs. It just seems to me they were not cost effective for the amount of money, I think it was $10 million, and then you need I think four operators, whereas these mobile units are about $700,000 for a radar unit. And it seems to me that you have got to invest in equipment that the people on the ground need for their job, not something back in sort of headquarters command which can't be as responsive as the people that are on the ground. This is just a personal comment. I felt very strongly that we were not buying enough of those mobile radar units and buying too much of the Star Wars stuff.

REDUCING RELIANCE ON CONTRACTORS

One of the questions I have is, following up on the others that I had, you said that there are about 70,000 people that are contracted out, personnel that could be, might be brought into DHS as Federal employees. You also indicated you are going to convert 3,500 this year. How long is it going to take to convert in the next 5 years? What are the projections of transferring, is it that number, 70,000?

Ms. LUTE. That number of 70,000 is from the number of the 200,000 that you mentioned that are in professional services as opposed to support services, the custodial that I mentioned. We are looking to phase in our approach to reducing our reliance on contractors beginning with the 3,500 that Under Secretary Duke mentioned.

Mr. FARR. And that is 3,500 this year?

Ms. LUTE. Yes.

Mr. FARR. And how many in the next 5 years?

Ms. DUKE. We are in the process of gathering that. We are actually meeting with the committee staff tomorrow to discuss in more detail our current plans, but we are developing the outyear plans at this point.

Mr. FARR. So do we have to ask you for another report?

Ms. DUKE. No. I am confident that we will have that number tomorrow as we sit down, and we will regularly update you on our progress, but we don't have the numbers for the outyears yet. We do have some specific requests in our 2011 budget where we are actually asking to convert to full-time equivalent positions, but we think there are going to be additional positions coming. We do not think it is going to be the full 70,000, but we don't have a number yet.

Mr. FARR. I think you can tell from my questions that I am very concerned of this whole runaway contracting out where essentially

the outside world, the vendor world has a handle on running the DHS. I mean there are more employees out there than inside, and it is of great concern. I think we have the capability in government to have the best and brightest working on our side and really reviewing these things because we are spending a lot of money on technology that is going to become obsolete. I mean, the whole border, you would think if we ever just had a really good investment plan in Mexico to upgrade middle class quality of life issues we would have less people coming across the border and we wouldn't need all this very expensive, billion dollar equipment. I would like to see us some day engage in a strategy like that rather than just trying to build the most sophisticated border in the world with a country that we have that is our number one trade partner. For the State of California, Mexico is the leading, is our biggest buyer of California goods, and Canada being second.

So it just doesn't make any sense that we are going to create a border there that, as you indicated, is one of the biggest commerce borders in the world, but also a border that represents the largest contrast between rich and poor anywhere in the world. And how one is based on security and the other is based on rapid movement of goods and services that we just we have got to get it right. And I am not sure that spending billions and billions of dollars on Star Wars border activity is a way to do it. That is my opinion.

I will be looking forward to the rest of the hearings this year, and I appreciate the Chairman scheduling you before the Committee. Thank you.

Mr. PRICE. Thank you.

Mr. Ruppersberger.

CYBER SECURITY

Mr. RUPPERSBERGER. Just a couple of things if I have time. I want to get into the cybersecurity issue, and secondly the TASC. On the issue, and I am not sure if you can answer this or this is what you are working on, the Homeland Security has a mission from the President to deal with all dot-gov and dot-com in the cybersecurity area and developing the programs to help us with cybersecurity. NSA is doing the military and intelligence. NSA has been working on this for a long time and has spent a lot of money in developing a good program for cybersecurity. And I know that Homeland Security and NSA have been communicating together. But it is my understanding that Homeland Security might be attempting to develop their own program maybe different from where NSA is. And NSA has invested in a lot of money and I think they are where they need to be at this point. And I want to know whether you could comment on where we are. One of the issues that I heard that might be a concern with Homeland Security is that they might not be able to sole source on certain programs, but we are talking about the Einstein and where that goes.

Do you have any comments on that or where we are on that, what the status is, where the policy issues are going with respect to working closely and more compatible with NSA on the programs that are needed for cybersecurity defense?

Ms. LUTE. Congressman, we work very closely with the National Security Agency (NSA), including, at my level, in direct dialogue

with the Director. We also have a separate set of responsibilities that we understand and take very seriously.

No one intends to replicate capabilities of NSA. We are working very closely with our colleagues in the interagency, including NSA, to identify and prioritize the challenges that exist in securing the cyber space for the dot-gov and dot-com domain, as you have suggested.

Mr. RUPPERSBERGER. But that is not what I am hearing on the other side, that there is a move to go out and develop your own system. And if that is not the case, I think we—and I am not sure where we are or who is making the decisions there.

Ms. LUTE. In this setting, that is about all I feel comfortable with.

Mr. RUPPERSBERGER. Okay, that is fine. I understand that. If there is another setting, and we can talk about that later on, but it is an issue that is going to be out there and that we are going to raise.

TRANSFORMATION AND SYSTEMS CONSOLIDATION (TASC)

TASC, you know there have been—basically I think Homeland Security has had a difficult time struggling over the last couple of years with the internal acquisition process, you have, what, 22 different areas. I understand there is some headway that has been made, in other areas there hasn't been a lot of headway.

Can you give me the status of where you think TASC is right now and what and how were the total costs for TASC developed using what assumptions and what alternatives are being considered or identified?

Ms. LUTE. Congressman, Under Secretary Duke can elaborate on the details. But Transformation and Systems Consolidation (TASC) is designed to give us a single Department solution for financial asset and acquisition process and controls. We can't talk coherently across the Department yet in these areas, and we need to be able to do that. TASC is designed to focus on integration of these processes and connect to a whole suite of internal controls. TASC will be a phased-in approach that is designed to move in a stepwise fashion using existing solutions in the federal space so we can maximize best practices and lessons learned.

But perhaps Under Secretary Duke can give you greater detail.

Ms. DUKE. The current status is that we have a solicitation out, proposals have been received and we are currently evaluating proposals. There was a protest lodged with the Federal Court of Claims, in which DHS prevailed. We heard on the appeal about 2 weeks ago and won the appeal so we are going forward.

The key differences in TASC that we are delivering are that it is competitive; it requires industry to try to manage that technology risk to deliver solutions that have been proven in the federal sector because we need an immediate solution; and it is based on federal standards for the nine standard business processes that are core to financial systems.

So we feel like we have a good balance between getting proven technology and not going so cutting edge that the risk is unrealistic. Additionally, we are not going to do the big bang approach in terms of deployment. We are going to do a phased deployment

within DHS, starting with one major component and two small offices and deploying over about 5 years once the contract is awarded to try to again manage risk and ensure the success of this major move.

Mr. RUPPERSBERGER. It might be wise to do it that way. The one message I want to send back, getting back to the cyber issue, I will use an analogy or an example, where FBI at this stage still has not developed the communication system they need, yet NSA and CIA both had systems that worked. And in order to develop their own system and bring in IBM, there have been a lot of failures even to this day. We don't want to duplicate that. So it is really important that we focus on what we had, what works and then move forward from there.

Thanks.

Ms. LUTE. Thank you.

Mr. PRICE. Thank you, and thanks to both of you for your appearance here today, for your service and for your responsiveness to our questions. We will probably each have additional questions to submit for the record, things that we weren't able to bring up here. But our time is about up. We need to adjourn the hearing and we will do so with thanks to both of you for your appearance here today.

Hearing before the House Appropriations Subcommittee on Homeland Security

Major Systems Acquisitions at DHS

Questions for the Record

March 2, 2010

Table of Contents for Questions for the Record

Representative	Page Numbers
David E. Price	3 – 16
Dutch Ruppersberger	18
Ken Calvert	19

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE David Price

Jane Holl Lute, Deputy Secretary
Major Systems Acquisition at DHS
March 2, 2010

Acquisition Management Process

Question: How does the new process under the January 20, 2010 Acquisition Management Directive compare with the prior process?

ANSWER: Relative to the Interim process released in November 2008, the January 2010 process (Directive 102-01, *Acquisition Management*) is conceptually identical, with minor modifications incorporated from comments received by the Department's formal executive review process that includes all Components, Department of Homeland Security (DHS) lines of business, and Legal Counsel. The two most notable changes were the recognition of a Chief Acquisition Officer (required by statute) and the addition of a major threshold for service acquisitions above $1 billon annual expenditure. The acquisition lifecycle framework (e.g., phases, decision events) was unchanged between the interim and final policies.

Question: How congruent is the process outlined in the Directive with practices currently being followed by individual components? Where in the department will this directive require the most significant policy changes?

ANSWER: For Major (>$300 million Life Cycle Cost) Programs, there is a high degree of congruency between the Department and Component acquisition processes as a result of Components' active involvement in the acquisition re-engineering effort. Every major program that has been through the department's Acquisition Review Board (ARB) since the release of the initial policy has been aligned with the re-engineered process. In addition, Components with existing acquisition processes have updated them to conform to Directive 102-01, and components developing new acquisition processes are working to Directive 102-01 guidance as the basis for their process.

Significant policy changes required by this Directive in the Department will include:

- Full implementation of the Department's Strategic Requirements Planning Process. This will provide the acquisition management and resourcing (Planning, Programming, Budgeting and Execution) processes higher quality, better aligned requirements that will improve acquisition program's ability to meet Departmental needs; and

- Some changes to fully interlink Science and Technology research and development effort policy with the Directive; specifically to improve the interface where S&T projects transition to major acquisition programs. Both of these efforts are in progress.

The Directive 102-01 process will be most effective when the other key related decision support processes are interlinked with the acquisition management processes. Specifically, the Strategic Requirements Planning Processes, when fully implemented, will provide the acquisition management processes with higher quality,

more aligned requirements that will better enable acquisition programs to better formulate their plan to address strategic department needs. Component policies are also affected by the re-engineered acquisition management process, as they shift a procurement-centric approach to the multi-disciplinary acquisition approach. Finally, there may be minor changes to the policies affecting Science and Technology (S&T) efforts as we work to create interlinks between the S&T research and development efforts with the acquisition process governing major programs.

Question: How will the new Management Directive directly affect ongoing major acquisitions like the four case studies featured in the hearing?

ANSWER: All major acquisitions (including the four case studies referenced) follow the new Acquisition Directive and are subject to the re-engineered processes and governance. Programs are now required to conduct periodic reviews with the Department in order to receive authorization to proceed based on an assessment of the program's readiness and compliance with the Directive. Since many of the existing programs were underway when the revised policy was released, the Department works with Components and their Program Management Offices to establish a tailored level of compliance to the new directive based on factors such as: program location in the lifecycle, assessed level of risk based on performance to date, and existing level of compliance. Major programs will experience increased oversight engagement through the Components, via the Component Acquisition Executives. Programs that lack critical knowledge or contain excessive risk will be more affected by the new policy; programs that are managing within their approved baselines will be less affected. In addition, Programs now have access to knowledgeable support staff from the Department to help with implementing acquisition practices and processes throughout the acquisition lifecycle.

Question: DHS Inspector General report 10-16 included the following criticism: "DHS has not provided the oversight needed to identify and address cost, schedule, and performance problems in its major investments due to a lack of involvement by senior management officials as well as limited monitoring and resources." How significantly does the process under the Acquisition Management Directive answer the criticism of the Inspector General?

ANSWER: DHS has developed a comprehensive governance approach that establishes strong acquisition management standards and oversight. Directive 102-1, *Acquisition Management* was finalized January 2010. It established acquisition program processes and formal Acquisition Review Boards (ARBs) that oversee major departmental programs.

The ARB is a senior management cross-component board within the Department that determines whether a proposed acquisition has met the requirements of key phases in the acquisition life cycle framework and is able to proceed to the next phase and eventual full production and deployment. The ARB is comprised of the Acquisition Decision Authority (chair of the ARB), the Under Secretary for Management, the Under Secretary for Science and Technology, the Assistant Secretary for Policy, the General Counsel, the Chief Financial Officer, the Chief Procurement Officer, the Chief Information Officer, the Chief Human Capital Officer, the Chief Administrative Officer, the Chief Security Officer, user representatives from Components sponsoring the capability, and other officials within the Department determined to be appropriate to the subject matter by the Acquisition Decision Authority.

The ARBs are chaired by either the Deputy Secretary or the DHS Chief Aequisition Officer, who serve as the Acquisition Decision Authority (ADA), depending on the level of the program. Since the revised ARB process was developed in early calendar year 2008, over fifty ARBs have been held at the Department level. As a result of these meetings, programs have been provided authority to proceed, actions to further demonstrate readiness

prior to proceeding, or a combination thereof. The fiscal year 2010 ARB schedule will continue the execution of senior level acquisition oversight over major DHS acquisition programs.

To complement the ARB process, Component Portfolio Reviews were implemented as a means for the Department to review and collaborate with each major program on an annual basis. This process, jointly executed by the Component and the Department, supports management of the Component's acquisition portfolio and strengthens Departmental governance and oversight. The final report of the review is signed by the Component Acquisition Executive and the DHS Director for Acquisition Program Management Division. These reviews also provide insight as to systemic acquisition risks across the Department.

Seven Independent Expert Program Reviews (IEPRs), which are focused looks by subject matter experts on programs of senior leadership interest, have also been conducted. The IEPRs identify and provide recommendations on issues that impact program performance and potentially jeopardize program success. They also identify recurring systemic issues that impact performance across the Department to support DHS-wide acquisition portfolio improvements. The results have been briefed to the Deputy Secretary, Under Secretary of Management as well as to Component senior leaderships.

Other senior management activities pertaining to acquisition include S & T's Test and Evaluation (T&E) Council which was established in December 2007. The T&E Council includes participation by all Components to promote T&E best practices and lessons learned in establishing consistent T&E policy and processes for use in acquisition programs. The Council also coordinates T&E resources and is currently engaged in standing up a DHS T&E infrastructure which will support acquisition programs. Currently the Council is focused on establishing a policy for Operational Test Authority that ensures independent assessment of system performance prior to full scale production and deployment. Establishing consistent T&E policies and processes will help ensure that the Department delivers effective capabilities to the Homeland Security operational community.

The DHS Program Management Council (PMC) was established in December 2006 and continues to meet regularly. The PMC is the principal DHS forum to ensure quality Program Management. Its three goals are to 1) serve as the Board of Directors for DHS Program Management (PM), 2) provide DHS Senior Leadership advice and counsel on the state of PM within the Department, and 3) improve the practice and execution of PM within DHS. The PMC has stakeholder representatives from across the Department, specifically the Components and acquisition organizations. One of its current focuses is to promulgate proposed acquisition process improvements and to collaborate on acquisition policy and process changes. The PMC has proven to be very useful as a collaborative forum for discussing Component and Departmental issues, as well as serving as a mechanism for rapid dissemination of acquisition process initiatives.

In response to the DHS Inspector General report 10-16, we are addressing performance problems by working to ensure good and timely metrics, as they are essential to monitor the health and performance of acquisition programs. The sooner programmatic issues are identified, the sooner they can be addressed; thereby minimizing the impact to the program. As of October 1, 2009, the Next Generation Periodic Reporting System (nPRS) was designated the Department's system of record for acquisition management data reporting for major acquisition programs. Descriptions of each acquisition program in this report were taken from nPRS. All Components are submitting monthly periodic reports. Submission status reports are generated on a monthly basis and are tracked by DHS.

Acquisition Management Workforce

Question: This year, the request for the Office of Procurement rises by over $31 million, including an additional $24 million initiative to once again add more personnel. Where will these personnel come from? Is this different from the source of personnel for the Acquisition Management Intern Program?

ANSWER: The approximate $31 million increase to CPO's budget includes three distinct requests. The first request represents an adjustment to base increase of $10.3M for the annualization of prior year funded positions, pay raise adjustments, and rent adjustments. The hiring of personnel is intended to increase the staffing in the Office of Selective Acquisitions (OSA) as well as increase positions for acquisition program oversight in OCPO's Acquisition Program Management Division (APMD). These positions are for experienced acquisition professionals and we anticipate recruiting these individuals from within the federal government.

The second request includes $24.2M to provide the Department with resources to grow the DHS acquisition workforce by 5% (over FY 2008 numbers) and train both new and existing acquisition professionals in DHS acquisition management.

The Department recently completed an acquisition human capital analysis as required by the Office of Management and Budget Acquisition Workforce Development Strategic Plan of October 2009. Results of recent planning efforts have identified the need for additional resources ($24.2M) to:

- increase the capacity of the acquisition workforce in areas such as contracting, systems engineering, program management, logistics, information technology, and business cost estimating at a cost of approximately $17M. These new hires will be placed throughout the Department based upon the staffing and structure recommendations resulting from the assessment conducted by the OCPO.

- increase the capability of the acquisition workforce by investing in training to close identified gaps in such areas as project management, negotiations, requirements development, and contract management at a cost of approximately $6.7M;

- increase the effectiveness of the acquisition workforce by making small investments in systems that support identification of the acquisition workforce at a cost of approximately $580K.

The third request represents programs offsets identified earlier in the amount of $1.8M to contractor support for the APMD and $1.5M to our Centralized Training Program.

Yes, the $24.2M is intended to recruit and hire *experienced* acquisition professional personnel. The Acquisition Professional Career Program (APCP) recruits individuals for *entry level* acquisition positions.

Question: How is this initiative different from the core functions of the Office of the Chief Procurement Officer? Will this be a recurring initiative?

ANSWER: The OCPO is responsible for the management, administration, and oversight of the Department of Homeland Security's (DHS) acquisition program. The additional positions will build the acquisition workforce in the components. The vast majority of these positions will be to support major acquisition programs and component contracting activities.

We are working with the Administration regarding the number of positions and determining whether additional funding will be needed in the future.

Question: DHS OIG report 10-16 noted that DHS needs time to complete its acquisition workforce development initiatives. In your estimation, how much time will it take to complete these initiatives, so we get to the point where we are maintaining a workforce, rather than building one?

ANSWER: Central to the growth and development of the DHS acquisition workforce is the APCP. This program serves as the basis of our succession plan to fill the vacancies created by the departure of senior acquisition professionals and its full implementation is a key component of moving our workforce initiatives to the maintenance phase. The APCP program began in 2008, and in FY 2011 the program expects to reach its full sustainment level of 300 positions. While the program will begin to deliver trained and certified acquisition professionals to the Component's contracting and program offices beginning in FY-11, the program will not reach its full implementation phase until FY 2013. It is at that time, the program will begin consistently delivering 100 trained and certified new acquisition professionals to the DHS acquisition workforce every year to offset losses from retirements and transfers to non DHS agencies.

Border Security Fencing, Infrastructure, and Technology

GAO, in its 2007 review of the BSFIT expenditure plan, said the Department's metric for Boeing contract performance – "control of 6,000 miles of border" was too vague, lacking specific overall schedule and funding constraints. DHS will have to address this issue as the current SBInet contract expires, and DHS must decide whether to extend or re-compete the current contract, or proceed in some other fashion.

Question: What are the Department's views about re-competing the integrator contract, or in fact using any integrator at all?

ANSWER: The Department intends to consider and evaluate all options for the future of the SBI*net* contract. The existing contract has additional options for extension. One advantage of the existing contract is its flexibility. It is an Indefinite Delivery / Indefinite Quantity (IDIQ) contract, which means that we can put as much or as little work on it as might be appropriate. Extending the contract, then, merely extends our flexibility to use it—but does not commit us to buying new effort. Extension also allows us to maintain continuity of effort for things like maintenance and support. However, as SBI*net* matures, we may not require the services of an integrator for future deployments (if there are any). Under those circumstances, re-competition could take two forms: a new competition for an integrating contractor (either as a strong prime contractor or as a lead system integrator) or multiple competitions for the individual pieces of the system. Re-competition may offer cost savings if it reduces the add-on costs for the integrating contractor, but incurs a certain risk that new contractors may have difficulty replicating the former contractor's results. In addition, a new contractor might result in multiple configurations of systems—which tend to increase the cost and complexity of operations and maintenance. As indicated in the Secretary's recent announcement, the Department is re-assessing the overall program. That assessment could lead to conclusions regarding the overall feasibility of the program.

Question: If a new contract is negotiated, what changes should be made, based on experience with the current contract? Should it have more specific performance parameters, to include spending ceilings and timelines?

ANSWER: While we have found ways to work within the existing contract, it could be improved in several areas. First, it has a series of tasks that are not as tightly connected as they should be. For SBI*net*, that means there is no single task that delivers the complete SBI*net* system. An improvement would be to link all of the required tasks into one task to deliver an end product. Another improvement relates to the program requirements—they were not well-defined at the start and they are still not as well-defined as they should be. A third improvement relates to program milestones and incentives. A more refined structure would have had explicitly defined milestones linked to contractor performance incentives for achieving those milestones on cost, schedule, and performance.

As noted in the answer above, there are areas that could be improved in the current contract that relate to the lack of specific milestones linked to cost, schedule, and performance targets. A new or amended contract

should address that area. In addition, since most of the developmental work is now completed, there is much less uncertainty about the system design—which means that a future contract should not require as much cost-reimbursable effort as the past contract had. As a developmental system matures, it makes more sense to move away from cost-reimbursable contract types to fixed price contract types.

Automated Commercial Environment (ACE)

After more than $2.8 billion in appropriations, we expected ACE and the International Trade Data System (ITDS) would be completed, and the Automated Commercial System (ACS) decommissioned. However, while OMB in 2006 rated ACE as a "most effective" project, in 2010 major ACE functions have not been deployed; CBP is just now initiating ACE "business case reviews"; the FY11 budget relegates ACE to "operations and maintenance" status; and the ancient ACS continues to putter along.

Question: What major factors caused the significant delays in developing and deploying ACE?

ANSWER: As identified during an Acquisition Review Board (ARB) conducted with the Department in June 2009, several driving factors have contributed to ACE project delays, including:

- Project schedule delays and cost overruns
- New and emergent requirements without associated funding and schedule adjustments
- Insufficient awareness of project and program interdependencies
- Underestimation of project scope, size and complexity
- Inefficiencies in product design/build processes
- ACE internal management review conducted in early FY 2009. Root causes identified by review and response action is on-going.

Question: What does it mean for ACE, a developmental program, to be in "operations and maintenance" mode? Does it mean no new functionality?

ANSWER: ACE funding is used to develop new capability and to operate and maintain introduced capability. Operations and maintenance, or O&M, dollars have been part of the ACE budget since FY03, but have been proportionally less than the dollars appropriated for product development. FY11 will be the first year that the proportion shifts in favor of O&M, meaning the program moves to an operations and maintenance mode and further development will be deferred while business and technical requirements for future development are clearly defined. In other words, ACE will continue, but ACE releases will be dependent on the development of clear, complete business cases and be defined in smaller segments of functionality, using a continuous integration approach with more frequent deliveries. Additional funding will be requested as business cases are completed and development will occur once these funds are obtained.

Functionality in addition to what currently exists will continue to be deployed using existing funds. With remaining funds, CBP will focus on deploying functionality that benefits our trade partners and supports CBP's security and trade facilitation missions:

- Post-Summary Corrections - This will allow the trade to make corrections to entry summary data electronically; this will significantly reduce the paper processing workload for CBP and the trade, and move us toward paperless processing.
- Electronic Data Interchange (EDI) Document Imaging – This will allow the trade to transmit scanned images or files to CBP; this will enhance the ability of CBP, the trade community, and Participating Government Agencies (PGAs) to share information, eliminate redundant work, and promote Remote Location Filing of documents.

- Rail and Sea Manifest – This will provide cargo manifest processing for rail and sea modes of transportation and creation of a unified, multi-modal environment that will support all modes of transportation.
- Lay the groundwork for the future deployment of cargo release functionality, air manifest, and remaining entry summary types.

Functionality that is not currently funded will be justified, acquired, and deployed as new projects under the ACE program as outlined in the response to question 15. Project selection will be based upon business needs as determined by CBP in collaboration with the trade community. Each project will have a designated CBP business owner who will oversee the development of key documents and plays a lead role in determining the business (functional) requirements and benefits for the project. Throughout the development of the projects, business representatives will be involved as functionality is built, demonstrated, and tested incrementally. Final project acceptance will require business owner approval.

DHS reviewed the ACE program in November 2009, and we understand that CBP is implementing recommended changes arising from that review, to include making the CBP Assistant Commissioner for International Trade the "executive business owner" of ACE, in lieu of the CBP Chief Information Officer.

Question: What were the Department's recommended changes in management and strategy for the ACE project, and have they all been made? What lessons can be drawn from the experience of CBP with ACE design and implementation?

ANSWER: The Department's recommended changes, along with their actual or planned implementation dates, are provided below. The findings were divided into three categories:

- **Program Governance**
  - Findings
    - Inadequate requirements
    - Need improved business engagement and leadership
  - CBP Actions
    - Improve requirements management process (December 2009)
    - Re-evaluate roles and responsibilities between Government and contractor (September 2009)
    - Name Executive Business Owner for ACE (March 2009)
    - Change governance structure (Executive Steering Committee (ESC) charter approved August 2009)
    - Organizational Realignment of Program Office (September 2009 with an effective date of April 11, 2010)
- **Contracting/Acquisition Strategy**
  - Findings
    - All risk is on the Government
    - Ensure statements of work are complete
    - Contractor performance needs improvement
  - CBP Actions
    - Re-evaluate contract process (estimated completion November 2010)
    - Challenge the contractor to increase efficiency and utilize best practices
    - Introduce competition
    - Improve incentives and deliverable acceptance criteria
    - Separate user requirements definition from design/build
- **Deliverables**
  - Findings

- Lack of realistic testing scenarios; stress and performance testing is not comprehensive
- Too many data environments

o CBP Actions
- In connection with roles and responsibilities clarification, revised testing process to include CBP SMEs throughout the project acquisition lifecycle (August 2009)
- Improve/consolidate technical architecture (estimated completion September 2010)
- Developed plan to decommission legacy system (CBP CIO approved ACS re-hosting plan January 2010)

Following are lessons that can be drawn from the experience of CBP with ACE design and implementation:

- The Government must take ownership of system requirements and specifications
- A senior executive business owner should be designated
- Business users must be actively involved in all phases
- Ensure roles and responsibilities of government and contractors are clearly defined
- Conduct regular executive review of integrated plans
- Conduct senior management gate reviews
- Hold contractors accountable

Question: How is the Department involved in "business case" reviews for ACE incremental development? Are S&T or other Departmental offices engaged in supervising the process, and the re-engineering of the customs business that will be, ideally, automated in ACE?

ANSWER: To-date, Department involvement in ACE business need review has been done through the Department's ARB forum. Any additional project business cases created will include Department review.

Yes, the Department's Science and Technology (S&T) group is engaged in supervising the process through the Program Assessment and Design Reviews (PADRs) forum at major decision points in the project (such as Critical Design Review (CDR) and Production Readiness Review (PRR)) in order to validate consistency with DHS architecture and suitability of test case scenarios. The Department's Acquisition Program Management Division (APMD) and CIO offices are also engaged in reviews of acquisition packages prior to any contract being awarded as well as reviewing program status reports through the nPRS reporting mechanism. Further, relative to e-Manifest: Rail and Sea (M1), the Department is very involved in the project's progress. There is a monthly In-Process Review with the Department CIO office to address Department recommendations and expedite the next project decision milestone. The meeting includes DHS and CBP staff representatives in the enterprise architecture and procurement functional areas.

The acid test of ACE will be when the legacy system, ACS, can be decommissioned. We understand that CBP has no arbitrary date for this action, but has generally said it plans to do so when ACE and ITDS are completely implemented. Yet until that happens CBP and the trade community will need to maintain and work on two different platforms – an inefficient state of affairs. And the request includes $194 million, more than half of the Automation Modernization appropriation, just to maintain and support ACS and sustain critical systems.

Question: What is the best estimate for when ACE/ITDS will have achieved this point and ACS can be decommissioned?

ANSWER: CBP acknowledges that action is needed to minimize the costs associated with operating and maintaining two cargo processing systems. However, until ACS functionality is replaced, CBP must operate in two systems. The agency is assessing options to reduce costs with an interim solution that supports operational

requirements and minimizes disruption. Currently, the agency is investigating the option of "re-hosting" ACS which is expected to reduce the three cost areas associated with ACS operations. The long-term goal continues to be decommissioning ACS when sufficient replacement processing capability is implemented.

Unlike the other systems being discussed in the hearing, ACE involves scores of other federal agencies and thousands of private sector stakeholders. When it began, a coordinating mechanism – the "Trade Support Network", and now the "Trade Support Ambassadors" – was established to help ensure that CBP would not be operating in a vacuum, but could get meaningful input from critical participants and consumers of the ultimate ACE product. We understand that some critical "drops" were recently provided for certain functions of interest to the trade community, but clearly much more remains to be done.

The critical point for when ACS can be decommissioned will be after ACE has liquidation capability which we estimate will be in 5 to 7 years.

Unlike the other systems being discussed in the hearing, ACE involves scores of other federal agencies and thousands of private sector stakeholders. When it began, a coordinating mechanism – the "Trade Support Network", and now the "Trade Support Ambassadors" – was established to help ensure that CBP would not be operating in a vacuum, but could get meaningful input from critical participants and consumers of the ultimate ACE product. We understand that some critical "drops" were recently provided for certain functions of interest to the trade community, but clearly much more remains to be done.

Question: How can CBP and the Department better accommodate the needs and incorporate the insights of the trade community to make ACE pay off as intended?

ANSWER: CBP has and will continue to work closely with trade stakeholders on identifying and deploying functionality that is important to the trade community. For example, with remaining funds CBP plans to focus on completing deployment of post summary corrections and Electronic Data Interchange (EDI) document imaging both of which are priorities of the trade. Deployment of post summary correction functionality will allow the trade to make pre-liquidation corrections to entry summary data electronically after the initial entry summary filing, provide resource savings by significantly reducing the paper processing workload for the trade, and enable the trade to immediately correct data to meet the reasonable care requirements specified in the Customs Modernization Act. Deployment of EDI imaging will provide the ability to transmit scanned images or files, thereby essentially eliminating the need for filers to transmit paper documents to CBP and will support remote location filing.

Question: We understand CBP recently released new ACE releases for anti-dumping reporting and document imaging. Please describe these releases. As CBP and DHS review business cases for further ACE development, are you looking at modifying schedules to expediting work to address other trade community priorities that have been identified, where possible?

ANSWER: To clarify, CBP has released anti-dumping functionality (Feb 2010), but the document imaging release is still in progress. Current schedule outlook for document imaging capability is Q4 FY10. ACE's new anti-dumping/countervailing duty (AD/CVD) case management system enhances the ability to track the life cycle of an AD/CVD case. It facilitates trade compliance efforts by centralizing more information, leads to increased efficiencies between CBP and the Department of Commerce and makes ACE the system of record for AD/CVD cases.

CBP has and will continue to work closely with trade stakeholders on identifying and deploying functionality that is important to the trade community. Further, there are existing trade forums made up of representatives

across the trade community (including the Advisory Committee on Commercial Operations (COAC) and the Trade Support Network (TSN) where the trade's interests are represented.

Question: Approximately $123 million has been appropriated to date for the International Trade Data System. Please detail the status and funding of the ITDS development project at this point and planned for fiscal years 2008-09, and any functionality that has been deployed in ACE.

ANSWER: ITDS funds supported the work of the ITDS liaisons to each of the Participating Government Agencies (PGAs) to assist them in understanding their business requirements, process reengineering to take advantage of the future capabilities of ACE, and preparation of the PGA Concept of Operations (CONOPS) for using ACE. Additional work supported the development and harmonization of data requirements into a standard data set and its conformance with the World Customs Organization (WCO) data model. In addition, ITDS contributed a share for the development of ACE products impacting PGAs, including the Foreign Trade Zone account structure, entry summary which provided functionality for Census, and anti-dumping/countervailing duty processing (functionality for Commerce-ITA). Funds have been set aside for the ITDS share of functions in the upcoming Ocean and Rail Manifest release which will provide the capability for authorized PGAs to place and release cargo holds. In all of these releases, enhancements to the ACE data portal and reference file functions have provided the PGAs with additional reporting capabilities. Beginning in FY 2010, the remaining ITDS funds have been set aside to support the development of business requirements for the cargo release process and specific projects that will enhance the current capabilities of ACE for the PGAs.

Question: In the past CBP has reported that key federal agencies with critical information collection or analysis missions are not participating in ITDS. Please list the participating government agencies (PGAs) in the ITDS effort, and the status of any that are potential candidates to participate. Also please indicate whether and how nonparticipation in ITDS requirements setting and development – including, perhaps, cost sharing – has adversely affected making progress on ITDS.

ANSWER: As a result of the Security and Accountability for Every (SAFE) Port Act of 2006, we believe that all federal agencies with regulatory and admissibility authority are engaged in ITDS. A list of the current members of ITDS is provided below. As functionality is developed in ACE, each agency is working with CBP to develop the necessary data sharing and operational memorandums of understanding.

PGAs in ITDS

Department of Agriculture

- AMS – Agricultural Marketing Service
- APHIS – Animal and Plant Health Inspection Service
- FAS – Foreign Agricultural Service
- FSIS – Food Safety and Inspection Service
- GIPSA – Grain Inspection, Packers & Stockyards
- Administration

Department of Commerce

- BIS – Bureau of Industry and Security
- U.S. Census Bureau
- FTZB – Foreign Trade Zones Board
- IA – Import Administration
- NMFS – National Marine Fisheries Service

Department of Defense

- USACE – Army Corps of Engineers

- DCMA – Defense Contracts Management Agency

Department of Energy
- OFE – Office of Fossil Energy
- EIA – Energy Information Administration

Department of Justice
- ATF – Bureau of Alcohol, Tobacco, Firearms and Explosives
- DEA – Drug Enforcement Administration

Department of the Interior
- FWS – Fish and Wildlife Service

Department of Labor
- BLS – Bureau of Labor Statistics

Department of Homeland Security
- USCG – United States Coast Guard
- CBP – Customs and Border Protection
- TSA – Transportation Security Administration

Department of Transportation
- BTS – Bureau of Transportation Statistics
- FAA – Federal Aviation Administration
- FHA – Federal Highway Administration
- FMCSA – Federal Motor Carrier Safety Administration
- MARAD – Maritime Administration
- NHTSA – National Highway Traffic Safety Administration
- PHMSA – Pipeline Hazardous Materials Safety Administration

Department of Health and Human Services
- CDC – Centers for Disease Control and Prevention
- FDA – Food and Drug Administration

Department of Treasury
- IRS – Internal Revenue Service
- OFAC – Office of Foreign Assets Control
- TTB – Alcohol and Tobacco Tax and Trade Bureau
- FinCEN –Financial Crimes Enforcement Network
- OIA – Office of Intelligence and Analysis

Department of State
- A/LM – Bureau of Administration, Office of Logistics Management
- DDTC – Directorate of Defense Trade Controls
- OES – Bureau of Ocean and International Scientific Affairs
- OFM – Office of Foreign Missions

Independent Agencies
- CPSC – Consumer Product Safety Commission
- EPA – Environmental Protection Agency
- FCC – Federal Communications Commission
- FMC – Federal Maritime Commission
- ITC – International Trade Commission
- NRC – Nuclear Regulatory Commission
- USAID – U.S. Agency for International Development
- USTR Office of the United States Trade Representative

Question: We understand that CBP and PGAs recently negotiated concepts of operations for ITDS. Please elaborate on how ITDS is now being managed and governed, and how this new concept of operations differs from how the project was managed over the past decade.

ANSWER: Part of the process of membership in ITDS requires PGAs to create a CONOPS outlining how each PGA will use ACE in the future, and how their own processes would change. CBP has a process in place to review and agree with the future vision of the respective PGAs, especially where new processes impact CBP operations. In January 2010, CBP approved a CBP ITDS CONOPS for Cargo which reflects the CBP vision of how the cargo processes will work in the future, with particular emphasis on where the operations of CBP and the PGAs involved in the release and admissibility decision of imports are involved. This new CONOPS will become the foundation for business requirements for the cargo release functionality when it is built for ACE.

National Security Cutter

Question: This year the Department has requested funding to complete the acquisition of National Security Cutter (NSC) #5, but no funding to purchase long lead-time materials for NSC #6. How does the NSC program stay on budget and on schedule when you need to acquire long lead items the year before we fund ship building?

ANSWER: Consistent with OMB's Circular A-11, capital acquisitions are funded in useable segments, with exceptions made for a lead asset within a class or a special circumstance (e.g., specialized parts or materials require years to fabricate as with certain types of submarines). The NSC long lead materials and equipment are common to shipbuilding and don't present an obstacle to ship construction schedules when properly managed.

As recent NSC acquisition history demonstrates, success in meeting schedule and budget goals is primarily driven by the Coast Guard's ability to manage project requirements (i.e., maintain a stable design) and to build in sufficient contingency for external factors (e.g., labor disruptions, inflation, etc). Going forward, Coast Guard is applying their significant learning from procurement of NSC-1 and 2 to improve the efficiency and their control of NSC construction. The schedule and funding profile projected in the 2011 CIP is consistent with the most current implementation plan (2010 Plan) provided to Congress and will allow Coast Guard to complete the NCS program of record by 2016.

Question: One significant concern with a major investment like the National Security Cutters in ensuring that the resources spent to acquire it are not wasted by failing to properly maintain it. The latest answer we have from the Coast Guard on the Integrated Logistics Support plan for the NSC says it will be approved in the third quarter of fiscal year 2010. Why has there been such a delay in approving this plan?

ANSWER: The National Security Cutters (NSC) BERTHOLF and WAESCHE are operating under an interim Integrated Logistics Support Plan (ILSP) approved in June 2008. The NSC Project Office has been coordinating closely with the appropriate Coast Guard offices and Technical Authorities to develop the next iteration of the ILSP. The CG has been in the process of synchronizing the ILSP with its modernization efforts during the past two years. The revised ILSP is currently undergoing internal review within the Coast Guard with final approval anticipated for third quarter fiscal year 2010.

Question: What are the repercussions of not having such a plan in place, especially in terms of maintaining the value of the NSCs the Coast Guard has already taken delivery of?

ANSWER: There are no repercussions for not having the next version of the National Security Cutter (NSC) Integrated Logistics Support Plan (ILSP) in place. CGC BERTHOLF's and CGC WAESCHE's logistics support is being managed in accordance with *USCGC BERTHOLF (WMSL 750) Interim Support*, Commandant Instruction 4081.18, approved June 1, 2008, ensuring proper maintenance and support of the cutter to maximize performance throughout its service life.

Transformation and Systems Consolidation (TASC)

Question: How much of the $450 million cost estimate for TASC is contractor costs and how much is a longer-term investment in departmental capabilities?

ANSWER: The response is For Official Use Only and has been provided to the Subcommittee separately.

Question: In December 2009, GAO charged that "DHS has not developed the necessary contractor oversight mechanisms to ensure that its significant reliance on contractors for the TASC program does not result in an unfavorable outcome." What specific measures has the Department taken to respond to the GAO criticism?

ANSWER: The response is For Official Use Only and has been provided to the Subcommittee separately.

Question: Critics of the TASC program have asserted that the lack of a confirmed Under Secretary for Management and Chief Financial Officer create additional risk for a successful TASC program. In major acquisitions, is it necessary to have a complete confirmed team of senior executive management to move ahead on major multi-year, indeed, multi-Administration-term acquisitions?

ANSWER: The response is For Official Use Only and has been provided to the Subcommittee separately.

TSA Information Technology and Services

Shortly after TSA was formed, the agency began procuring information technology items and services necessary to federalize aviation security. This contract was estimated to cost about $1 billion. For the past two years, TSA has been attempting to recompete this procurement of information technology services, with mixed results, including at least two bid protests. During the course of those protests, the GAO found that there were irregularities in the acquisition process.

Question: What is the status of efforts to recompete this contract?

ANSWER: The Transportation Security Administration is taking corrective action to implement recommendations made by the Government Accountability Office in January 2010 in response to two protests and anticipates the award of a contract on or about May 1, 2010.

Question: How has the Department responded to GAO's findings?

ANSWER: Consistent with the Government Accountability Office's (GAO's) recommendations, the Transportation Security Administration (TSA) took the following actions: 1) amended the solicitation to remove any ambiguity regarding the award fee for above satisfactory performance, 2) reopened discussions with each of the offerors, and 3) allowed offerors to revise their price proposals only. In addition, TSA is

undertaking a thorough evaluation of the price proposals and will conduct a trade-off analysis to arrive at an award decision that provides TSA with the best overall value from a technical and price standpoint. TSA expects to complete this process and award a contract on or about May 1, 2010.

Question: Due to the length of time that has passed since the proposal for information technology services was first issued, the scope of work sought by TSA may not accurately reflect its current needs. Please outline how this contract will move forward under the new acquisition process, highlighting how this new process ensures that TSA is procuring only those services that accurately reflect its needs?

ANSWER: The services identified in the Statement of Work included in the solicitation have been reviewed by the Transportation Security Administration and it has been determined to accurately reflect the services TSA requires. The Statement of Work has not changed since TSA first issued the solicitation in December 2008.

CIO Invoices

Question: In a recent letter report (OIG-10-56), the Inspector General (IG) found that the documents establishing a consolidated primary data center at Stennis Space Center were missing key elements, and that invoices associated with $160 million in expenditures had not been reviewed by the Department. While the Department has reportedly assured the IG that the new agreements being worked out with NASA will include greater specificity about the missing key items, how could the DHS enter into such a major commitment in the first place without having specifics in writing such as the amount of floor space DHS would be provided, the share of operating costs the Department would be responsible for, or even the specific building they would use?

ANSWER: DHS' agreements with the Navy specified space and power requirements and provided guidance for annual cost determination at the National Center for Critical Information Processing and Storage (NCCIPS). Interagency agreements and a Memorandum of Agreement with the Commander of Naval Meteorology and Oceanography Command (CNMOC) illustrated these specific terms and were provided to the IG, as well as cited in the formal response to OIG 10-056 audit report "Review of Management Agreements Developed for DHS' Primary Data Center," published in February 2010.

Moving forward, DHS, in accordance with 2005 Base Realignment and Closure activities, has entered into an agreement with NASA's John C. Stennis Space Center (SSC) for NCCIPS facility support.

The agreement with NASA SSC incorporates the IG's recommendations, including space specifications, and the power and financial conditions of DHS' occupancy. This agreement was fully signed on March 15, 2010 and went into effect April 1, 2010.

Question: The report highlights a dispute between the IG and the CIO over whether site visits are adequate to ascertain whether resources to prepare the data center were used in a cost-effective manner and for authorized purposes, or whether invoices must also be reviewed.

Given the level of concern in Congress and the public about the adequacy of Department oversight of taxpayer dollars, why was the Department not more aggressive in pursuing these invoices, or at least indicating to senior management or Congress that it was being essentially stonewalled by GSA and the Navy, as the report indicates?

ANSWER: Both DHS and the DHS IG sought invoices from CNMOC without success. CNMOC has consistently kept these materials private. CNMOC's contracting activities that would have generated invoices

were subject to formal monitoring by CNMOC Contracting Officer's Technical Representatives and the General Services Administration Contracting Officers. In lieu of invoices, and as more direct means of assuring that appropriate value was delivered, DHS undertook numerous on-site examinations of construction, delivered equipment and operational testing. A record of the many trips taken by DHS was provided to the IG during the discovery phase of the OIG 10-056 audit. Furthermore, as of April 2007, DHS has maintained a continuous Federal presence at the NCCIPS facility. This Federal detachment has monitored all aspects of service delivery by CNMOC.

Additionally, DHS staff conducted due diligence on matching Navy expenditure reports to DHS funding. This analysis included discussions with CNMOC personnel regarding areas of concern. Findings were reported to DHS management and expressed to the appropriate Navy management.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE CONGESSMAN RUPPERSBERGER

Jane Holl Lute, Deputy Secretary
Major Systems Acquisition at DHS

TASC

Question: What were the major problems that you encountered implementing eMerge² and what steps have you taken to ensure TASC does not encounter those same issues?

ANSWER: The response is For Official Use Only and has been provided to the Subcommittee separately.

Question: Aside from the TSA Administrator what positions not been filled since your administration took over and what effect does this have on your ability to effective execute programs like TASC?

ANSWER: The response is For Official Use Only and has been provided to the Subcommittee separately.

Question: As I understand the solicitation for proposals for TASC, DHS has estimated the project will cost $450 Million and take at least 5 years to complete. Recently the GAO and the Department's Office of Inspector General reported on TASC and they estimate the cost to be at least $1Billion and take up to 10 years to complete. For both GAO and the OIG, TASC is on their respective "High Risk" lists.

Given these facts, and in light of the direction the Administration has taken towards projects that are smaller, cheaper, and that have a faster times-to-completion, do you think it would be possible to review whether TASC is the solution to the Department's financial management challenges?

ANSWER: The response is For Official Use Only and has been provided to the Subcommittee separately.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE Ken Calvert

Jane Holl Lute, Deputy Secretary
Major Systems Acquisition at DHS

Acquisition/Shipbuilding

Question: Please provide an analysis of how the Coast Guard could benefit from using a 30-year shipbuilding plan similar to the Navy's annual report to Congress. If Congress were to require the Coast Guard to submit biannual, comprehensive, long-term shipbuilding plans to ensure the service is meeting its strategic goals could such a change help the Coast Guard build a plan to close the icebreaker gap in the Arctic and resolve future recapitalization issues?

ANSWER: Working in coordination with the Department of Homeland Security, the Coast Guard develops Acquisition Program Baselines (APBs) to support current long-term planning efforts. Stable asset design and predictable capital funding consistent with these APBs is critical to achieving acquisition cost, schedule and performance milestones. APBs, developed in accordance with DHS and CG major systems acquisition policy and in support of approved mission needs statements and operational requirements documents, provide a plan of actions and milestones to deliver capabilities required to meet CG and DHS strategic goals.

THURSDAY, MARCH 4, 2010.

INTELLIGENCE PROGRAMS

WITNESSES

CARYN WAGNER, UNDER SECRETARY, OFFICE OF INTELLIGENCE AND ANALYSIS, DEPARTMENT OF HOMELAND SECURITY
CAPTAIN WILLIAM HARRIS, DELAWARE STATE POLICE

OPENING STATEMENT BY CHAIRMAN DAVID PRICE

Mr. PRICE. Good morning everyone. I am pleased to welcome our witnesses to today's hearing on the Department of Homeland Security's intelligence and analysis programs and DHS support for State and local fusion centers.

From DHS we have Ms. Caryn Wagner, the recently confirmed Under Secretary for Intelligence and Analysis. Under Secretary Wagner, congratulations on navigating the obstacles in the Senate confirmation process and welcome to our subcommittee.

We are also privileged to welcome Captain Bill Harris from the Delaware State Police. Captain Harris is the commanding officer of the Delaware State Fusion Center and has worked with DHS since the inception of the fusion center program.

Captain Harris, we look forward to your perspective and insight into the partnership between the Federal Government and State and local intelligence centers and any recommendations you have for how the program can be improved.

Before we discuss the fusion centers, however, I would be remiss if I didn't mention that the budgets for fusion centers and the broader intelligence and analysis function are classified. So we will discuss specific funding levels at one of our closed reviews. However, it is fair to say that the 2011 budget proposes modest increases for DHS intelligence programs, allowing intelligence and analysis to continue to establish itself within the broader Intelligence Community.

The purpose of the DHS State and local fusion center program is to build a collaborative environment in which both State law enforcement officers and Federal intelligence officers can share information, build analytical products and expertise, and ideally uncover terrorist and other criminal plots well before they are carried out. Given the vast number of State and local police, some 800,000 nationwide, it is more likely that non-Federal officers will be the first to encounter terrorist suspects or identify suspicious behavior to crack criminal conspiracies. As Commander Joan McNamara of the Los Angeles Police Department Counterterrorism and Criminal Intelligence Bureau noted in a hearing on fusion centers last year, State and local police are being looked at more and more as the "first preventers" of terrorist attacks. Ensuring that DHS provides appropriate support and expertise to State and local fusion centers

in the context of adequate privacy and security controls should be the priority for the Federal participants in this program.

DHS currently recognizes 72 State and local fusion centers nationwide, one for each State, and additional centers in 22 Urban Area Security Initiative cities. Importantly, many of the State intelligence centers preexist DHS as operations within State police agencies or State bureaus of investigation. As the DHS State and local fusion center program has grown, there has been an effort to standardize relationships between Federal and State partners.

This progress is laudable, but I believe it would be a mistake for DHS to become overly prescriptive in its requirements for State and local fusion centers. The primary customers served by the fusion centers are, and must remain, State and local law enforcement agencies that rely on the information developed by the centers. In fact, one major participant in the program, the city of New York, has gone so far as to send its own intelligence agents overseas to gather information that it believes it cannot get from the Federal Government. While the NYPD Fusion Center does have an I&A intelligence analyst on staff, that operation is nevertheless an example of how simply adding Federal participation to State and local centers doesn't necessarily mean that all of a given locality's needs are met.

Under Secretary Wagner, I am interested to know if you plan any review of the fusion center program to make sure it is meeting the needs of your partners, understanding that those partners are diverse and have diverse needs.

State and local fusion centers have succeeded at analyzing open-source information, pursuing leads and threats reported by members of the public, developing intelligence reports to promote situational awareness, and exploiting various social networking sites to respond to emerging threats in real-time. I understand that efforts are also underway to improve the analysis of data collected by other components of State and local law enforcement agencies, such as pattern analysis of suspicious activity reports and in-depth reviews of 911 call logs. I would be interested to hear more about how these efforts are being conceived and about other analytical approaches that have been envisioned for the program.

Before we hear today's testimony, I need to make one point to all of the members. While this hearing is taking place in an unclassified setting, most, if not all, of the specific cases handled by the DHS intelligence program at the State and local fusion centers are sensitive to national or homeland security. Therefore, discussions about specific threats or cases may need to be conducted in another setting, such as at our next quarterly classified threat brief, which we anticipate scheduling sometime in April.

Under Secretary Wagner is our first witness. I will ask you to summarize your written testimony in a 5-minute statement, followed by you, Captain Harris, for another 5 minutes. Your entire written statements will be entered into the hearing record.

Before we again, though, let me turn to the distinguished Ranking Member, Mr. Rogers, for his comments.

[The information follows:]

COMMITTEE ON APPROPRIATIONS

David Price (D-NC), Chairman, Subcommittee on Homeland Security

EMBARGOED UNTIL DELIVERY (Approx. 10:10 AM)
Thursday, March 4, 2010

Media Contact: Andrew High
202-225-1784

OPENING STATEMENT OF CHAIRMAN DAVID PRICE

Oversight Hearing: DHS Intelligence Programs and the Effectiveness of State and Local Fusion Centers

March 4, 2010 / 10:00 am

Good morning. I am pleased to welcome our witnesses to today's hearing on the Department of Homeland Security's Intelligence and Analysis programs and DHS support for State and Local Fusion Centers. From DHS, we have Ms. Caryn Wagner, the recently-confirmed Undersecretary for Intelligence and Analysis. Undersecretary Wagner, congratulations navigating the obstacles in the Senate confirmation process and welcome to the Subcommittee. We are also privileged to welcome Captain Bill Harris from the Delaware State Police. Captain Harris is the commanding officer of the Delaware State fusion center, and has worked with DHS since the inception of the fusion center program. Captain Harris, we look forward to your perspective and insight into the partnership between the Federal government and State and local intelligence centers, and your recommendations for how the program can be improved.

Before we discuss the fusion centers, however, I would be remiss if I did not mention that the budgets for fusion centers and the broader Intelligence and Analysis function are classified, so we will discuss specific funding levels at one of our closed reviews. However, it is fair to say the 2011 budget proposes modest increases for DHS intelligence programs, allowing Intelligence and Analysis to continue to establish itself within the broader intelligence community.

The purpose of the DHS State and Local Fusion Center program is to build a collaborative environment in which both State law enforcement officers and Federal intelligence officers can share information, build analytical products and expertise, and, ideally, uncover terrorist and other criminal plots well before they are carried out. Given the vast number of State and local police – some 800,000 nation-wide – it is more likely that non-federal officers will be the first to encounter terrorist suspects or identify suspicious behavior to crack criminal conspiracies. As Commander Joan McNamara of the LAPD Counter-Terrorism and Criminal Intelligence Bureau noted in a hearing on fusion centers last year, State and local police are being looked at more and more as the "first preventers" of terrorist attacks. Ensuring that DHS provides appropriate support and expertise to State and Local Fusion Centers, in the context of adequate privacy and security controls, should be the priority for the Federal participants in this program.

DHS currently recognizes 72 State and Local Fusion Centers nation-wide: one for each State and additional centers in 22 Urban Areas Security Initiative cities. Importantly, many of the State intelligence centers pre-exist DHS as operations within State Police agencies or State Bureaus of Investigations. As the DHS State and Local Fusion Center program has grown, there has been effort to standardize relationships between Federal and State partners. This progress is laudable, but I believe it would be a mistake for DHS to become overly prescriptive in its requirements for State and Local Fusion Centers. The primary customers served by the fusion centers are and must remain State and local law enforcement agencies that rely on the information developed by the centers. In fact, one major participant in the program, the City of New York, has gone so far as to send its own intelligence agents overseas to gather information that it believes it cannot get from the Federal government. While the NYPD fusion center does have an I&A intelligence analyst on staff, that operation is nevertheless an example of how simply adding Federal participation to State and local centers doesn't necessarily mean that all of a locality's needs are met. Undersecretary Wagner, I am interested to know if you plan any review of the fusion center program to make sure it is meeting the needs of your partners.

State and Local Fusion Centers have succeeded at analyzing open source information, pursuing leads and threats reported by members of the public, developing intelligence reports to promote situational awareness, and exploiting various social networking sites to respond to emerging threats in real-time. I understand that efforts are also underway to improve analysis of data collected by other components of State and local law enforcement agencies, such as pattern analysis of suspicious activity reports and in-depth reviews of 9-1-1 call logs. I would be interested to hear more about how these efforts are being conceived and other analytical approaches that have been envisioned for the program.

Before we hear today's testimony, I would like to make one point to all of the Members: while this hearing is taking place in an unclassified setting, most if not all of the specific cases handled by the DHS intelligence program and at the State and Local Fusion Centers is sensitive to national or homeland security. Therefore, discussions about specific threats or cases may need to be conducted in another setting, such as at our next quarterly classified threat brief, which we anticipate scheduling sometime in April.

Undersecretary Wagner, as our first witness, I will ask you to summarize your written testimony in a 5-minute statement, followed by you, Captain Harris, for another 5 minutes. Your entire written statements will be entered into our hearing record. Before that, however, let me turn to the distinguished Ranking Member, Mr. Rogers, for his opening statement.

# # #

OPENING STATEMENT BY RANKING MEMBER HAROLD ROGERS

Mr. ROGERS. Thank you, Mr. Chairman, and thank both of you for being with us today. We have a special welcome for Under Secretary Wagner, what marks her first appearance before the Subcommittee. Thanks to Captain Harris coming from Delaware to share insights on the State level.

It is unusual for this Subcommittee to hold an open unclassified hearing on DHS's intelligence programs. But I believe today's hearing gives us the opportunity to thoroughly discuss what are perhaps our most important homeland security assets and that is leadership and information.

First, leadership. Unfortunately, it took the Administration almost 13 months to get a confirmed Under Secretary at the helm of DHS's Intelligence Office, far too long for such a critical function. And while I am pleased to see that Ms. Wagner has been confirmed and is getting settled in at DHS, I am concerned that DHS's intelligence function may have lost some stature and credibility within the broader Intelligence Community during this extended vacancy, and that credibility within that community is altogether important as we have seen in the past.

Simply put, leadership matters. Especially true for an office that relies so heavily upon its relationships with other agencies, agencies at the Federal, State, local, tribal, even international levels in order to be truly effective, relationships with agencies that have a history and custom and genetic inheritance of being secret with their information and unwilling to share with others.

Secondly, information. Out of all the tools in our homeland security arsenal, information is perhaps the most valuable when it comes to disrupting potential terrorist activity. We need look no further than a contrast of the disrupted Zazi pilot versus the failed Christmas Day attack. In the Zazi case, the combination of solid intelligence and investigative work disrupted what could have been a horrific attack. However, in the case of the Christmas Day attack, information was not effectively shared, in my judgment, and the attack was thwarted by little more than luck and some dedicated American patriots.

So when it comes to return on investment for our limited dollars, intelligence is where we get the biggest bang for the buck. But we have to get intelligence and information sharing right.

From the Hart-Rudman Commission to the 9/11 Commission to the review of the Christmas Day attack, countless experts and leaders have recommended we significantly refine and hone our intelligence collection and dissemination capabilities and processes.

So that brings us to today and a discussion of the resources we are investing in DHS's intelligence and analysis functions. And as the Chairman has rightly informed us, this is an open hearing, and I think probably the first we have had with the Intelligence section of DHS. So we will have to skirt around certain barriers in order to discuss the subject.

In particular, we need to better understand the value added by these 72 State and local fusion centers, something I believe Captain Harris can speak to from the State and local perspective in particular.

Considering the threat activity we continue to see both domestically and abroad, far too much is at stake for our intelligence functions to be anything less than focused and effective.

Thank you, Mr. Chairman.

[The statement of Mr. Rogers follows:]

OPENING STATEMENT

CONGRESSMAN
Hal Rogers

FIFTH DISTRICT • KENTUCKY

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Opening Statement

Committee on Appropriations
Subcommittee on Homeland Security

DHS Intelligence Programs

Witnesses:
Ms. Caryn Wagner, DHS Under Secretary for Intelligence & Analysis
Captain William Harris, Delaware State Police

10:00 AM | Thursday | March 4, 2010 | 2358-B

Thank you, Mr. Chairman.

Welcome to Under Secretary Wagner for what marks your first appearance before this Subcommittee, and thank you to Captain Harris for coming from Delaware to share your insights.

While it is unusual for this Subcommittee to hold an open, unclassified hearing on DHS's intelligence programs, I believe today's hearing gives us the opportunity to thoroughly discuss what are perhaps our most important homeland security assets: leadership and information.

First, leadership. Unfortunately, it took the Administration almost 13 months to get a confirmed Under Secretary at the helm of DHS's Intelligence office – far too long for such a critical function.

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Secondly, information. Out of all the tools in our homeland security arsenal, information is perhaps the most valuable when it comes to disrupting potential terrorist activity.

Look no further than a contrast of the disrupted Zazi plot versus the failed Christmas Day attack:

⇒ In the Zazi case, the combination of solid intelligence and investigative work disrupted what could have been a horrific attack.

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So, when it comes to return on investment for our limited dollars, intelligence is where we get the biggest bang for our buck.

But, we have to get our intelligence and information sharing right.

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That brings us to today and a discussion of the resources we are investing in DHS's intelligence and analysis functions.

In particular, we need to better understand the value added by the 72 State and Local Fusion Centers – something I believe Captain Harris can speak to from the State and local perspective.

Considering the threat activity we continue to see – both domestically and abroad – far too much is at stake for our intelligence functions to be anything less than focused and effective.

Thank you, Mr. Chairman. I look forward to today's discussion.

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STATEMENT BY CARYN WAGNER

Mr. PRICE. Thank you. And we will now proceed first with Under Secretary Wagner.

Ms. WAGNER. Thank you. Chairman Price, Ranking Member Rogers and distinguished members of the Subcommittee, thank you for the opportunity to appear before you today to discuss the Fiscal Year 2011 budget request from the Department of Homeland Security's (DHS') Office of Intelligence and Analysis (I&A).

This is my first congressional testimony as the new Under Secretary. I am honored to have the opportunity to lead this critical component of the Department, and I look forward to working closely with this Committee and the Congress to keep our homeland secure.

I&A is charged with leading the Department's efforts to provide intelligence and information in a useful form to state, local, tribal, private-sector and federal partners and with getting functional intelligence and information to the national intelligence and law enforcement users.

In other words, we are managing a constant, two-way flow of information. Our efforts support and enable the fulfillment of core DHS missions, as articulated in our recently completed Quadrennial Homeland Security Review, which was delivered to the Congress on February 1. For all those key departmental missions—preventing terrorism and enhancing security, securing and managing our borders, enforcing and administering our immigration laws, safeguarding and securing cyberspace, ensuring resilience to disasters—I&A provides intelligence support.

Our activities are also aligned to the goals and missions of the Director of Intelligence's National Intelligence Strategy because I&A is also a member of the Intelligence Community. We also are aligned with the National Strategy for Information Sharing.

And finally, the budget is also aligned with the priority areas that I mentioned in my 2009 confirmation testimony, when I was asked to provide a vision for the way ahead. My first goal was to support state, local, tribal and private sector partners; the second, to strengthen DHS intelligence enterprise and I&A support to DHS components; third, to mature and strengthen our analysis and our products; and fourth, to improve overall management and processes.

My written statement for the record talks about all four of those, but because today's hearing is mostly focused on state and local fusion centers, I am going to focus on that in my oral remarks.

We are continuing to expand the level of cooperation and information sharing with our state, local and tribal partners by a robust network of intelligence and law enforcement agencies participating in the state and local fusion centers. Secretary Napolitano directed then-Acting Under Secretary of Intelligence and Analysis Bart Johnson to conduct a study on the best ways to create a Joint Fusion Center Program Management Office (JFCPMO) that would support information sharing and would leverage all of the elements of the Department on this very important issue.

The Secretary asked for a recommendation on the feasibility and structure of this, and it is due to her by March 6. It is completed and in her office, and we hope to get back to you on that soon.

The Department is also working on how the pending JFCPMO will align with the White House's direction that DHS, in cooperation with the program manager for the information-sharing environment, be the lead agency for establishing a national fusion center program management office. So we are working on that as well.

Fusion centers are a proven and invaluable tool for the Department to work closely with our state, local and tribal partners. To leverage these capabilities, we have 57 intelligence officers and fusion centers nationwide, with a plan to deploy a total of 76 by the end of 2010.

We have also installed the Homeland Security Data Network at 33 fusion centers, with plans for more.

Most recently, fusion centers have been used for passing and sharing information from I&A, in cooperation with the Federal Bureau of Investigation (FBI), to the centers regarding the Najibulla Zazi and Umar Farouk Abdulmatallab investigations and arrests. In fact, the Colorado Information Analysis Center provided very important support to the FBI during the Zazi investigation.

In addition, the Washington Fusion Center played a key role in development of a multi-seal threat assessment for the 2010 Winter Olympic Games in Vancouver, British Columbia, Canada. I&A had analysts assigned to the Joint Operation Center in Washington State during the games who were responsible for working with the fusion center, the Royal Canadian Mounted Police and federal partners for monitoring information and intelligence. That was a great collaborative state, local and federal effort.

I want to address a little more specifically, despite the fact that the annual numbers are classified, how the President's 2011 budget submission is going to support our program and enable us to make progress. The 2011 budget seeks to continue our commitment to the fusion center network by providing us with funds to complete representation to all the fusion centers across the country. It will allow us to deploy additional intelligence analysts and reports officers and secure communications to all 72 currently operational centers and to assign 10 regional directors to oversee I&A fusion center support activities in the respective regions. The request will also allow us to continue providing classified information awareness training to fusion center personnel who access sensitive federal information and to expand our current program to provide privacy and civil liberties awareness and protection training.

I am encouraged by Congress' continuing support of the Department's program to support fusion centers. I look forward to working with you to fund the program in 2011 to meet both the President's goals and objectives and the key statutory requirements. As we continue to work with the fusion centers to mature their capabilities and ensure they are well-trained in analytic trade craft in the protection of privacy, civil rights and civil liberties, I&A will continue to advocate for sustained funding of the fusion centers as the linchpin of the evolving Homeland Security Enterprise.

I want to convey to you my personal sense of commitment to ensuring that DHS and its partners have the intelligence capability

to address all threats to the homeland while performing their missions and upholding the rule of law. The President's budget request will enhance Departmental intelligence capabilities to mitigate the complex and dynamic threats that we face, while also protecting the privacy, civil rights and civil liberties of the American public.

Thank you for the opportunity to appear before you today to testify on I&A's current activities and the budget request, and I look forward to your questions.

Mr. PRICE. Thank you very much.

[The information follows:]

United States Department of Homeland Security

Office of Intelligence and Analysis

Statement for the Record

Caryn Wagner

Under Secretary

Before the

Subcommittee on Homeland Security

United States House of Representatives

March 4, 2010

Introduction

Chairman Price, Ranking Member Rogers, and distinguished Members of the Subcommittee, thank you for the opportunity to appear before you today to discuss the President's fiscal year (FY) 2011 budget request for the Department of Homeland Security's (DHS) Office of Intelligence and Analysis (I&A).

This is my first Congressional testimony as the new Under Secretary for Intelligence and Analysis. I am honored for the opportunity to lead this critical component of the Department, and I look forward to working closely with this committee and the Congress to keep our homeland secure.

The Office of Intelligence and Analysis Strategic Alignment

I&A is charged with leading the Department's efforts to provide intelligence and information in a useful form to state, local, tribal, private sector, and federal partners, and getting functional intelligence and information back to national intelligence and law enforcement users on a real-time basis. Our efforts support and enable departmental fulfillment of the core DHS missions designated in our recently completed *Quadrennial Homeland Security Review* (QHSR), which was delivered to Congress on February 1, 2010. The QHSR delineates the following core departmental missions:

Mission 1: Preventing Terrorism and Enhancing Security
Mission 2: Securing and Managing Our Borders
Mission 3: Enforcing and Administering Our Immigration Laws
Mission 4: Safeguarding and Securing Cyberspace
Mission 5: Ensuring Resilience to Disasters

The primary purpose of the QHSR is to outline the strategic framework to guide the activities of participants in our nation's homeland security enterprise toward a common end. To fulfill these missions, we must appropriately integrate and synchronize throughout the Department so that the departmental elements and their missions are mutually reinforcing.

Intelligence and information sharing are identified as key objectives for the Department in the QHSR. Thus, the Office of Intelligence and Analysis plays a critical supporting role to the success of DHS in all of its core mission areas. I&A activities are equally aligned to the goals and missions of the Director of National Intelligence's *National Intelligence Strategy* (NIS). As the Department's primary interface with the national Intelligence Community (IC), I&A seeks to leverage the capabilities of the IC in support of DHS' core mission areas, and also to orchestrate DHS support, in the form of data and analysis, to the larger national Intelligence Community.

As Secretary Napolitano and other senior administration officials have repeatedly said, our ability to protect the homeland is only as good as the information and analysis

supporting our efforts. I&A has a unique mission to serve as the interface between the IC, our DHS components, and the state, local, tribal and private sector partners who both require and generate homeland security intelligence and information. I believe that our current efforts—and this 2011 budget—are moving us in the right direction toward fulfilling our unique and multifaceted mission.

The I&A budget request for FY 2011 directly supports and flows from the missions of the QHSR, the goals of the NIS, and the priorities of the President, including the *National Strategy for Information Sharing*. The budget also reflects the priority areas I mentioned in my December 2009 confirmation testimony:

- ***Goal 1***: Support state, local, tribal and private sector partners
- ***Goal 2***: Strengthen the DHS Intelligence Enterprise and support to DHS components
- ***Goal 3***: Mature analysis
- ***Goal 4***: Improve management and processes

1. Support State, Local, Tribal, and Private Sector Partners

A primary role of I&A is to share intelligence and information with our partners at the state, local, tribal and private sector levels. It is our job to meaningfully convert what may appear to be bits of unrelated information into a product that helps protect our communities. I&A also has a key responsibility in furthering the Department's commitment to sustain and support fusion centers.

We are continuing to expand the level of cooperation and information sharing with our state, local and tribal partners via a robust network of intelligence and law enforcement agencies participating in state and local fusion centers. Secretary Napolitano directed the acting Under Secretary of Intelligence and Analysis, Bart Johnson, to conduct a study on the best ways to create a Joint Fusion Center Program Management Office (JFC-PMO), which would support information sharing between state, local, tribal and federal law enforcement partners and coordinate relevant support from all elements of the Department. The Secretary requested a recommendation on the feasibility and optimal structure and resources of the JFC-PMO; that recommendation is due to the Secretary by March 6, 2010. The Department is also considering how the pending JFC-PMO will align with the White House's direction that DHS, in coordination with the Program Manager for the Information Sharing Environment, be the lead agency in establishing a National Fusion Center Program Management Office.

Fusion centers are a proven and invaluable tool for the Department to work closely with our state, local and tribal partners on some of the nation's most pressing homeland security issues, such as terrorism and border security. To leverage the capabilities of these entities, I&A has deployed 57 intelligence officers to fusion centers nationwide and plans to deploy a total of 76 officers by the end of FY 2010. I&A has also installed the Homeland Secure Data Network (HSDN), which allows the federal government to share Secret-level intelligence and information with state, local and tribal partners, at 33 fusion

centers. Additional centers are undergoing facilities certification in order to be accredited to house HSDN. This burgeoning network greatly expands two-way information sharing flows between federal and non-federal homeland security partners.

Most recently, these centers were used extensively for the passing and sharing of information from the Office of Intelligence and Analysis, in cooperation with the Federal Bureau of Investigation (FBI), to the fusion centers regarding the Najibulla Zazi and Umar Farouk Abdulmatallab investigations and arrests. In addition, the Washington Fusion Center played a key role in the development of a multi-seal threat assessment for the 2010 Winter Olympic Games in Vancouver. I&A analysts were assigned to the Joint Operation Center in Washington State during the Olympic Games and were responsible for working with the Washington State Fusion Centers, the Royal Canadian Mounted Police, and our federal partners in monitoring information and intelligence that could identify potential threats.

In addition to the Fusion Centers, I&A provides robust support to state, local and tribal officials along the Southwest Border via the Homeland Intelligence Support Team (HIST), a forward-based support element that provides intelligence integration and information sharing on all threat actors and related activities on the Southwest Border. The HIST, located in the El Paso Intelligence Center (EPIC), coordinates with other I&A representatives across the Southwest Border region and is making a major contribution to efforts to secure the border.

I&A has continued to customize intelligence-related programs and processes to meet the needs of our state, local and tribal partners. One of our most popular and effective new products geared for state, local and tribal partners, developed in cooperation with the Interagency Threat Assessment and Coordination Group in the National Counterterrorism Center, is the Roll Call Release. These products provide useful, specific and actionable information, on possible tactics or techniques that could be employed by terrorists or criminals who threaten the homeland, in a form suited to law enforcement consumption.

In addition, the DHS Open Source Enterprise provides reporting directly to state, local and tribal customers through the Homeland Security State and Local Intelligence Community of Interest (HS SLIC). This past year, I&A contributed 141 intelligence and information products to the HS-SLIC. DHS Open Source collection efforts resulted in reporting on a number of specific terrorist and individual behaviors by organizations and individuals, such as Anwar al Awlaki; this kind of reporting provides advice on potential changes to operational and security procedures that keep communities and the nation safer. I&A used mobile training teams to conduct Open Source methodologies and capabilities training at 24 fusion centers and component facilities, including a formal block of training on understanding and respecting the privacy of individual citizens.

In addition, I&A, in conjunction with the DHS National Operations Center and the Office of Intergovernmental Affairs, reached a milestone by establishing a single, integrated process to receive, track and respond to requests for intelligence support submitted by state, local, territorial and tribal partners, as well as federal (including IC) elements. This

process ensures requests and subsequent responses are as timely and complete as possible while protecting privacy, civil rights, and civil liberties.

The Fourth Annual National Fusion Center Conference was held February 23-25, 2010, in New Orleans, Louisiana. This annual forum for fusion center stakeholders at all levels of government, which was co-hosted by I&A and the Department of Justice, enabled the sharing of best practices and offered direct opportunities to discuss the optimal ways to achieve a common baseline capability. The National Fusion Center Conference is a signature event promoting homeland security, and one that grows in stature and importance each year.

2. Strengthen the DHS Intelligence Enterprise and Support to DHS Components

In the past six months, I&A has taken concrete steps to promote a unified, collaborative DHS Intelligence Enterprise. Our goal is to make intelligence activities at DHS more efficient and effective, and to allow DHS as a cabinet Department, including headquarters and the components, to both give and receive better support. The principle governing body for this purpose is the Homeland Security Intelligence Council (HSIC), which I chair in my role as Chief Intelligence Officer of the Department. The HSIC is comprised of the key intelligence officials in applicable DHS components; it now reflects a broader range of DHS activities that require intelligence support. The HSIC is focused on governance-level, enterprise-wide objectives, such as collaboratively defining intelligence activities for the Department's ongoing Bottom Up Review; and developing new tools for conducting DHS Intelligence Enterprise program reviews. The HSIC oversaw the completion of the first coordinated, Enterprise-wide analytic production plan, which builds on the expertise of the operational components to produce products in their areas, deconflicts competing efforts, and helps focus analytic efforts on QHSR priorities.

I&A also exists to support the intelligence needs of the Department as a whole. I am committed to the Secretary's model of One DHS, becoming a cohesive cabinet Department that fulfills many functions across a wide and challenging spectrum of activities. In addition to the seven DHS operational components, I&A's customers include offices that handle policy, infrastructure protection, privacy issues, civil rights and civil liberties, health affairs, and other important responsibilities.

In January 2010, I&A also completed a comprehensive set of Standing Information Needs (SINs), which uniformly document ongoing intelligence and information needs of the entire Department. These SINs improve DHS' ability to participate in the Intelligence Community's collection management processes, and improve the quality and quantity of information we receive in support of those needs as well as the information I&A produces. In addition, since October 2009 our Collection and Requirements Division assisted more than 20 fusion centers in developing their own SINs, with the goal of improving the level of support they can receive from the Department and the rest of the IC.

Another successful example of the power of the enterprise is the DHS Threat Task Force (DTTF). The DTTF was established in the summer of 2009 to support high-profile investigations by the FBI. The DTTF is composed of I&A analysts and representatives from the DHS operational components and ensures that all the Department's information and expertise is brought to bear on an issue or investigation. The DTTF last summer provided information to the FBI on hundreds of additional individuals who were determined to be potentially relevant to specific, high-profile cases. DHS reactivated the DTTF on December 25, 2009, after the attempted bombing of Northwest Airlines Flight 253. We intend to institutionalize this enterprise task force to focus the efforts of the whole Department in unison on mitigating terrorism threats to the homeland. Per the Secretary's direction, the DTTF has been playing a direct role in identifying and analyzing homeland security threats, informing DHS leadership decision-making, and ensuring that intelligence supports component operations in the field. These efforts have directly contributed to more effective use of watch lists and have supported Department programs for passenger travel analysis and airport screening procedures.

3. *Mature Analysis*

I&A's analytic programs align with the Secretary's priorities and the Department's SINs, and encompass those analytic topics that are most meaningful for homeland security. Our analysts—in partnership with NCTC and the FBI—address threats to the homeland from both international and domestic terrorist groups and actors, and also analyze terrorist tactics, techniques, and procedures to inform the development of protective measures at home. As a result of recent trends, I&A is working closely with its IC partners to develop a framework for analysis of homegrown extremism that is consistent with protecting civil rights and civil liberties.

I&A has primary responsibility within the IC to analyze, evaluate and disseminate analysis on threats to homeland critical infrastructure. Through our robust relationship with the private sector and partnership with DHS' Office of Infrastructure Protection, we routinely assess the impact of threats to industry and, with our IP partners, identify specific vulnerabilities and consequence of loss that would result from terrorist attacks or other hazards.

Our border and immigration security analysts focus not only on terrorist threats to the U.S. on or at our borders, but also address trends regarding travel, asylum and refugee issues and the rising violence and instability affecting the Southwest Border. I&A, in fact, uniquely supports the U.S. government's effort to identify, track, deter and prevent terrorists from traveling to the homeland. I&A's role in preventing terrorist travel focuses on providing targeted intelligence analysis that leverages unique DHS databases and expertise, and on sharing information broadly within DHS and also with the U.S. government and foreign partners. I&A plays a key role in monitoring changes to and effects of global immigration and travel security policies, provides direct support to DHS asylum and refugee programs, informs Customs and Border Protection targeting rules and Transportation Security Administration screening measures, and produces assessments on

alien smuggling and illicit travel patterns that are unique among those circulated through the IC.

In the cyber arena, I&A cyber intelligence analysts provide a national intelligence analytical framework in support of key cybersecurity customers, such as the National Cybersecurity and Communications Integration Center (NCCIC), the United States Computer Emergency Readiness Team (US-CERT), and the Industrial Control Systems CERT. Our cyber activities enable DHS to identify emerging threats to civilian government information and communications infrastructure.

I&A also maintains technical expertise in the fields of health intelligence and chemical, biological, radiological and nuclear (CBRN) issues to serve its departmental, federal, state, local, tribal and private sector partners.

DHS is a co-founder with the Defense Intelligence Agency of the National Center for Medical Intelligence at Fort Detrick, Maryland, which focuses on a broad range of foreign medical risks that could threaten the United States. We use our combined research and analytic talents to produce all source threat analyses on human health, agriculture, and food security to support DHS components—a recent example being the health intelligence we provided to support first responders' relief efforts in Haiti—as well as federal, state, local and tribal government agencies and the private sector. Our analysis goes beyond just the science of health threats to also address relevant foreign policy and socio-economic issues that could adversely affect homeland security operations and critical infrastructure and key resources.

On CBRN issues, our experts collaborate with their IC partners on broad-ranging assessments and national-level exercises, provide the threat basis for risk assessments that drive DHS policy formulation and detection and response programs, and provide practical insights to state, local, tribal and private sector partners on CBRN indicators they might encounter in the course of their operational and law enforcement roles.

4. Improve Management and Processes

To ensure that I&A is able to meet the broad range of its responsibilities, I am placing great emphasis on strengthening the planning, management and performance oversight of I&A. We are developing fair and transparent policies and decision making processes, aligning resources to priority missions, and assessing whether investments are leading to preferred outcomes. We have established leadership-level personnel and resource requirements boards to improve management of the workforce and the budget.

Training is key to achieving I&A's mission and organizational goals. I&A continued to grow its capacity for intelligence training by conducting or offering over 45 courses since June 2009, amounting to over 20,000 training hours for I&A staff. Students came from state, local and tribal entities, including fusion centers, and from throughout the DHS Intelligence Enterprise.

While I am proud of the substantial progress I&A has recently made, I also recognize that much work remains. We have to continue to grow I&A into a respected intelligence entity that provides the quality homeland security intelligence needed to protect the homeland.

The President's FY 2011 Budget Submission

I want to address more specifically how the President's FY 2011 budget submission supports I&A programs and enables further accomplishments. Working with our homeland security partners at the state, local, tribal and private sector levels is a top priority for I&A and the entire Department. The FY 2011 budget request seeks to continue our commitment to a national fusion center network by providing I&A with additional funds to complete its representation at fusion centers across the country. The FY 2011 budget will enable I&A to deploy additional intelligence analysts and secure communications to all 72 currently operational fusion centers, as well as to assign 10 regional directors to oversee I&A fusion center support activities in their respective regions. The request will also enable I&A to continue providing classified information awareness training to fusion center personnel who access sensitive federal information, and to expand our current program to provide privacy and civil liberties awareness and protection training. I am encouraged by Congress' continuing support of the Department's program to support fusion centers, and look forward to working with you to fund the program in FY 2011 to meet both the President's goals and objectives and key statutory requirements.

The FY 2011 I&A budget request continues our efforts to decrease our reliance on contractors and increase the number of federal employees. I am not satisfied with the current ratio of contractors to government employees. In FY 2010, we are converting 110 positions from contractor to federal positions. Similarly, we propose in our FY 2011 budget submission to convert 87 contractor positions into federal ones. We are on the right trajectory, but must seek to accelerate these efforts.

Challenges Ahead

I&A is a maturing organization and faces numerous challenges in the near future. Along with the rest of the IC and the Department, we are striving to improve our capabilities in the cybersecurity arena. I&A succeeded in hiring several cyber professionals in FY 2010 and has a more robust hiring plan for FY 2011, but we are still assessing the amount of analytic support needed for the Department's important role in cybersecurity.

I anticipate that formalizing the JFC-PMO, as well as meeting our ambitious goals for increasing personnel and systems support to all 72 fusion centers, will entail governance, resource and operational challenges in FY 2011, but we are prepared to meet those challenges. As we continue to work with the fusion centers to mature their capabilities and to ensure they are well trained in analytic tradecraft and in the protection of privacy, civil rights, and civil liberties, I&A will continue to advocate for sustained funding for the fusion centers as the linchpin of the evolving homeland security enterprise.

While I&A's support to state, local and tribal partners is steadily improving, there is still work to be done in how best to support the private sector. We intend to explore ways to extend our efforts in this area beyond the established relationships with the critical infrastructure sectors. We will also continue to try to achieve a departmental enterprise that is greater than the sum of its parts, by advocating for and supporting the components and ensuring that intelligence efforts are coordinated and mutually reinforcing.

Conclusion

Members of the Subcommittee, thank you for the opportunity to appear before you today to testify on I&A current activities and future challenges, and to review the President's major funding priorities for I&A in FY 2011.

I want to convey to you my personal sense of urgency and commitment to ensuring that DHS and its partners have the intelligence capability to address all threats to the homeland, while performing their missions and upholding the rule of law. I&A has both a unique mission and critical national intelligence responsibilities. The President's budget request will enhance departmental intelligence capabilities to mitigate the complex and dynamic threats our nation faces, while also protecting the privacy, civil rights, and civil liberties of the American public.

Thank you and I look forward to your questions.

Caryn A. Wagner
Under Secretary for Intelligence and Analysis
Department of Homeland Security

Caryn A. Wagner was confirmed on February 11, 2010 as the Under Secretary for Intelligence and Analysis at the Department of Homeland Security.

Ms. Wagner served as an instructor in Intelligence Community management for The Intelligence and Security Academy, LLC from October 2008 to October 2009. She retired from the House Permanent Select Committee on Intelligence (HPSCI) on October 1, 2008, where she served as Budget Director and cyber security coordinator. Prior to that, Ms. Wagner served in the Office of the Director of National Intelligence (DNI) as an Assistant Deputy Director of National Intelligence for Management and the first Chief Financial Officer for the National Intelligence Program (NIP). She accepted this position after serving as the Executive Director for Intelligence Community Affairs from April 2004 until May 2005. In that capacity, she was responsible for the Community Management Staff, which provided strategic planning, policy formulation, resource planning, program assessment and budget oversight for the Intelligence Community.

Ms. Wagner's previous position was that of the senior Defense Intelligence Agency (DIA) Representative to Europe. She served as the Director, DIA's liaison to the United States European Command (EUCOM) and to the North Atlantic Treaty Organization (NATO) from April 2003 to April 2004. From October 2000 until April 2003, Ms. Wagner served as DIA Deputy Director for Analysis and Production. The Directorate consisted of approximately 2,000 personnel charged with providing high-quality, all-source military intelligence analysis support to the Combatant Commands and deployed US and allied forces; the Chairman, Joint Chiefs of Staff; and the Secretary of Defense. Ms. Wagner was also the Production Functional Manager, responsible for orchestrating analysis and production by analytic elements of the Services, the Combatant Commands, other defense agencies, and the Commonwealth.

Prior to being appointed the Deputy Director for Analysis and Production, Ms. Wagner headed the Director, Military Intelligence (DMI) Staff from November 1996 to November 2000. In this position, Ms. Wagner conducted military intelligence community planning and was responsible for development and management of the General Defense Intelligence Program (GDIP). She served as an associate member of the Military Intelligence Board (MIB) and oversaw the MIB secretariat. She also managed the implementation of the Joint Intelligence Virtual Architecture (JIVA), a defense intelligence community-wide collaborative environment and tool set.

Prior to her position as the DMI Staff Director, Ms. Wagner was the Staff Director of the Subcommittee on Technical and Tactical Intelligence, House Permanent Select Committee on Intelligence. Her responsibilities included oversight of all technical collection and processing capabilities in the National Intelligence Program (then the NFIP) and Military Intelligence Program (then JMIP and TIARA). Ms. Wagner also served as a member of the Program and Budget Authorization Subcommittee of the House Permanent Select Committee on Intelligence, overseeing the GDIP and national and defense counterintelligence programs.

Prior to working on the HPSCI staff, Ms. Wagner was an associate at Booz-Allen and Hamilton, working in the areas of Tactical Exploitation of National Capabilities (TENCAP), support to military operations, intelligence planning, and intelligence systems architecture development. Ms. Wagner also served as a Signals Intelligence and Electronic Warfare Officer in the United States Army.

Ms. Wagner received a Bachelor of Arts degree in English and History from the College of William and Mary, and a Master of Science degree in Systems Management from the University of Southern California.

STATEMENT BY CAPTAIN WILLIAM HARRIS

Mr. PRICE. Captain Harris.

Captain HARRIS. Good morning, Chairman Price, Congressman Rogers and members of the Subcommittee. Let me begin by saying I appreciate the opportunity to appear today to discuss our Nation's security as it pertains to Federal, State, and local government efforts, specifically fusion centers.

My name is Captain Bill Harris with the Delaware State Police and I am a 29-year veteran of the State Police and the commander of Delaware's Fusion Center. I also chair the newly formed National Fusion Center Association's communications and outreach committee. The national fusion center association is focused on continuing to develop positive and sustainable relationships with DHS, DOJ, ODNI, the Program Management Office of the information sharing environment, based on collaboration and information sharing.

I am honored to testify today with Under Secretary Caryn Wagner of the Department of Homeland Security Office of Intelligence Analysis. The Office of Intelligence Analysis has been an integral partner in the successful effort, assisting our jurisdictions in establishing a national network of fusion centers. Fusion centers embody a core collaboration and are an extremely efficient tool to maximize our available resources.

This concept serves as a force multiplier to local and rural agencies that would not normally have the resources to receive or analyze intelligence information relative to their geographic area. Fusion centers have only been in existence over the last 5 years, and many have success stories to share that benefit their local jurisdictions and support our Federal goals.

The concept of a fusion center is predicated on collaboration. The relationship between fusion centers and the Department of Homeland Security is one of partnership and consensus. That relationship has very much improved since the concept began. The future success of a national network of fusion centers is a shared responsibility. And it is dependent upon the combined efforts of Federal, State, local, tribal and territorial partners.

I would like to take a moment to thank principal Deputy Under Secretary Bart Johnson for his leadership this past year. Colonel Johnson and his staff are a great asset to the fusion center network and are responsible for implementing many of the improvements fusion center directors have seen over the last year.

The following are some support fusion centers are receiving from the Department of Homeland Security to enhance our operational capacity and support our sustainment: the creation of a Joint Program Management Office between DHS and DOJ to coordinate and support our fusion centers; the creation of a National Suspicious Activity Reporting Program Management Office residing in DOJ, but working closely with DHS; the development of a fusion center commander's course with ODNI and input from the fusion center directors; enhancing training on privacy and civil liberties protections, with regional workshops and added provisions to the Homeland Security Grant Program guidance; facilitating more than 700 State and local security clearances to enable enhanced classified in-

formation sharing between the fusion centers; training and technical assistance by providing 15 services to enhance fusion center operational capacity—49 of these were provided last year for a total of 184 to date; direct field support to fusion centers by assigning 57 intelligence officers to enhance our center's capacity and competence; commitment to sustainment by prioritizing fusion centers in the 2010 Homeland Security Grant Program guidance; deploying 33 Homeland Security HSDN Systems with SIPERnet to fusion centers for an exchange of classified information; deploying HSIN, SLIC, the State and local Intelligence Community, which is a nonclassified information technology exchange system that complements such systems such as RISS, which are vital to State and local enforcement.

In speaking with my colleagues recently, the overwhelming concern of their fusion center operations is sustainment. Currently, most fusion centers depend on Federal Government support for continued operations.

In direct relationship to the fusion center sustainment problem is the current language within the SHSGP and UASI grant guidance in which 25 percent of the funding to the jurisdiction must be designated to law enforcement terrorism prevention activities. The wording of this language is found to be universally detrimental to the sustainment of fusion centers.

After meeting with my peers last week at our semiannual Fusion Center Directors Meeting, along with representatives from the IACP and the Major City Chiefs Association, we unanimously agreed to support the reestablishment of the Law Enforcement Terrorism Prevention Program as a funded grant program rather than an allowable activity under SHSGP and UASI programs. This would ensure that moneys designated by the Department of Homeland Security for the sustainment of fusion centers would go directly to the fusion centers and not other areas considered "related" to law enforcement activity. Law enforcement and the mission of prevention and protection continue to be the only public safety and homeland security mission not to receive dedicated funding from Homeland Security.

As a Nation, we continue to spend billions and billions on response and recovery missions while funding for dedicated law enforcement prevention and protection at the State, local and tribal level continues not to be funded.

I thank you for your time this morning and the opportunity to discuss our Nation's national network of fusion centers. On behalf of the National Fusion Center Association, we look forward to continuing our work with you and your staff to enhance and sustain this critical prevention and protection mission.

Mr. PRICE. Thank you very much.

[The information follows:]

Written Testimony of Captain William Harris
Delaware State Police
Before the United States House of Representatives
Appropriations Subcommittee on Homeland Security
March 4, 2010

Chairman Price, Congressman Rogers and members of the Subcommittee:

Let me begin by saying that I appreciate the opportunity to appear today to discuss our nation's security, as it pertains to federal, state, and local government efforts, specifically fusion centers. I am Captain William Harris, with the Delaware State Police. I am a 29-year veteran of the Delaware State Police and since 2001, have commanded our Criminal Intelligence Section and Delaware's state designated fusion center, the Delaware Information and Analysis Center. I also chair the newly formed National Fusion Center Associations' (or NFCA), Communications and Outreach Committee. The NFCA is focused on continuing to develop a positive and sustainable relationship with DHS and DOJ based on collaboration and information sharing. I am honored to testify with Under Secretary Caryn Wagner, of the Department of Homeland Security's, Office of Intelligence and Analysis. The Office of Intelligence and Analysis has been an integral partner in the successful effort in assisting our jurisdictions in establishing a national network of fusion centers.

The events of September 11, 2001 were a defining moment for law enforcement agencies nationwide. These attacks highlighted the critical need for the flow and exchange of information and intelligence to the state and local law enforcement community. The continued effort by terrorists both inside and outside the United States, that are determined to attack our homeland, destroy our infrastructure, and kill our citizens, add a new sense of urgency to interagency cooperation. Fusion centers embody the core of collaboration and are an extremely effective tool to maximize available resources, especially in this time of strained budgets. This concept serves as a force multiplier to local and rural agencies that would not normally have the resources to receive and analyze intelligence information relative to their geographic area.

State and local fusion centers have only been in existence over the last five years and have many success stories to share, such as in 2007, when a rural police officer stopped two people with precursor explosive materials in Goose Creek, South Carolina. The interaction between the police officer, South Carolina and Florida fusion centers, as well as the FBI, resulted in the disruption of a planned terrorist attack. In September of last year, the Colorado fusion center provided local data sources and analytical support to the FBI in the arrest of Najibullah Zazi.

The concept of a fusion center is predicated on collaboration. Fusion centers could not have enjoyed any success without the support and collaboration of the Department of Homeland Security. The relationship between fusion centers and the Department of Homeland Security is one of partnership and consensus. That relationship has very much improved since the concept of fusion centers began. The future success of a national network of fusion centers is a shared responsibility and is dependent upon the combined efforts of federal, state, local, tribal, and territorial partners.

I would also like to take a moment to thank Principal Deputy Undersecretary Bart Johnson for his leadership over the past year. Colonel Johnson and his staff are a great asset to the fusion center network and are responsible for implementing many of the improvements fusion center directors have seen over the last year.

Some of these improvements fusion centers are receiving from the Department of Homeland Security are support to enhance our operational capacity and support our sustainment. Some examples of this are:

- In December of 2009 Secretary Napolitano and Attorney General Holder announced the creation of a Joint Program Management Office to coordinate support to fusion centers.

- In addition to this, the creation of the National Suspicious Activity Reporting, Program Management Office, headed up by Mr. Tom O'Reilly, that resides in the Bureau of Justice Assistance, and coordinates closely with the Fusion Center Joint Program Management Office.

- Enhancing our management capabilities by collaboratively coordinating a "Fusion Center Commander's Course" with the ODNI and input from the fusion center directors.

- In the area of Privacy and Civil Liberty protections later this year, regional workshops of fusion centers will concentrate on privacy and civil liberty training as well as site-specific enhanced training, with added provisions to the HSGP guidance.

- In the area of security, DHS has facilitated more than 700 state and local security clearances to enable enhanced classified information sharing with fusion centers and will be conducting a national workshop for the security officers from each fusion center, to enhance security measures within the center.

- Training and Technical Assistance provides 15 services to enhance the fusion center operational capacity. Last year 49 of these assistance services were provided to fusion centers for at total of 184 Training and Technical Assistance provisions to date. Some of these services include, establishing a common core of competencies for fusion center analysts, the fusion center liaison program, and other relevant developmental services.

- Direct field support to fusion centers by assigning 57 Intelligence Officers to fusion centers, and committed support to the other fusion centers.

- Commitment to sustainment, by prioritizing fusion centers in the 2010 HSGP grant guidance.

- Commitment to technology enhancement to fusion centers by deploying 33 Homeland Security Data Network (HSDN) systems with SIPRNet, to fusion centers for an exchange of classified information. In addition to this, the development of the Homeland Security State and Local Intelligence Community (HSIN SLIC), a non-classified information technology system, designed for the unclassified exchange of

information and compliment such systems as the Regional Information Sharing System (RISS), which are vital to state and local law enforcement.

Although the state of our relationship with the Department of Homeland Security is very good, it can get better. In speaking with my colleagues, the overwhelming concern to their fusion center operations is sustainment. In the current fiscal condition of state and local governments, most fusion centers depend on federal support for continued operations. The Department of Homeland Security had listened to the fusion center directors in the past, and for example, provided ongoing grant assistance to the hiring and training of fusion center analysts. Many states cannot hire or train these analysts because their state or local government has a "zero government growth", or "no travel" policy.

In relationship to the fusion center sustainment problem, the current language within the SHSGP UASI grant guidance, in which 25% of funding to the jurisdiction must be, designated to law enforcement terrorism prevention "activities." The wording of this language has been found universally detrimental to the sustainment of fusion centers. After meeting with my peers last week at our semi-annual fusion center director's meeting, along with representatives from the International Association of Chiefs of Police and the Major City Chief's Association, we unanimously agreed to support the re-establishment of the Law Enforcement Terrorism Prevention Program (LETPP) as a funded grant program rather than an allowable activity under the SHSGP and UASI programs. This would ensure that monies designated by the Department of Homeland Security for the sustainment of fusion centers, go directly to the fusion centers and not other areas considered "related" to law enforcement activity. Law enforcement and the mission of prevention and protection continue to be the only public safety and homeland security mission area to not receive dedicated funding from the Department of Homeland Security. As a nation we continue to spend billions, billions on response and recovery mission areas while funding for dedicated law enforcement prevention and protection at the State, Local, and Tribal level continues to be under funded.

Thank you for your time this morning and the opportunity to discuss our Nation's national network of fusion centers. On behalf of the National Fusion Center Association, we look

forward to continuing to work with you and your staff to enhance and sustain this critical prevention and protection mission area for safety and security of our Country.

Captain William Harris

Captain Harris is the "Officer in Charge" of the Criminal Intelligence Section of the Delaware State Police. Under his command are the Electronic Surveillance Unit, the High Tech Crime Unit, Intelligence Investigations, Delaware Joint Terrorism Task Force, The Internet Crimes Against Children Task Force, and the Delaware Information and Analysis Center (DIAC). The DIAC serves as Delaware's state designated fusion center and has been operational since December of 2005

Captain Harris implemented the Delaware State Police's "Intelligence Led Policing" concepts into the division's current CompStat process. In addition to this, Captain Harris was assigned to implement Delaware's fusion center (DIAC) and bring Delaware Law Enforcement in compliance with the National Criminal Intelligence Sharing Plan. Captain Harris was charged with implementing Delaware's statewide, multi-jurisdictional, criminal intelligence database. This database is part of the information technology platform, used in Delaware's fusion center concept. Captain Harris was also responsible for the integration of other disciplines and networks, to include the private sector, into Delaware's fusion center, to comply with an "All Crimes, All Hazards" approach to Delaware's homeland security efforts. Captain Harris implemented a "corporate outreach," operational approach in the DIAC that mirrors the critical infrastructure sectors outlined in the President's National Strategy (HSPD 7) and is compliant with the National Infrastructure Protection Plan, and the National Response Framework.

Captain Harris has been a speaker at all four national fusion center conferences, presenting on an array of fusion management issues. In addition to this, he was a member of the focus group in formulating the Baseline Capabilities for State and Major Area Fusion Centers document adopted by DHS, DOJ, and GLOBAL.

Captain Harris holds memberships in criminal intelligence professional organizations such as the Law Enforcement Intelligence Unit (LEIU), The Combined Law Enforcement Intelligence Group (CLEIG), The Mid-Atlantic Regional Gang Investigators Network (MARGIN), and the East Coast Gang Investigators Association (ECGIA).

In addition to this, Captain Harris is an active member in the following organizations; Co-Chair of the Northeast Regional Intelligence Group (Northeast Fusion Centers), GLOBAL's Criminal Intelligence Coordinating Council's workgroup on Privacy and Civil Liberties, the National Fusion Center Coordination Group, and is the chairman of the National Fusion Center Association's, Communications and Outreach Committee.

Captain William Harris is a 29 year veteran of the Delaware State Police and has served in various assignments. He been assigned to criminal investigations for 23 years with the last 9 years assigned to the Criminal Intelligence Section. Captain Harris holds an Associate Degree in Criminal Justice Applied Science, a Bachelor of Science degree in Management, from Johns Hopkins University, is a 1995 graduate of Northwestern University's School of Police Staff and Command, and is scheduled to graduate in May 2010, from John's Hopkins University with a MSM degree.

PARADIGM SHIFT BETWEEN THE DEPARTMENT OF HOMELAND SECURITY AND FUSION CENTERS

Mr. PRICE. We will proceed to questions now. And I will ask the first one, kind of a three-part question directed to both of you.

At the recent National Governors Association meeting, Deputy National Security Adviser Brennan and Secretary Napolitano hosted a panel discussion about State and local fusion centers, as you probably know. Mr. Brennan discussed how information sharing between Federal Government and the States has improved since 2002 but noted that "We still have a long way to go." Secretary Napolitano said that the country needs a "paradigm shift," as she put it, to improve communications between the Federal Government and State and local law enforcement.

So under Secretary Wagner, Captain Harris, would you agree in general and in particular that there is still a lot of work to do, and how would you get specific about what that work consists of? What are the deficiencies you see in communication and the correctives that might be undertaken?

Under Secretary, what is the Department's plan for implementing this paradigm shift? First, what exactly do we mean by it? And, second, what is it going to look like, implementing a paradigm shift in communications between DHS and the fusion centers? And, Captain, I would appreciate your elaborating more fully on the two or three changes you would focus on that would most improve the work done by the fusion centers.

You have indicated the need for dedicated funding. Yet, it is true, isn't it, that despite the flexibility of funding, every State has in fact established a fusion center. We have an additional, what is it, 22 or so fusion centers established under UASI grants. You might want to sharpen that recommendation a bit, and of course we would be receptive to any other specific suggestions you would have for improving this program.

Under Secretary, let me start with you.

Ms. WAGNER. Yes, Mr. Chairman. I believe that the paradigm shift being discussed has to do with the fact that the Intelligence Community for many, many, many years had a foreign intelligence focus. Only relatively recently in the span of a bureaucratic life, it has had more of a homeland focus as well.

One of I&A's main responsibilities is to be a translator of requirements for the Homeland Enterprise to the Intelligence Community in order to get better support and to leverage those capabilities in a way that can be shared with the local, tribal and urban areas. We are working very hard on that.

For many years, I know many of you have been familiar with the extraordinary support that is provided to military forces when they are deployed in harm's way. We are trying to instill a paradigm shift to that same thought process at the same level of urgency for support to our Department when we are facing a heightened threat to the homeland. And we are having some very fruitful dialogues on what that would mean. But there is, I think, still work to be done, and we are actively engaged with our partners on how we can do a better job thinking about articulating the homeland requirements, making sure they are factored into the kinds of ana-

lytic work the Intelligence Community is doing and thinking more about tearline reporting for information that is less classified, so we are more able to send that information to the folks who can actually use it if we translate it into actionable information.

So I would tend to think that is what they meant by paradigm shift, and there is a lot of work going on in that area, but I would agree there is still work to be done.

Mr. PRICE. Captain.

Captain HARRIS. Thank you, Congressman. I have my own opinions on the paradigm shift, based upon my interaction with my colleagues from the National Fusion Center Association. The paradigm shift is a natural change, if you will. The Federal Intelligence Community works differently from the law enforcement criminal Intelligence Community. They both have separate sets of rules that they have to abide by, and that is the right thing to do.

But as these two different communities merge together, there is a paradigm shift with understanding each other's culture, each other's rules, and how information is handled and transpired back and forth.

Some of the things I would recommend are not only on the Federal Government's side, sir, but also on the law enforcement side. Fusion centers, the people in fusion centers and law enforcement, have to understand what the Intelligence Community's rules are, just like the Federal community has to understand what State and local rules are. And we have seen a bit of a rub there over the years. I will preface this with saying over the last year it has been excellent, absolutely excellent. But how could this improve? Well, with better understanding on the Federal side, such as expansion of the DHS fellowship program to get more State and locals into DHS to find—so they can understand—the people within the Federal Government can understand the relevancy to what State and locals want, to create opportunities for State and local partners to work hand in hand.

Just like we have Federal partners in our fusion centers, we have intelligence officers assigned to the fusion centers, more State and locals assigned within DHS to show what our particular needs are, depending upon our geographic location and depending on our particular law enforcement needs, or public safety I should say. It is broader than law enforcement, public safety needs are.

As you talked about dedicated funding, Mr. Chairman, fusion centers are a recommended prioritization in the 2010 Homeland Security Grant Program. Currently as exists, the language says that the money for law enforcement should be spent on law enforcement "activities." The SAA of each State has the opportunity to play with that money as they see fit, and classify or—"classify" is a poor choice of words, but put a program that says it is a law enforcement activity, but really does not add to the fusion center or maybe even law enforcement.

And I can give you an example of that. The National Strategic Stockpile. We have an acronym that is called NEAC for neighborhood emergency disbursement of those particular drugs. Because law enforcement provides security to those NEACs, that is considered a law enforcement activity which takes money away from our fusion center. So that is just to give you one short example of that.

DIFFERENCES BETWEEN THE JOINT TERRORISM TASK FORCES AND FUSION CENTERS

Mr. PRICE. We no doubt will want to return to the question of variety, the diversity of fusion center operations we see, and the extent to which that flexibility is desirable, as opposed to more specificity as to funding priorities from the Department.

Let me quickly ask you to both comment, though, on a problem I think is inherent in the discussion we are having, and that is the discussion of how we measure effectiveness.

The effectiveness of intelligence programs is notoriously difficult to measure. I will stipulate that. And it is also very unclear whether, if a fusion center weren't there, what the normal existing relationships would look like and what they would amount to. Would existing relationships between Federal, State and local authorities have comparable results? In other words, what is the value added? What is the value added for the fusion centers to our country's counterterrorism efforts? How specific can we be about this? And how can we measure it, what thoughts do you have about measuring it? And, of course, with measurement comes some kind of assessment about duplicative efforts. Redundancy is not always a bad thing, but nonetheless we need to know to what extent we are duplicating other efforts such as the Joint Terrorism Task Forces and how do you calculate that.

Ms. WAGNER. First, I don't think that we are duplicating the Joint Terrorism Task Forces (JTTFs) at all. The Joint Terrorism Task Forces are multi-agency but FBI-led groups focused specifically on investigations.

The fusion centers have a broader mandate to look at all information, not necessarily restricted to a specific investigation. They have an analytic and information-sharing focus. And they are all hazards in many cases, not in all cases, because the fusion centers obviously are tailored to their local state needs, so they are not all the same. But in many cases, they are co-located with the JTTF and I think it is an excellent partnership, but they really are not doing the same thing.

So I just wanted to put that out there. And I am sure Captain Harris can elaborate more.

And I have gotten lost on what else I was supposed to be answering.

MEASURING FUSION CENTERS' EFFECTIVENESS

Mr. PRICE. The question of any quick thoughts on measurement. We can return to this topic as well.

Ms. WAGNER. And that, as you mentioned, Mr. Chairman, is a perennially difficult problem. Part of it is, I think, the fusion centers are part of a Homeland Security Enterprise we are trying to create that provides for readiness, preparedness and reaction. And having that capability, even if it is never needed (which, in most cases, we would prefer that it not be because we are reacting to a disaster or an attack), I think is fundamentally—it is just manifest, you need to do it, so we should do it. It has to be there; it has to be ready in case you do need it. And if you don't, then that doesn't mean that it is not valuable. And I understand that is a difficult

point to accept, especially when you are trying to match resources to results.

I think one of the ways to evaluate the successes of the fusion centers is to ask the states and the areas that they are actually supporting whether they believe that this construct is supporting their requirements. At the same time, we try to figure out ways to evaluate at the national level whether they are mutually reinforcing each other. We want to make sure that we have an opportunity for fusion centers to back each other up to make sure that we are looking at them from a regional perspective, which is why we are putting these regional directors in place.

And I know that may not be as specific an answer to your question as you would like, but I think, in many ways, the metric is going to be subjective rather than objective because we are not always going to know when a fusion center—by virtue of the fact that it has created an excellent network of terrorist liaison officers down at the local law enforcement activities within the State and by virtue of the fact that we have alerted them to look for specific things—may have prevented something that you would never know has been prevented, just because the surveillance or the alertness of the first responders/preventers is such that people decide they are not going to try something; they are going to go somewhere else.

That is the challenge with trying to gauge the effectiveness, but that is what we want. We want that network to be so pervasive in a legal way that people decide it is too hard to do what they want to do.

And I would welcome Captain Harris's views on that.

Mr. PRICE. Captain, briefly for now, and then we will return to this, but I would be interested in your thoughts.

Captain HARRIS. A couple answers to a couple of the questions you had, sir.

Fusion centers, what value would they be if they weren't there? As I said earlier, we act as a force multiplier and embody the core of collaboration, and we are able to supply local departments with information that they would not normally have.

How do we measure our effectiveness? We are already working on that in this collaborative effort with DOJ, DHS, the Program Management Office for the Information Sharing Environment. How do we do this? With a group called GLOBAL. And we came up with the baseline capabilities for fusion centers. So there are documents out there that establish the baseline capabilities for fusion centers, and we have drilled down on those baseline capabilities.

So to determine what value added we have, we are working with our partners at DHS on those baseline capabilities to put an assessment out. First, it will be a self-assessment for fusion center directors to see where they meet on that baseline capability, and to do a gap analysis of that baseline capability to see if there is a uniform area across the broad spectrum where we need to strengthen that particular area for the baseline capabilities. Beyond that, we have already planned to do an assessment by our peers where we would go out with DHS and other peers and assess outside centers, between the different centers, to see where they meet on the baseline capabilities and, in fact, start an accreditation

program. So that would be your value added and that would be how you measure it.

One of the other ways we are measuring is fusion center directors at our meeting last week, our national meeting, came up with some priorities for 2011. And those priorities are part of the baseline capabilities on concentrating on our ability to, one, receive classified and unclassified information; our ability to analyze that classified and unclassified information; find its relevancy to our particular geographic area of that information; and then the ability to disseminate it; who has the need for that information, whether it is any public safety agency, public health, emergency management, or the private sector, and to get feedback on that also from our stakeholders within our geographic location.

DIFFERENCES BETWEEN JOINT TERRORISM TASK FORCES AND OTHER INTELLIGENCE GROUPS

You asked about are we duplicating efforts with the Joint Terrorism Task Force? Mr. Chairman, I am here to tell you we are complementing their efforts. The fusion centers are working with the FBI's FIGs, the field intelligence groups. We work with the Baltimore FIG and in fact the south side of our area, the Philadelphia FIG. Our fusion center directly supports the Joint Terrorism Task Force in our jurisdiction. The FBI has recognized that, put assets in our center, they have put computers in our center, we have classified FBI computers in our center, along with members of the Joint Terrorist Task Force. So as far as duplicating efforts, sir, they are complementing each other.

Mr. PRICE. Thank you, sir. Mr. Rogers.

Mr. ROGERS. I want to talk about how we balance the sharing of intelligence through the Department and fusion centers, how we balance the sharing of that intelligence without compromising ongoing investigations.

The recent Christmas Day attack and also the Zazi case, both illustrate the problem that we have, in my judgment, and not surprisingly the FBI is very controlling about the information that they release for fear of messing up the integrity of a given investigation for a criminal charge.

But at the same time, the protection of that information perhaps could cause real problems for other people; somewhat like when a fire company responds to a fire in the city, they have two responsibilities. One is to put out the fire in the particular building, and the second, perhaps more importantly, is to keep the fire from spreading to other locales.

Well, I think the same thing could be true here. In the Zazi matter, a disrupted plot to detonate an explosive in New York City, perhaps the subway system, the arrest of Zazi revealed a plot involving multiple co-conspirators as well as portable IEDs to carry out apparently a very large-scale coordinated explosives-based attack. But due to the nature of the ongoing investigation, the FBI was unable to share a substantial portion of its initial findings, and that constrained DHS from widely disseminating potentially useful counterterrorism information to the SLFCs on the Christmas Day attack, which we all are very familiar about, again illustrates the delicate balance between pending investigative work and the need

to disseminate vital homeland security counterterrorism information quickly. And the FBI's concern, of course, is ensuring the integrity of the criminal investigation, the case. However, the public need is to know whether or not there is an imminent danger to other people by the action that the person has initiated.

So these two cases have engendered a national debate about which comes first. In the case of the FBI and the criminal investigation of a matter, as we saw in the Christmas Day attack, they are obligated to give Miranda warnings under our law. And when you tell a defendant you have the right to remain silent and have an attorney present, there goes the capability to investigate for further damage.

INFORMATION SHARING DURING AN INVESTIGATION

What do you think about this? Where do we go, Ms. Wagner?

Ms. WAGNER. Well, obviously, DHS has to work very closely with the FBI, and this is an area of ongoing and constant dialogue. You are correct. There is a natural tension between the FBI's desire to protect the information that is arising from an active investigation and DHS' mandate to share actionable and useful information with its state, local and tribal customers.

We are working through the best way of doing this. DHS has to make a case that the information it wants to share is in fact actionable. It has to be beyond just "people want to know." It has to be that it can result in some actual constructive action being taken. We are continuing to work this. I won't say that it is completely resolved, and every instance is a little bit different. There was, however, quite a bit of information that was shared with the fusion centers in the wake of the Christmas Day bomber. I think there were at least five or six joint DHS–FBI bulletins that were put out within a day or two to share as much information as could be shared. This was discussed at the fusion center conference last week as well; because of the relationship of trust between the JTTF and Colorado Fusion Center, there was quite a bit of sharing of information in Colorado on the Zazi investigation, even though not all of that information could be provided more widely.

So I view that as one of the missions on which I have to work with the FBI and refine our procedures. But it is always going to be—there will always be that tension. We will have to make the best of it.

HIGH-VALUE DETAINEE INTERROGATION GROUP (HIG)

Mr. ROGERS. Apparently this administration has formed—I forgot the name of the units. HIG group apparently has been formed to rapidly rush to the scene of a Christmas Day-type arrest and be able to interrogate under our laws quickly to try to stave off any further damage to any airplanes or other locales. And yet, in the Christmas Day attack, apparently that group was not consulted. In fact, I think the Secretary of DHS said she was not consulted.

Ms. WAGNER. That is correct.

Mr. ROGERS. It was strictly an FBI operation, which I find to be questionable. Why was not this unit called in, and is that the way to go?

Ms. WAGNER. I believe that the unit was still in the stages of being formulated. There are discussions ongoing about how that would work and what DHS' role would be. We believe it would be logical that we would participate in a High-Value Detainee Interrogation Group when there is a major homeland component.

Mr. ROGERS. And yet who knows where the next one is going to occur? This one happened over the skies of Detroit. Obviously the FBI has field offices all over the country. This HIG unit does not, obviously, and speed in getting to the site of the incursion and interrogating the suspect is all important. So what good is this unit which is supposed to be a combination of law enforcement and intelligence gathering, but with the capability to quickly interrogate a suspect? If you don't have that unit on the scene, what good is it?

Ms. WAGNER. All I can say is the unit is still being developed, the concept is still being developed and I think we will have to wait and see when we actually deploy it whether or not it is going to meet the expectations.

Mr. ROGERS. What are you going to do in the meantime?

Ms. WAGNER. I believe that it will be ready if it is needed again.

Mr. ROGERS. The HIG unit?

Ms. WAGNER. Yes, sir.

Mr. ROGERS. I will get back to my question. Is it going to be pervasive? Will it be in Detroit and LA and New York and Miami and all the places that the FBI is?

Ms. WAGNER. Sir, I believe the HIG is more focused on overseas threats. But to be honest with you, I probably don't know enough about it to give you good answers, so I will be happy to take that for the record and come back and talk to you in more detail. I don't want to misspeak.

[The information follows:]

Response: The High Value Detainee Interrogation Group (HIG) is an interagency group, but is administratively housed within the Federal Bureau of Investigation (FBI). The classified "Charter for Operations of Interagency High Value Detainee Interrogation Group" was signed by National Security Advisor General Jim Jones (Ret.) in late January. Further details can be provided in a classified briefing from the appropriate interagency players.

Mr. ROGERS. Mr. Harris, do you have any thoughts?

INTELLIGENCE SHARING DURING AN INVESTIGATION

Captain HARRIS. Yes, I do Congressman Rogers. That is a very interesting question and one that I have a strong opinion on: How do we balance sharing of intelligence information without compromising ongoing investigations?

Well, I am a career investigator, sir, 29 years with State Police and just about all of it in criminal investigations, with the last 9 being in criminal intelligence. I am in the unique position to supervise not just our fusion center, but co-supervise our Joint Terrorism Task Force in Delaware with the FBI. And it is a very good partnership, I can tell you, sir.

I will be the first to tell you there are things that the FBI does not do well with State and locals. But I can tell you in the cases that we are talking about here, they are an excellent partner with us.

The FBI is in a unique position that they are the investigative authority on these things, along with the State and locals that partner with them on these investigations. You are absolutely right; it could compromise an ongoing investigation.

I will go back on the Zazi case and give you a specific example of how it worked with the fusion center in Delaware and other fusion centers. First let's take the CIAC in Colorado. The CIAC provided information support to the FBI—and if you look at in my written testimony, it will tell you how they provided support to the FBI in that particular case. As that investigation was unfolding, we went to our FBI partners, because it was an ongoing investigation and still unraveling at that particular time, to find its relevancy to our geographic location.

If you remember, sir, not just subways were involved, but there was a hint that stadiums may be involved in these types of attacks. Well, in Delaware that weekend, we were getting ready to host the largest sports venue in the United States that particular weekend, NASCAR, which I know both of you have in your States. And I turned to the FBI for information on that particular case. I was given exactly what I needed as the case was unfolding; not all the investigative details, sir, because they weren't relevant to what was going on in Delaware. I felt comfortable if they were relevant to Delaware, I would have them.

I then turned to my FBI counterpart and asked him to participate in two conference calls, one with the security people from NASCAR, and two with the police chiefs from Delaware, and we put all concerns aside. However, we got the information, relative information, not all the investigative information, because we didn't need it in that particular investigation.

I disagree with some of my counterparts in fusion centers. I have heard some of them say we didn't have the information from DHS. It wasn't relevant to them. If it was, they would have it just like the CIAC in Colorado had it, sir.

The FBI needs to support fusion centers like DHS does. Not every fusion center has FBI terminals in them. Not every fusion center has FBI analysts in them. The FBI has told us that they are going to do that, but they fall way behind the Department of Homeland Security. And to be honest with you, sir, they are the underdog in this, because the FBI has investigative authority with that on those investigations. We get classified information every day on HSDN through the NCTC daily report, and I can tell you through DHS we get information routinely on what might be an IED threat and where that IED threat might be, what type of infrastructure and what type of precursor activities to look to.

Mr. ROGERS. I know we are under a timeline here and I will come back to this at a later time. However, I have not heard an answer to the question: How do we balance intelligence sharing without compromising a criminal investigation, and whether or not we ought to focus not on the criminal investigation of a defendant, a suspect, but focus on the dissemination of intelligence that is gathered outside the scope of the FBI's criminal case? We will come back to that.

Mr. PRICE. Thank you. I want to turn to Mr. Ruppersberger who has been here from the very beginning, and we I think will have

time to get his questions in before we adjourn. But then we will return after the votes. We have a series of votes on the House floor. Mr. Ruppersberger.

CYBER SECURITY

Mr. RUPPERSBERGER. First, Caryn, congratulations on your new job. We have worked together on Intel. You did a great job there. I am glad you have taken Charlie Allen's job, because you need somebody in the Intelligence Community to coordinate all the things that are happening in our homeland.

I want to talk you about cyber. I talked to Secretary Napolitano when she was here, and also the person in the head of appropriations about how we are going to—how Homeland Security is going to handle the cybersecurity. The Homeland Security has a real, real large mission, as you know. The President's directive says you are responsible for dot.com and all government, and a lot of what we do in cybersecurity is technology. And we know the threats are there with Russia and China. We are getting attacked every day, our commercial companies are getting attacked, and it goes on and on and the public really does not understand where we are.

The first thing as far as technology, we have spent a tremendous amount of money in the Intelligence Community, mostly with NSA, to develop technology to deal with the issue of cybersecurity. And you are well aware of the programs that are there and as they have evolved. Right now Homeland Security is standing up what we are going to do in cybersecurity.

And I want your opinion on how you are going to be working with NSA. We don't want to duplicate effort. We spent a tremendous amount of money. We don't want to again lose that money. And we want compatibility, because if we are going to work together not only within our own government but also internationally, this is something we have to deal with, that we should be working together and be compatible.

You know the issue with the FBI to this day. They still don't have a communication system that works, yet they probably could have picked an NSA or CIA communication system that was up and working. And I will use that as a example to make sure this doesn't happen here.

How are you going to be involved? What is your involvement? What is your opinion on working with the NSA programs that have evolved? And, as you know, the President just declassified Einstein-3. We can talk about that now. Einstein-3 is a software program that is moving ahead. Can you give me your opinion on where you are on that?

Ms. WAGNER. I can. Thank you, Congressman Ruppersberger. Again the technology piece does not fall under me. I expect that——

Mr. RUPPERSBERGER. You have input, though.

Ms. WAGNER. And I will be teaming very closely with Phil Reitinger, who is the head of cyber within the National Program and Protection Directorate under Rand Beers.

What I hope to do is forge a very close relationship with the rest of the Intelligence Community to improve the analytic support underpinning DHS' cybersecurity operations. Similar to how we oper-

ate in the realm of critical infrastructure protection, I&A provides the threat to critical infrastructure, and NPPD does the vulnerability analysis; we work together to get the information to our private-sector and state and local customers.

I think we need to do the same thing in the cyber arena, but we need to improve our ability to categorize the threat, figure out better what we can share and work with the Intelligence Community on the issue of attribution, which, as you know, is a huge challenge in terms of who is attacking you, and why, so that you can take appropriate measures. We don't have a very big analytic effort devoted to this right now, and it is one of my priorities to increase that. I am already working on trying to do that and teaming with the folks at National Security Administration, Defense Intelligence Agency and Central Intelligence Agency who are already working on this.

Mr. RUPPERSBERGER. Well, this Committee is an Appropriations Committee on Homeland Security, so we are in a unique position to make sure we can oversee what program we are moving ahead so we don't waste money, to make sure we go where we need to go.

The fusion centers are something very positive, not only JTTF, but fusion centers, bringing all the State and local with all the disciplines together is probably one of the main reasons we have deterred a lot of attacks.

You know the issues that have occurred in Colorado and wherever we go, because more and more I am sure we estimate or that we are concerned about home-grown terrorists that are getting more involved.

So it is good to see Delaware—I am from Baltimore—I am glad you are working with the Baltimore Fusion Center, but we need to do this all over the country, and I think they are doing this very well.

So I think we have votes.

Mr. PRICE. We do indeed, but we will return so, adjournment is only temporary. We hope to return around 11:30. Thank you.

[Recess.]

FUSION CENTER STANDARDIZATION

Mr. PRICE. The subcommittee will reconvene, with apologies for the delayed time on the floor. We will do one further round of questions with Mr. Rogers and myself and try to adjourn not too much after the appointed hour, maybe around 12:15.

Let me ask you both, starting with you, Madam Under Secretary, about the DHS requirements for fusion centers, and also ask you for some thoughts about State and local fusion center configuration.

But, first, the question of direction and standardization for the centers. Fusion centers primarily exist to fulfill the needs of States or localities. We know that. We understand that. DHS has made little effort to date to standardize processes or methods, understanding there is a diversity of centers and functions. That doesn't mean we haven't heard some complaints that DHS sometimes imposes a significant bureaucratic reporting burden on the fusion centers.

And so, Madam Under Secretary, what responsibilities do you impose on the fusion centers? Have you given any thought to the further imposition of standardized policies or methods at the fusion centers? Has there been, on the other hand, any kind of review of reporting requirements or other requirements that you impose on the centers to make sure that they are really needed and that the effectiveness and flexibility of the centers is not being diluted?

And then, Captain Harris, obviously you are in a position to comment on this as well. Do you believe the requirements imposed on the fusion centers are optimal, too much, too little, or something of a mix?

Madam Under Secretary.

Ms. WAGNER. Well, as Captain Harris mentioned earlier, there is something called the baseline capabilities for the fusion centers that was established, to help establish a level playing field, if you will. As you said, Mr. Chairman, the configuration of the various centers is going to be different, depending on what the state wants and what the local environment needs.

But we are trying to make sure that, for things like reporting of information that might be of interest to the national community or doing analysis, there is a common set of standards of trade craft so that we are producing a useful product, and we are doing so in a constitutional manner and with respect for privacy, civil rights and civil liberties.

So we don't levy—I don't believe, and it will be interesting to hear what Captain Harris says—a lot of requirements on the centers in the sense of tasking. What we are trying to do is work with them to achieve a mutually agreed upon set of standards, and, as he also mentioned, to put in place a mechanism for the centers to self-assess themselves—how well are they doing in ensuring that the information is collected properly, is handled correctly, is reported correctly, and so on.

So I think it is really more of a partnership. I am not aware that we are levying a lot of requirements on them. But again, I look forward to hearing Captain Harris' perspective there.

In terms of the configuration, what we want to do is work with the centers to understand what their requirements are so that we can put together a multiyear strategy to achieve that. In some cases, you know, we want to have at least one DHS/I&A person at each of the centers. And, in some cases, there may also be a need for an individual from a component like TSA, CBP, ICE or the Coast Guard. We want to work with the fusion centers, understanding that everybody has a lot of requirements and not as much manpower as they want, but we want to understand those requirements and put together a plan for what our desired end state would be for the DHS footprint in the field. And we also want to understand what their requirements are for classified information and try to meet those as well.

There are differing requirements or desires for classified information. We want to make sure that we are meeting those needs. So I think that is how I would respond. We are interested, of course, in maintaining situational awareness of how the centers are progressing toward these agreed-upon capabilities. In that sense, we do expect them to update us periodically. But I am not aware of

a lot of burden of reporting requirements, and maybe I will turn it over to Captain Harris and see if he is going to surprise me.

Mr. PRICE. Captain.

Captain HARRIS. Mr. Chairman, first let me comment on the requirements of fusion centers. The Under Secretary spoke about the baseline capabilities of fusion centers. We established that about a year and a half ago. We are going further into that with—again, it is a partnership with ODNI and DHS to drill down on those baseline capabilities requirements, that self-assessment that we are doing. And then we are going to do a peer-to-peer, and we are going to do an accreditation, if you will, for fusion centers, to make sure that they are meeting that standardization, if you will, because each fusion center, as you know, Mr. Chairman, is unique to its jurisdiction. However, there should be some standardization for what we do.

One other thing I want to comment on is that DHS has worked very well with us on the training and technical assistance on that to bring us up to speed. Again, 15 different areas that they offer services to us now.

One thing that we are working hard on at DHS is it is important for us to have the analysis component to make it relevant to our stakeholders in our specific jurisdictions. So DHS is working with us now on a common core of competencies for our analysts, and actually there is a draft form of that out right now. And they are working with us on that common core of competencies so we can make the information that we receive from the Federal Government relevant to our stakeholders in our particular jurisdiction.

And asked about and tasked with information, I can speak on behalf of DHS/I&A; we are not tasked with anything. The only thing we are tasked for is they ask us what our priority information needs are. And we have done that in our specific jurisdiction. We do a poll of all the chiefs, we do a poll of the law enforcement, public safety, which is a broader-than-law-enforcement spectrum, to include public health and emergency management, what their priority information needs are, and we feed that back to DHS and get that information through I&A. So to state that we are being asked for too much information is not necessarily relevant on the INS side.

I can tell you where that comes into play, sir, if you have heard that. It is on the critical infrastructure key resource side. Annually in our fusion centers, some of them have CIKR responsibility, some of them don't. It depends on the jurisdiction. I would say most of them do, because the threat is certainly relevant to the critical infrastructure in your jurisdiction, so it makes sense to have them together.

Where you get that question posed to you on information asked from DHS is from the critical infrastructure key resources. They have data calls every year asking State and local jurisdictions to gather information on their critical infrastructure, and then it is tiered at four different levels. We run into problems with State and locals on how they define that oftentimes, how they measure the criticality of those particular sites, and a timely return on that information that we get back so we can start the process of what would be target hardening, if you will, of those particular sites.

And I will give you a specific example. In Delaware, we hold a site that is a redundancy for the New York Stock Exchange, an IT center if you will. But because there were at least two more IT centers for redundancy of that New York Stock Exchange, that necessarily wasn't considered a Tier 2 site because there were two more in place. Well, if none of them are considered a Tier 2 site, then what is the risk on that particular site and all three of those sites, if you will?

Mr. PRICE. And what is your complaint exactly about the way that was handled?

Captain HARRIS. Well, the complaint is if none of them are——

Mr. PRICE. No, I understand the complaint about the designation. But in terms of the fusion center-DHS interaction——

Captain HARRIS. The interaction is how they classify or how they—I don't want to use the term "classify," but how they determine the different sites of Tier 1, Tier 2, 3 and 4, and the turnaround for that information back to us.

FUSION CENTER LOCATIONS

Mr. PRICE. I see. Well, let me ask you briefly to focus on configuration in a different sense; that is, the spread across the country of these centers. The program has grown significantly over the last 4 years. We now have 72 centers across the country. Each State has its own and there are 22 UASI cities with centers as well. It does raise the question as to on what basis we are locating these centers and prioritizing them.

I think when you look at the spread of the 50 States and you think particularly about the situations of these UASI cities, it is manifestly clear what both of you have said, that not every center is going to look the same, not every center is going to be dealing with the same kind of information or with the same quantity of information to process.

I suppose there is a kind of targeting going on here in that the UASI centers represent a particular kind of city, a particular kind of threat configuration, and so there is a kind of de facto risk-based allocation of center resources, because some of them are going to UASI centers. But there is a bias in the system toward universality, toward comprehensiveness, toward covering all 50 States.

Moreover, there have been reports in the media and other sources that we are becoming more comprehensive in the sense of responding to all hazards as well, not just the threats of terrorism.

So my question has to do with the question of spread and comprehensiveness versus concentration. Again, that sounds theoretical, but actually it is a very practical question as to whether we have the optimal distribution of these centers now and the kind of optimal focus. Does it make sense to have one in every State? Should we be concentrating more in this activity on some of the high-risk areas? Any thought of combining centers in a regional approach or to focus on high-threat areas? What would you say about this general question I have raised?

And then, Under Secretary, if you could also elaborate whether there are some centers that do focus in a way different from others on the most significant threats to the homeland. What about the all-hazards approach? How are you thinking, longer term, that we

want to allocate DHS resources, given the fact that we can't do everything, everywhere,

Ms. WAGNER. Mr. Chairman, we basically defer to the states on where they want to have their fusion center. And I think you—maybe it was the Ranking Member—mentioned that some of these actually predate the Department. The states have varying ways of organizing themselves, and the fusion centers frequently fall under different elements of the State government, public safety or law enforcement. So we are not really looking to standardize in that sense because it really is up to the states to determine what they need, where they need it and how they are going to manage it. But the fusion centers do vary.

Mr. PRICE. Yes, it is up to the States, given the way this program has worked. And I am not questioning that there needs to be that kind of flexibility and some degree of deference to the State's own definition of its needs. But I am asking you to evaluate that and how well it works overall, and especially what the implications are for where DHS ought to offer its support and its resources.

Ms. WAGNER. We will do that in partnership with them. The fusion centers are in varying stages of maturity. Some of them are very mature, some are basically just being stood up and some are going to be quite small. And, as I mentioned earlier, we are going to be looking at what the appropriate DHS footprint should be.

So we are going to work again with the states to try to sort of aim our resources where there is mutual agreement that they will do the most good. So, I think, the differences are going to be not so much in where they are—the geographic spread—but in the size and sophistication, if you will, of the centers, based on where more resources are needed.

Mr. PRICE. Well, what about where the threats are more serious and more tangible and where there is more work to be done by the centers?

Ms. WAGNER. And that is part of the calculation.

Mr. PRICE. Does the UASI-based funding of a certain number of these centers achieve that kind of de facto targeting? Is that the intent? Should that be the intent?

Ms. WAGNER. The 22 Urban Areas Security Initiative cities are the result of a combination of factors, of which threat is one. And that is the component that I&A is responsible for contributing into the process. And that also factors in, I believe, to the grant process for the fusion centers themselves. But there are a variety of factors that are considered. And I am happy to give you more information on that for the record if you want to know exactly how that has been done.

Mr. PRICE. I think that would be helpful.

[The information follows:]

Response: The Urban Areas Security Initiative (UASI) eligibility determination and grant allocation process is administered by the Federal Emergency Management Administration (FEMA). The UASI formula is based on a 100 point scale, with 20% based on threat, and 80% based on vulnerability and consequence. The factors reviewed include population, economic factors, national infrastructure index, and a national security index. Note that while FEMA provides preparedness grant funding to States and territories, determination of the amount of individual grant funding for fusion centers is made by both state and local governments.

The initial level of DHS Office of Intelligence and Analysis (I&A) support to fusion centers will be uniform across all of the 72 centers. Each designated center will ulti-

mately receive a deployed Intelligence Officer; Homeland Secure Data Network (HSDN) and the required secure facility build-outs to house the system; security clearance as appropriate; analytical as well as privacy and civil rights and civil liberties training; and technical assistance offerings.

The sequence of deployment of this support package (i.e., which fusion centers were resourced first) was determined by a risk-based prioritization, as well as a consideration of the center's readiness to receive support. The legacy National Fusion Center Coordination Group, which included participation from the Office of the Director of National Intelligence, DHS I&A, the Department of Justice, and State and local partners, was integral in this decision-making process. The risk-based prioritization used 12 weighted factors: state population (10%), population density (5%), border risk (10%), critical infrastructure (10%), terror risk (10%), port risk (10%), immigration risk (10%), economic risk (10%), iconic value (5%), hazardous materials risk (10%), 2005 UASI grant funding (5%) and 2005 State grant distribution (5%).

Decisions regarding additional resourcing of fusion centers beyond the standard package—e.g. deployed intelligence analysts or reports officers—are made using a similar risk based prioritization.

Mr. PRICE. Captain.

Captain HARRIS. Thank you, Mr. Chairman.

Mr. PRICE. An abbreviated comment, and you too can submit further information for the record.

Captain HARRIS. Okay. I particularly am happy to answer this question, because I come from a small fusion center. As the Under Secretary has said, there are some small centers. However, we don't underestimate our importance to this national network of fusion centers, sir.

As you said in your opening statement by Joanie McNamara from LA, from the JREG, that it is going to be a State or local police officer that is going to come across someone in the act of precursor activities that is going to disrupt a potential event, or we have already been successful in doing that. Threat, sir, lies everywhere throughout the U.S. and was most recently seen in Colorado; how you have in rural Colorado, how that is a threat to New York City, and how those fusion centers are working together.

Mr. PRICE. All right, thank you. Mr. Rogers.

INTELLIGENCE AND ANALYSIS' ROLE

Mr. ROGERS. Switching gears, I am confused about the role of Intelligence and Analysis at DHS. I don't know that we know what the role of I&A is now. Let me go into a little bit of history. When DHS was created, the Intelligence Office was envisioned at that time to be a hub fusion center for counterterrorism intelligence across the whole government. Then Secretary Ridge recognized that DHS was not mature enough at that point in time, in terms of staffing or capabilities, to take on that broad, urgent mission, and he deferred to the CIA. And that decision led to the creation of what is now called the National Counterterrorism Center, run by the CIA.

And since the creation of that outfit, DHS has tried to focus its I&A office as a conduit between State and local law enforcement and the Intelligence Community.

Now, the I&A's role has become very insular and very compartmentalized. And I am confused about where we are going and what is the purpose. Former Under Secretary Charlie Allen, when he had headed up this office, he was unique in that he had a special relationship with CIA where he had been working for 50 years or

whatever, as an encyclopedia area of intelligence. But he brought some heft and credibility to the office based on that experience and connections over the years, where he was able to wrest information from those agencies that he would then use in the I&A office to feed State and locals and others.

But since Secretary Napolitano has taken office, she has stressed the domestic, State and local aspects of this office, and not intelligence work with other Federal or international Intelligence Community agencies, essentially taking the opposite tack of Charlie Allen. And as we learned in the Christmas Day and Zazi and other instances, FBI has sequestered, if you will, the intelligence from those types of activities and frozen DHS out of the chain of information essentially.

So I don't know what the role now is of the I&A since we are not trying to focus, apparently, on bringing to this office the Intelligence Community information. And since we have the State and local fusion centers that are doing their thing, somewhat independently of DHS's supervision, what is the role? What are you supposed to be doing? You know, we have said we have to balance the flow of information amongst our State and local first responders, and infuse that operation with the international intelligence and national intelligence that we are sort of frozen out of at the moment. Can you help me?

Ms. WAGNER. I am actually very happy to answer that question because I think your background is very instructive. And, because there has been some uncertainty on exactly what mission space I&A should occupy, I have been giving that a lot of thought. We have, I believe, three major customer sets in I&A. The state, local and tribal set is only one. It is a very important one.

The other set is the operational components of the Department themselves, making sure that ICE, CBP and so on have the necessary intelligence support; they are either doing it themselves or being supported to do their departmental mission.

Our third customer is actually the Intelligence Community, and we do have some intelligence responsibilities and analytic responsibilities within that realm. Most of them, but not all of them, are going to be done in partnership with other elements of the community, and we have to elbow our way to the table a little bit to make that happen. But I intend to do that. And we are already working, I think, pretty well with the National Counterterrorism Center (NCTC) on those threats that are foreign-planned or conducted or have a strong foreign nexus. But whenever there is a homeland component, we are going to be participating and contributing to that analysis. We have unique sets of data to bring to bear on that problem from within our components, travel data in particular.

We also have, potentially, information from our state, local and tribal partner that can be of use, and we are sort of a clearinghouse for all of that.

We do have some unique analytic responsibilities in the area of threats to critical infrastructure, in cyber analysis and in travel analysis. In most other cases, we are going to be working collaboratively, again, when there is that strong foreign nexus with NCTC. When we have threats to the homeland that don't have that strong foreign nexus, we are going to be working with FBI. And we

have some room to improve in building these partnerships, but I am going to make that a focus. I view my main responsibility as making sure that my customers who are trying to keep the homeland secure get what they need. And if that means we get it from someone else, tailor it, push it down in classification level and get it out, that is what we will do. If it means we have to produce it because no one else is producing it, then that is what we will do. So it is a combination of serving as a conduit and performing intelligence analysis.

Mr. ROGERS. Well, we have come a long way since the department was first conceived and enacted into being, from this office being, as I said before, the government center for the fusion of intelligence, State and local, Federal, national, international; and all of the intelligence agencies were to be in this office, and this was to be the office. Now that has washed away, and if this is a mere shadow of what the office was originally intended to be, I don't lay blame at anybody's feet. I am just asserting, I think, a reasonable fact.

But I am struggling to try to find out what the role of the I&A office is, especially as it relates to the Intelligence Community and their willingness to share information with you and, consequently, our State and local partners. And, you know, the Federal agencies, the FBI and the CIA and the others, have a legal excuse, really, for not sharing information.

The FBI, you know, obviously has to protect their sources. A lot of the information they collect is from Grand Jury secret investigations and that type of thing, which, by law, they are proscribed from sharing. CIA, of course, has to protect their sources and people who—and other means of intelligence gathering.

But I do not see yet, to my great disappointment, the sharing of information between governmental agencies that is going to be required of us if we survive all of this. I just don't see it there. And for whatever reason, it is there, that fact is there, and I am sorry about it.

STATE AND LOCAL FUSION CENTER PROGRAM

Let me quickly change gears. Fusion centers. In April 2008, GAO raised a lot of concerns about the connectivity, the direction, and the sustainability of the State and local fusion center program. Specifically, GAO found the fusion centers to be inconsistent and understaffed; that they lacked adequate information technology systems; that they were in need of more centralized direction. And then concerns have also been raised, and we have talked about that briefly here, about the duplication of efforts between the centers and the 65 Joint Terrorism Task Forces led by FBI. And I know that you have described the differences as you perceive between these two centers.

However, that criticism still echoes around the walls from the GAO. And I know that you have submitted some examples of success stories, and we have read those. Essentially, though, those success stories, to me, reveal that the fusion centers are serving more of a law enforcement fusion role, rather than one of sharing true intelligence or threat information. That is needed, but it doesn't fit DHS's ambitions and purposes, in my judgment.

Captain Harris, I think, has taken a fairly novel approach—I hope it is copied elsewhere—to the fusion of law enforcement and first responder info across the State of Delaware. As I understand it, Captain, you were able to pool together State and local funding to ensure that all the stakeholders procured, installed, and deployed and aligned the same information technology systems. You made them able to communicate with each other. And that helps to share information, obviously, which is the name of the game. But nevertheless, the fusion centers, in my opinion, are serving more of a law enforcement role and public safety function than an intelligence or threat identification role.

Either one of you want to dispute that?

Ms. WAGNER. Well, I will echo something that I think Captain Harris said earlier, which is that the person who is going to potentially catch somebody who is trying to conduct a terrorist attack on the homeland is probably going to be a first responder or a law enforcement official. So it is in our best interest to look at the all-hazards approach because that is going to be, in many circumstances, our first line of defense. So I think, in some ways, it may be somewhat of an artificial distinction, and that is one of the reasons why we have been talking about the all-hazards approach as being a force multiplier for the intelligence, the Homeland Security Intelligence Enterprise.

I don't know if Captain Harris has anything he wants to add there, but——

Captain HARRIS. I do. Great question, Mr. Rogers. It is not surprising that the 2008 GAO report would state that for a number of these reasons that you bring up. And in 2000—well, first of all, I want to say thank you for the compliment on what we did in Delaware. But that was a collaborative effort, not just with me, a collaborative effort of all our law enforcement in Delaware to do that. As you know, 80 percent of that funding goes to local law enforcement jurisdictions, and we were able to build some consensus of doing this, what we felt was the right way, so every law enforcement officer, at their mobile data terminal, has access to all this information.

Anyhow, in 2008, we did not have connectivity with the HISN State and local intelligence platform, if you will, the unclassified system that we use; that we network all the fusion centers together now; that we collaborate with weekly; that we have analyst's chats and calls every week, every Thursday, that the analysts across the Nation get together and talk about topical subjects. In 2008 that was not there. That we were inconsistently understaffed, that is absolutely true.

Some of the problems, DHS has been very responsive to us. When the grant guidance only said that the grant would pay for 3 years of analyst funding, which is the core of what we do, analysis, they were very responsive to give us ongoing funding for that.

However, some States, most States, are in a position where they have zero government growth now. So my Governor says zero government growth and the Budget Office says okay, if you want another analyst, are you going to give up a trooper for that? And an executive decision above my level has to be made.

The same thing goes with training. There are no travel policies throughout the States for training. And DHS has been, over the last year, very responsive to our needs with bringing training to us and helping us with the ongoing funding of analysts. It was in 2006 that that LETPP funding went away, sir, and in 2008 this report came out. Some of the symptoms of the Law Enforcement Terrorism Prevention Program going away are from this 2008 report. When it talks about need more direction, last year we adopted the baseline capabilities, in 2009, after the 2008 report, and we are moving forward on that on an accreditation process.

Duplication of services with the JTTF. Absolutely not. We complement each other. The FBI, I will say this. The FBI, they are good in our State and our center, but they are not as good in all the centers. They need to be as big a partner as the Department of Homeland Security is with putting their systems in these centers.

Ms. WAGNER. And if I could just add one more thing—while counterterrorism is a very important and possibly the most important Departmental mission, it is not the only one. So our relationship with the fusion centers does extend beyond that, and we work with them along the southwest border on securing our border, and we also work with them on preparation for or response to pandemics.

So there is a robust relationship with the fusion centers on more than just counterterrorism. But clearly we view them also as a major force multiplier in the counterterrorism enterprise.

Captain HARRIS. Mr. Rogers, one more thing. The homeland security data network in the fusion centers, not all fusion centers, just about every fusion center, which is a classified system. We get the NTCC, the National Counterterrorism Center report daily.

Mr. ROGERS. My time is up. But quickly, as head of the National Fusion Center Groups, do you plan to try to get them to duplicate what you did in streamlining the communications in Delaware?

Captain HARRIS. Well, sir, we have highlighted it as our best practice in our annual conferences, sir. But in other jurisdictions, all we can do is suggest about consensus.

Mr. ROGERS. Thank you.

Mr. PRICE. Both of you have begun to get into the all-hazards matter that I asked you about. I will not take that up again here, but I will ask you to elaborate those comments for the record, if you will. It was a component of the question that I asked about the configuration of these centers and the variety that we see out there among their missions.

[The information follows:]

Response: State and major urban area governments operate fusion centers under state and local law. Each fusion center is unique in terms of its mission, capabilities, and configuration. For example, while one fusion center may only employ two trained analysts working counter-terrorism issues, a fully matured fusion center may employ multiple, specialized analysts working an array of issues such as: counter-terrorism, critical infrastructure, health and fire, and border security.

To aid in establishing a baseline capability across all fusion centers, the Baseline Capabilities for State and Major Urban Area Fusion Centers, released in September 2008 by the U.S. Department of Justice (DOJ), Department of Homeland Security (DHC), and the Global Justice Information Sharing Initiative, identifies twelve core capabilities and provides specific instructions on how to achieve each capability. The fusion center capability areas include: planning and requirements development, in-

formation gathering/collection and recognition of indicators and warnings, processing and collation of information, intelligence analysis and production, reevaluation, management and governance, information privacy protections, security, personnel and training, information technology and communications infrastructure, and funding.

While the baseline capabilities do not dictate fusion center configuration or mission focus, partners at all levels of government are encouraging fusion centers to achieve the baseline capabilities to build a national fusion center network foundation.

Mr. PRICE. Mr. Rodriguez, I think you are the clean-up hitter.

Mr. RODRIGUEZ. Thank you very much. And let me first of all thank each and every one of you for the testimony. And Captain Harris, thank you very much for your leadership there in Delaware.

And I think—and I don't mean this in any way, you know—but when you look at the question that was raised by the Chairman in terms of where the centers are at, that is extremely important. My district is about 785 miles along the Mexican border. I have more population, you know, than the State of Delaware in my present district as it stands now, and a little bit close to a million. And so I think those centers are, you know, located in Houston and elsewhere, and so probably getting that dialogue was a major problem during the last time, during 9/11, and was identified as a problem, the importance of communicating. And that is something we are going to have to continue to work on, and I am glad you got it done there in Delaware, but I will be very blunt. I mean, that is a pretty kind of small area. And you have a lot of other areas that don't dialogue with each other as much and are not as coalesced together.

And so we really need to see how we can identify, as the Chairman said, some of the rationale for the centers being where they are at. And I would question some of the rationale for some of that.

Secondly, the Chairman also asked how do we evaluate what we are doing and where we are at. We did, prior to the 2000 glitch—I had been on the Armed Services Committee, we had done some exercises on cyber. We had drug screen projects in San Antonio and a couple that we did on our own without any Federal money, without anything. We might look at doing, you know, some exercises like the military does. And one good time to do that is when you do have a natural disaster.

We had one in Eagle Pass where we had a major tornado. When we had another flood recently, we just had another, you know, where all the technology went down on the border in two counties. And for 2 days people couldn't get any money out of their banks and we couldn't contact our services down there.

And so I think that there is, you know, maybe a way of getting some of those exercises to see where they are at and see if they actually do communicate with each other and get them to practice on that as a way of maybe getting some inroads.

I did want to ask you specifically, there was some dialogue on the papers regarding that we needed to go beyond the Merida Initiative with Mexico. And I was wondering in terms of what, Under Secretary, of what was meant by that and what areas were we looking at in terms of going beyond the Merida Initiative, if you are informed of that, in the intelligence area.

Ms. WAGNER. To be honest, Congressman Rodriguez, I am probably not aware of what policy discussions are going on in that regard. I would be happy to share with you what we are doing to support the efforts of President Calderon to crack down on the drug trafficking and what we are doing at I&A to support efforts to secure the border. But I am afraid I don't know about the policy discussion.

Mr. RODRIGUEZ. Okay. Yeah, because that is a—and I know the Mexicans are concerned in terms of, you know, our role down there and vice versa. But we are also concerned on the border in terms of making sure that there is no spillover in terms of the cartels and how we are going to move forward on some of that.

Ms. WAGNER. Absolutely.

Mr. RODRIGUEZ. And that also includes the northern border. And so I really, you know, see there is strategy as to how to deal with not only the southern border, but the northern border also, as it deals with not only cyber, but other forms of security that are entailed there. And in terms of where our centers are located, I would ask that you kind of look at that as an option.

I wanted to mention also to you that there on the border we still have some difficulties, and there is a need for a plan to respond in case of emergencies for situations that might spill over, and if we have some kind of a team that would do that. Are you aware of any of that?

Ms. WAGNER. I am not aware of any particular response mechanism, but we have pushed a lot of folks down to reinforce the fusion centers that are along the border. Also, we have 12 people at Electronic Privacy Information Center, and we are thinking through a lot of those issues. We are obviously monitoring the violence very carefully to make sure there is no spillover too, because we expect it to be going on for some time.

Mr. RODRIGUEZ. There is a good number of people coming over, middle-class and wealthy Mexicans, a pretty huge number. We have seen in the past when they have had revolutions, a good number have come over. But we are seeing a good number in from Juarez into El Paso, to San Antonio, to Austin, to Del Rio, to all those communities. Is there any assessment being looked at that? Now, they are coming over legally, okay, but that also has some implications in terms of what is occurring.

Ms. WAGNER. I don't know if we have done an analysis of increases in legal immigration, but I would be happy to get back to you on that if that is something you are interested in.

[The information follows:]

Response: Research by the Office of Intelligence and Analysis (I&A) indicates that Mexican immigration to the United States increased during 2003–2008 for a variety of reasons. However, according to a variety of open source materials, immigration statistics indicated a decline during 2008–2009, because of the economic downturn. DHS statistics show a steady increase in Mexicans becoming naturalized U.S. citizens during 2003–2008, but this increase is likely due to a variety of factors, not necessarily violence alone. I&A continues to analyze Mexican violence along our Southwest border and its implications for the Homeland.

Mr. RODRIGUEZ. Thank you. Thank you, Mr. Chairman.

Mr. PRICE. Thank you. And with that, we will thank you for your testimony this morning, for your service, and we will look forward to working with you as we put our budget together in the coming weeks.

The Subcommittee is adjourned, to resume at 2:00 with the Transportation and Security Administration.

Hearing before the House Appropriations Subcommittee on Homeland Security

DHS Intelligence Programs and Effectiveness of SLFCs

Questions for the Record

March 4, 2010

Table of Contents for Questions for the Record

Representative	Page Numbers
David E. Price	3-14
Lucille Roybal-Allard	15-16
Ken Calvert	17-18

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE DAVID PRICE

Under Secretary Caryn Wagner
DHS Intelligence Programs & the Effectiveness of State & Local Fusion Centers

Joint Fusion Center – Program Management Office

Question: What is the significance of changing the name of this DHS activity to a "Joint Fusion Center" program rather than a "State and Local Fusion Center Program"?

ANSWER: Since its ineeption in 2006, the Office of Intelligence and Analysis' (I&A) State and Local Program Office (SLPO) has built the relationships required to implement the national network of fusion centers. The SLPO has worked to provide the essential resources required to strengthen fusion center operations to support federal, state, local, tribal, and territorial efforts to protect the Nation through effective intelligence sharing and analysis. In the past, these efforts, although successful on many levels, were not fully coordinated with other significant fusion center efforts taking place throughout the Department. DHS I&A is creating the JFC-PMO to facilitate one coordinated message from the Department and one Departmental approach for future support. The establishment of a Department-wide effort to centrally coordinate its fusion center support has been identified by Congress and by state, local, tribal, and territorial officials as a significant opportunity to enhance the capabilities of fusion centers and integrate them into a national information sharing enterprise. The JFC-PMO will provide unified, "One DHS" support to the fusion centers and will continue to build upon and utilize the resources of the SLPO, as well as that of the many other vital components of the Department.

Question: Is I&A planning to change the role of the fusion centers to become an information source for Federal analysis?

ANSWER: No, DHS I&A is not planning to change the role of fusion centers. State and major urban area governments own and operate fusion centers under the authorities of state and local law. Each fusion center is unique in terms of its mission, capabilities, and configuration. Since inception, the fusion centers have served as information sources for the Federal Government and will continue to play a valuable role in information sharing.

Question: Will the new "Joint Fusion Center" program include more Federal staff at State and local fusion centers? Please provide a list of existing Federal staff at fusion centers and Federal staff planned for assignment to fusion centers in the new program concept.

ANSWER: By the end of Fiscal Year (FY) 2010, pursuant to the existing SLPO plan, the Department plans to deploy 76 intelligence officers (IO), including 6 regional directors. By the end of FY 2011, pursuant to the existing SLPO plan, the Department will deploy a total of 82 intelligence officers, including 10 regional directors. The Department also plans to work with participating DHS Components and other DHS elements to create a process for the nomination and selection of Departmental detailees to fusion centers. We will coordinate an assessment process to maximize the effectiveness of current and future DHS personnel deployments by objectively addressing both the needs of the fusion centers and DHS. This will support DHS in understanding what management resources are required by each fusion center. Ultimately, the intersecting priorities of both communities will drive future deployments of DHS personnel to fusion centers.

The 72 designated state and urban area fusion centers recognized by DHS and the Federal Bureau of Investigation (FBI) are represented in the below table. All 72 centers are owned and operated by the state or urban area in which they are located and are in at least the beginning stages of operation or development. Also included in this table is the New York Police Department Intelligence and Counterterrorism Division, where a DHS intelligence officer is deployed. Regional Directors are currently located in Dallas, TX, Los Angeles, CA, Chicago, IL, Washington, DC, and Atlanta, GA. Information collected from the fusion centers regarding estimated DHS personnel representation in centers is included where available.

State and Local Fusion Center	DHS On Site	DHS Personnel Planned
(P/T)=part time; TSA= Transportation Security Administration; FAMs=Federal Air Marshals; ICE=Immigration and Customs Enforcement; CBP=Customs and Border Protection; BP=Border Patrol; USSS=Secret Service; USCG=Coast Guard; RO=Reports Officer		
AL: Montgomery Alabama Fusion Center	**1 I&A IO**	
AK: Anchorage Statewide Law Enforcement Information Center		**1 I&A IO**
AZ: Phoenix Arizona Counter Terrorism Information Center	**1 I&A IO** 1 RO 1 TSA 1 CBP 1 FAMS (P/T) 9 ICE 1 USSS 1 BP (P/T) 1 USCIS	
AR: Little Rock Arkansas State Fusion Center		**1 I&A IO**
CA: Los Angeles (includes the Western regional director) Joint Regional Intelligence Center	**2 I&A IOs** 1 ICE (p/t)	
CA: Sacramento Regional Terrorism Threat Assessment Center	**1 I&A IO**[1] 2 CBP	
CA: Sacramento Central California Intelligence Center	1 ICE (P/T) 1 CBP (P/T) 1 FEMA (P/T)	**1 I&A IO**
CA: San Diego Regional Terrorism Threat Assessment Center	**1 I&A IO** 1 RO 4 CBP 7 ICE	
CA: San Francisco Northern California Regional Intelligence Center	**1 I&A IO** 1 CBP (P/T)	
CA: Anaheim Orange County Intelligence Assessment Center		**1 I&A IO**
CO: Centennial Colorado Information Analysis Center	**1 I&A IO**	
CT: New Haven Connecticut Intelligence Center		**1 I&A IO**
DC: Washington, DC (includes the National Capital	**2 I&A IOs**	

[1] The I&A Officer in Sacramento splits his time between the State and Regional fusion centers.

regional director) Washington Regional Threat Analysis Center	1 ICE (P/T) 1 USSS (P/T)	
DE: Dover Delaware Information Analysis Center	**1 I&A IO**	
FL: Tallahassee Florida Fusion Center	**1 I&A IO** 1 TSA	
FL: Orlando Central Florida Intelligence Exchange	1 ICE	**1 I&A IO**
FL: Miami South Florida Intelligence Operations Center	**1 I&A IO** 1 RO 1 ICE (P/T) 1 CBP (P/T) 1 TSA (P/T)	
GA: Atlanta (includes the Southeast regional director) Georgia Information Sharing & Analysis Center	**2 I&A IOs**	
HI: Honolulu Pacific Regional Information Clearinghouse	**1 I&A IO** 1 ICE (P/T) 1 CBP 1 USSS	
ID: Meridian Idaho Criminal Intelligence Center		**1 I&A IO**
IL: Chicago (regional director) Crime Prevention and Information Center	**1 I&A IO** 1 ICE 3 CBP (P/T)	**1 I&A IO**
IL: Springfield Statewide Terrorism Intelligence Center	**1 I&A IO**	
IN: Indianapolis Indiana Intelligence Fusion Center	**1 I&A IO** 1 TSA	
IA: Des Moines Iowa Intelligence Fusion Center	**1 I&A IO**	
KS: Topeka Kansas Intelligence Fusion Center		**1 I&A IO**
KY: Frankfort Kentucky Intelligence Fusion Center	**1 I&A IO**	
LA: Baton Rouge Louisiana State Analytical & Fusion Exchange	**1 I&A IO** 1 CBP	
ME: Augusta Maine Information and Analysis Center	**1 I&A IO**	
MD: Baltimore Maryland Coordination and Analysis Center	**1 I&A IO** 1 ICE 1 TSA	
MA: Maynard Commonwealth Fusion Center	**1 I&A IO**	
MA: Boston Boston Regional Intelligence Center	**1 I&A IO**	
MI: East Lansing Michigan Intelligence Operations Center	**1 I&A IO** 1 CBP (P/T) 1 TSA (P/T)	
MI: Detroit South East Michigan Information Center		**1 I&A IO**
MN: Minneapolis Minnesota Joint Analysis Center	**1 I&A IO**	
MS: Pearl Mississippi Analysis and Information Center	**1 I&A IO** 1 TSA (P/T)	
MO: Jefferson City Missouri Information Analysis Center	**1 I&A IO** 1 ICE 1 CBP (P/T) 1 TSA (P/T) 1 USSS (P/T)	
MO: St. Louis	1 ICE	**1 I&A IO**

St. Louis Early Warning Group	1 CBP 1 TSA 1 USSS (P/T)	
MO: Kansas City Kansas City Early Warning Group	1 ICE 1 CBP 1 TSA 1 USCIS (P/T) 1 USSS (P/T)	**1 I&A IO**
MT: Helena Montana All-Threat Intelligence Center	**1 I&A IO**	
NE: Lincoln Nebraska Information Analysis Center	**1 I&A IO**	
NV: Las Vegas Southern Nevada Counterterrorism Center	**1 I&A IO** 1 TSA (P/T)	
NV: Carson City Nevada Threat Analysis Center		**1 I&A IO**
NH: Concord New Hampshire Information and Analysis Center	**1 I&A IO**	
NJ: West Trenton Regional Operations and Intelligence Center	2 ICE 1 FAM	**1 I&A IO**
NC: Raleigh Information Sharing and Analysis Center	**1 I&A IO**	
NM: Santa Fe New Mexico All Source Intelligence Center	**1 I&A IO**	
NY: Latham New York State Intelligence Center	**1 I&A IO** 1 ICE 1 CBP	
NY: New York City New York Police Department Intelligence & Counter Terrorism Divisions	**1 I&A IO**	
ND: Bismarck North Dakota Fusion Center	**1 I&A IO**	
OH: Columbus Strategic Analysis & Information Center	**1 I&A IO** 7 TSA (P/T)	
OH: Cleveland Northeast Ohio Regional Fusion Center		**1 I&A IO**
OH: Cincinnati Hamilton County Regional Terrorism Early Warning Group		**1 I&A IO**
OK: Oklahoma City Oklahoma Information Fusion Center	**1 I&A IO**	
OR: Salem Terrorism Information Threat Assessment Network	**1 I&A IO** 1 ICE (P/T) 1 TSA (P/T)	
PA: Harrisburg Pennsylvania Criminal Intelligence Center		**1 I&A IO**
PA: Philadelphia Delaware Valley Regional Fusion Center		**1 I&A IO**
PA: Pittsburgh Southwestern PA Region 13 Fusion Center		**1 I&A IO**
RI: Providence Rhode Island Fusion Center	**1 I&A IO**	
SC: Columbia South Carolina Information & Intelligence Center	**1 I&A IO** 1 ICE (P/T) 1 TSA (P/T) 1 CBP 1 USCIS (P/T)	
SD: Sioux Falls South Dakota Fusion Center		**1 I&A IO**
TN: Nashville Tennessee Fusion Center	**1 I&A IO**	
TX: North Central Texas		

North Central Texas Fusion System	**1 I&A IO**	
TX: Austin Texas Fusion Center	**1 I&A IO** 1 ICE 1 FEMA	
TX: Houston (includes the Central regional director) Houston Regional Information Sharing Center	**2 I&A IO** 1 RO	
UT: Salt Lake City Utah Statewide Information & Analysis Center	**1 I&A IO**	
VA: Richmond Virginia Fusion Center	**1 I&A IO**	
VA: Fairfax National Capital Regional Intelligence Center	**1 I&A IO** 1 ICE (P/T) 1 TSA (P/T)	
VT: Williston Vermont Fusion Center	**1 I&A IO** 1 ICE	
WA: Seattle Washington State Fusion Center	**1 I&A IO** 1 TSA	
WI: Madison Wisconsin Statewide Information Center	**1 I&A IO**	
WI: Milwaukee Southeastern Wisconsin Terrorism Alert Center		**1 I&A IO**
WV: Charleston West Virginia Intelligence Fusion Center	**1 I&A IO**	
WY: Cheyenne Wyoming Fusion Center	**1 I&A IO**	
Regional Directors		**5 I&A IOs**
TOTALS	***57 I&A IOs** **4 ROs** **96 other DHS**	**26 I&A IO**

*The position in New York City will be transferred to the I&A Analysis Office by FY 2011.

I&A Information Technology Systems

Question: Please provide a list of I&A locations, including Fusion Center locations, with HSDN terminals and HSIN-S terminals. Include on the list the quantity of each terminal type at the installed location.

ANSWER: In addition to the DHS Nebraska Avenue Complex, the Homeland Secure Data Network (HSDN) is operational at 33 State and Local Fusion Centers (SLFC). On average, there are four or five terminals per site, since these are considered small sites. The Homeland Security Information Network-Secret (HSIN-S) is deployed to Emergency Operations Centers rather than SLFCs and is not managed by I&A.

HSDN Deployment Status
Authorized Sites: 72
Additional Sites Nearing Readiness: 9

HSDN OPERATIONAL STATE AND LOCAL FUSION CENTERS

	Site Name	Site Acronym	City	State	Number of HSDN Workstations Installed
1	Joint Regional Intelligence Center	JRIC	Los Angeles	CA	2

2	New York State Intelligence Center	NYSIC	Albany	NY	2
3	Virginia Fusion Center	VFC	Richmond	VA	2
4	New York City Intelligence Division	NY ITD	New York City	NY	2
5	New York City Counterterrorism Division	NY CTD	New York City	NY	2
6	Maryland Coordination and Analysis Center	MCAC	Windsor Hills (Woodlawn)	MD	4
7	Georgia Information Sharing and Analysis Center	GISAC	Atlanta	GA	2
8	Louisiana State Analytic and Fusion Exchange	LA-SAFE	Baton Rouge	LA	2
9	Sacramento RTTAC	SAC RTTAC	McClellan	CA	4
10	Florida Fusion Center	FFC	Tallahassee	FL	4
11	Operations, Fusion, & Communications Center	OFCC	McKinney	TX	4
12	Strategic Analysis and Information Center	SAIC	Columbus	OH	4
13	Connecticut Intelligence Center	CTIC	New Haven	CT	4
14	Washington State Fusion Center (formerly Washington Joint Analysis Center)	WSFC (formerly WAJAC)	Seattle	WA	4
15	Michigan Intelligence Operations Center	MIOC	East Lansing	MI	4
16	Commonwealth Fusion Center	CFC	Maynard	MA	4
17	South Carolina Information Exchange	SCIEx	Columbia	SC	4
18	Miami Dade Fusion Center (MD Police Department)	MD FC	Miami (Doral)	FL	2
19	Northern California Regional Intelligence Center (formerly Northern California RTTAC)	NCRIC (formerly NC-RTTAC)	San Francisco	CA	2
20	Oregon Fusion Center (Terrorism Information Threat Assessment Network)	TITAN	Salem	OR	3
21	Indiana Intelligence Fusion Center	IIFC	Indianapolis	IN	4
22	Colorado Information Analysis Center (DNC Site)	CIAC	Centennial	CO	6
23	Minnesota Joint Analysis Center (RNC Site)	MNJAC	Minneapolis	MN	2
24	Southern Nevada Counter Terrorism Center	SN CTC	Las Vegas	NV	2
25	District of Columbia Fusion Center (Metropolitan PD)	DC FC	Washington	DC	3
26	Statewide Terrorism Intelligence Center	STIC	Springfield	IL	1
27	Texas Security Analysis & Alert Center (Texas Fusion Center)	TSAAC/TFC	Austin	TX	4
28	San Diego Law Enforcement Coordination Center	SD LECC	San Diego	CA	16
29	Regional Operations Intelligence Center	ROIC	West Trenton	NJ	1
30	Delaware Information Analysis Center	DIAC	Dover	DE	3
31	Mississippi Analysis and Information Center	MSAIC "MOSAIC"	Pearl (Jackson)	MS	4
32	Arizona Counter Terrorism Center	ACTIC	Phoenix	AZ	6
33	State Terrorism Threat Assessment Center	STTAC	Mather	CA	7

	HSDN DEPLOYMENT TO UPCOMING SLFC SITES		
	Site Name	***Site Acronym***	***City and State***
34	Crime Prevention and Information Center	CPIC	Chicago, IL
35	New York Counter Terrorism Division Strong Room	NY CTD Strong Room	New York, NY

36	Wisconsin Statewide Intelligence Center	WSIC	Madison, WI
37	North Carolina Information and Analysis Sharing Center	ISAAC	Raleigh, NC
38	Missouri Information and Analysis Center	MIAC	Jefferson City, MO
39	Arkansas Fusion Center	AR FC	Little Rock, AR
40	Tennessee Fusion Center (formerly Tennessee Regional Information Center)	TFC (formerly TRIC)	Nashville, TN
41	Vermont Fusion Center (co-located with LESC)		Williston, VT
42	Kentucky Intelligence Fusion Center	KIFC	Frankfort, KY
43	Boston Regional Intelligence Center	BRIC	Boston, MA
44	Houston Regional Intelligence Service Center	HRISC	Houston, TX
45	New Mexico All Source Intelligence Center	NM ASIC	Santa Fe, NM
46	Iowa Intelligence Fusion Center	IO IFC	Des Moines, IA
47	North Dakota Fusion Center	NDFC	Bismarck, ND
48	Fairfax Northern Capital Region Intelligence Center (Fairfax NCRIC)	Fairfax NCRIC	Fairfax, VA
49	New Hampshire Information and Analysis Center	NH IAC	Concord, NH
50	Statewide Information and Analysis Center	SIAC	Salt Lake City, UT
51	Idaho State Police Fusion Center	ISP FC	Meridian, ID
52	Kansas Threat Integration Center	KSTIC	Topeka, KS
53	Oklahoma Information Fusion Center	OIFC	Oklahoma City, OK
54	Northern Nevada Fusion Center	NNFC	Reno, NV
55	Nebraska Information Analysis Center (AKA Nebraska Fusion Center)	NIAC (aka NFC)	Lincoln, NE
56	Rhode Island Fusion Center	RIFC	North Scituate (Providence), RI
57	Wyoming Criminal Intelligence Center	WCIC	Cheyenne, WY
58	Pacific Regional Information Clearinghouse	PAC CLEAR	Honolulu, HI
59	Montana All-Threat Intelligence Center	MATIC	Helena, MT
60	Maine Information and Analysis Center	Maine IAC	Augusta, ME
61	West Virginia Intelligence Fusion Center	WVA IFC	Charleston, WV
62	San Diego Regional Terrorism Threat Assessment Center (co located with SD LECC)	SD RTTAC	San Diego, CA
63	Nebraska Information Analysis Center (AKA Nebraska Fusion Center)	NIAC (aka NFC)	Lincoln, NE
64	Detroit and Southeast Michigan Information and Intelligence Center	DSEMIIC	Detroit, MI
65	Alabama Fusion Center	AL FC	Montgomery, AL
66	Los Angeles Major Crimes Division (also EOC - previously on EOC priority list)	LA MCD	Los Angeles, CA
67	California Department of Corrections and Rehabilitation (CDCR) Criminal Intelligence and Analysis Unit (CIAU)	CDCR CIAU	Sacramento, CA
68	Anaheim Fusion Center		Anaheim (Santa Ana), CA

69	Statewide Law Enforcement Information Center	SLIC	Fort Richardson, AK
70	South Dakota Fusion Center	SDFC	Pierre, SD
71	Cincinnati/Hamilton County Regional Terrorism Early Warning Group		Cincinnati, OH
72	Kansas City Regional Terrorism Early Warning Group	KC RTEWG IAAC	Kansas City, MO

I&A Products

Question: Please provide a list of all I&A reports issued in fiscal year 2009, including a summary of the distribution for each of the reports.

ANSWER: The response is classified and has been provided to the House Appropriations Subcommittee on Homeland Security under separate cover.

State and Local Fusion Center Reporting Requirements

Question: Please provide a list of all reports that I&A required State and Local fusion centers to submit to DHS in 2009, organized by fusion center that submitted the reports.

ANSWER: State and local fusion centers are wholly owned and operated by their respective states. As such, DHS I&A has not required fusion centers to provide any reports. However, in late 2008/early 2009, the SLPO conducted an expansive data-call to all fusion centers, wherein it requested federal, state, and local budgetary breakdowns. This request was voluntary and designed to serve as a preliminary baseline assessment. Additionally, the SLPO briefed the results of the data at the March 2009 National Fusion Center Conference.

Reception and Representation

Question: How does I&A plans to utilize its reception and representation expenses in 2011? To date, how much has been spent in 2010 and what is the plan for the remainder of the fiscal year? Please provide details on each expenditure.

ANSWER: I&A plans to utilize its Official Reception and Representation (ORR) expenses in 2011 by the following:

- Official Lunches for Dignitaries (i.e. Foreign Visitors)
- Representational Lunches (i.e. NYPD Police Chief)
- Official Briefings (i.e. Foreign Disclosure Office, National Counterterrorism Center)

The total amount of dollars spent to date is $0; however, due to upcoming events, the remaining funds will be used to cover the ORR usual and customary expenses as shown below:

- Official Lunches for Dignitaries $ 650
- Representational Lunches $ 1,525
- Official Briefings $ 325

Hiring

Question: Please list the number, by office and pay grade level, of all I&A employees hired non-competitively in fiscal year 2009 and explain why each non-competitive hire was necessary.

ANSWER:
Collections Requirements (CR); 1 non-competitive hire; GS-199-4 (1) (SCEP)

Homeland Environment Threat Analysis (HETA); 6 non-competitive hires; GS-132-9 (5) (PMF); GS-132-12 (1) (PMF)

WMD and Health Threat Analysis (WHTA); 3 non-competitive hirers; GS-199-4 (1) (SCEP); GS-132-9 (1) (PMF); GS-132-7 (1) (PMF)

Critical Infrastructure Threat Analysis (CITA); 1 non-competitive hire; GS-132-9 (1) (PMF)

Student Career Experience Program (SCEP), which is a planned, progressive educational program that provides the integration of a student's academic studies and federal work experience with the potential of noncompetitive conversion into the federal career service. I&A uses the program to meets its short- and long-term staffing needs while building a succession of analysts to fill vacancies. Individuals are interviewed by managers and selected based on their potential to fill open vacancies. Series 199 are current Student Interns, while series 132 (conversions) are Student Intern who have completed the academic and job requirements for conversion.

Presidential Management Fellowship Program. The U.S. Office of Personnel Management (OPM) assesses individuals with recent graduate degrees for strong analytic, leadership and writing skills, and pre-qualifies a finalist pool at the GS-9 level, although I&A can initially hire at the GS-9 thru 12 levels. This is another avenue to build a succession of analysts. These individuals were selected because they possess keen analytical skills, a demonstrated ability to write well, and the judgment and discretion needed to operate in a vibrant, highly visible, and challenging environment. The candidates selected as fellows serve for two years and upon successful completion of the fellowship, have the opportunity to accept to a permanent position at the Department.

State and Local Fusion Center Initiative (SLFC); 1 non-competitive hire; GS-132-14 (1) (Reassignment)

The individual selected was based on their knowledge of the tasks required to reorganize people and equipment.

Chief of Staff (CS); 1 non-competitive hire;
GS-301-14 (1) (Lateral Transfer)

The individual selected was based on their knowledge of the tasks required to reorganize people and equipment.

Contracts

Question: Please provide for the record, the number of noncompetitive contracts I&A has entered into in fiscal year 2009, what is anticipated in 2010 and 2011, and an explanation as to why a non-competitive contract was chosen. As part of this response, please clearly delineate other transactional agreements and those purchases made from the GSA approved listings.

ANSWER: I&A funded twenty-two noncompetitive contract actions in FY 2009. I&A anticipates that there will be two noncompetitive actions for FY 2010. I&A does not anticipate any noncompetitive actions in FY 2011.

Non-competitive contracts were awarded by the Office of Procurement Operations in FY 2009 and FY 2010 for continuity of mission requirements and concern about turnover of contractor personnel.

In coordination with other state and federal agencies, there were six Interagency Agreements (IAAs) within I&A for FY 2009. There were also five purchases made using an approved GSA listing.

Question: In total, what volume of I&A contract awards are made competitively? Please answer in dollar amount and percentage.

ANSWER: In FY 2009, 41% of I&A's contracts totaling $60,648,360 were made competitively.

Question: Submit, through the most recent month available, a list of all Sole Source Contracts entered into by I&A. Organize by contractor, purpose, appropriation account, dollar award, full performance value, contract start date, contract end date, and reason for sole-source.

ANSWER:

FY 2009 SOLE SOURCE AWARDS							
TASK ORDER#	VENDOR	PURPOSE	Treasury Accounting Symbol	AWARD AMOUNT	CONTRACT START DATE	CONTRACT END DATE	CONTRACT TYPE
HSHQDC-09-F-00025	BOOZ ALLEN HAMILTON	SERVICE	700115	$1,537,292.51	1/16/2009	7/15/2009	T&M
HSHQDC-09-F-00023	BOOZ ALLEN HAMILTON	SERVICE	700115	$1,866,357.38	1/16/2009	7/15/2009	T&M
HSHQDC-09-F-00027	BOOZ ALLEN HAMILTON	SERVICE	700115	$1,588,442.88	1/16/2009	7/15/2009	T&M
HSHQDC-09-F-00029	BOOZ ALLEN HAMILTON	SERVICE	700115	$3,657,867.62	1/16/2009	7/15/2009	T&M
HSHQDC-09-F-00024	BOOZ ALLEN HAMILTON	SERVICE	700115	$12,636,949.00	1/16/2009	7/15/2009	T&M
HSHQDC-09-F-00028	BOOZ ALLEN HAMILTON	TSC SUPPORT	700115	$601,956.35	1/16/2009	7/15/2009	T&M
HSHQDC-08-F-00248	BOOZ ALLEN HAMILTON	travel increase	700115	$40,000.00	9/29/2008	9/28/2009	T&M
HSHQDC-09-F-00117	BOOZ ALLEN HAMILTON	TSC SUPPORT	700115	$575,902.82	7/15/2009	1/15/2010	T&M
HSHQDC-09-F-00118	BOOZ ALLEN HAMILTON	IM SUPPORT	700115	$1,862,198.92	7/15/2009	1/15/2010	T&M
HSHQDC-09-F-00120	BOOZ ALLEN HAMILTON	BSD SUPPORT	700115	$2,768,273.00	7/15/2009	1/15/2009	T&M
HSHQDC-09-F-00113	BOOZ ALLEN HAMILTON	SLPO SUPPORT	700115	$1,669,596.69	7/15/2009	1/15/2009	T&M
HSHQDC-09-F-00119	BOOZ ALLEN HAMILTON	COS SUPPORT	700115	$3,525,342.44	7/15/2009	1/15/2009	T&M
HSHQDC-09-F-00121	BOOZ ALLEN HAMILTON	CR SUPPORT	700115	$2,163,297.25	7/15/2009	1/15/2009	T&M
HSHQDC-09-F-00122	BOOZ ALLEN HAMILTON	AP SUPPORT	700115	$10,936,658.71	7/15/2009	1/15/2009	T&M
		BOOZ ALLEN HAMILTON TOTAL		**$45,430,135.57**			
HSHQDC-09-F-00019	GENERAL DYNAMICS	OI&A SERVICE	700115	$18,472,663.00	1/7/2009	7/6/2009	T&M
HSHQDC-09-F-00022	GENERAL DYNAMICS	NAO SUPPORT	700115	$134,828.14	1/12/2009	1/11/2010	T&M
HSHQDC-09-F-00019	GENERAL DYNAMICS	travel increase	700115	$408,382.00	1/7/2009	1/6/2010	T&M
HSHQDC-09-F-00019	GENERAL DYNAMICS	CI SERVICE	700115	$1,019,588.00	1/7/2009	7/7/2009	T&M
HSHQDC-09-F-00019	GENERAL DYNAMICS	SERVICE EXTEND	700115	$16,340,372.28	7/7/2009	11/6/2009	T&M
		GENERAL DYNAMICS TOTAL		**$36,375,833.42**			
HSHQDC-08-C-00116	QUINTECH	SLPO SUPPORT	700115	$520,000.00	8/12/2008	8/11/2009	T&M, FFP, Cost Reim
			QUINTECH TOTAL	**$520,000.00**			
HSHQDC-07-C-00071	TKCC	SERVICE EXTEND	700115	$1,202,418.18	4/1/2009	6/30/2009	T&M
HSHQDC-07-C-00071	TKCC	SERVICE EXTEND	700115	$2,444,960.00	7/1/2009	6/30/2010	T&M

TKCC TOTAL	$3,647,378.18	

Non-competitive contracts were awarded by the Office of Procurement Operations in FY 2009 and FY 2010 for continuity of mission requirements and concern about turnover of contractor personnel.

Question: Please provide for the record a list of all contracts over $1 million in total value executed by I&A in 2009. Organize by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and contract type (e.g., firmed fixed price, etc.).

ANSWER: The table below represents all I&A contracts over $1 million in total value executed in 2009:

CONTRACTOR	PURPOSE	DOLLAR AWARD	FULL PERFORMANCE VALUE	CONTRACT START DATE	CONTRACT END DATE	CONTRACT TYPE
MITRE FFRDC	RESEARCH	$ 3,928,625.00	$ 3,928,625.00	10/1/2008	3/31/2009	IAA
GENERAL DYNAMICS	OI&A SERVICE	$ 18,472,663.00	$ 18,472,663.00	1/7/2009	7/6/2009	T&M
BOOZ ALLEN HAMILTON	SERVICE	$ 1,537,292.51	$ 1,537,292.51	1/16/2009	7/15/2009	T&M
BOOZ ALLEN HAMILTON	SERVICE	$ 1,866,357.38	$ 1,866,357.38	1/16/2009	7/15/2009	T&M
BOOZ ALLEN HAMILTON	SERVICE	$ 1,588,442.88	$ 1,588,442.88	1/16/2009	7/15/2009	T&M
BOOZ ALLEN HAMILTON	SERVICE	$ 3,657,867.62	$ 3,657,867.62	1/16/2009	7/15/2009	T&M
BOOZ ALLEN HAMILTON	SERVICE	$ 12,636,949.00	$ 12,636,949.00	1/16/2009	7/15/2009	T&M
GENERAL DYNAMICS	CI SERVICE	$ 1,019,588.00	$ 1,019,588.00	1/7/2009	7/7/2009	T&M
TKCC	SERVICE EXTEND	$ 1,202,418.18	$ 1,202,418.18	4/1/2009	6/30/2009	T&M
MITRE FFRDC	RESEARCH OPT	$ 3,907,450.00	$ 3,907,450.00	4/1/2009	9/30/2009	IAA
TKCC	SERVICE EXTEND	$ 2,444,960.00	$ 2,444,960.00	7/1/2009	6/30/2010	T&M
GENERAL DYNAMICS	SERVICE EXTEND	$ 16,340,372.28	$ 16,340,372.28	7/7/2009	11/6/2009	T&M
ICE	REPORTS OFF	$ 1,300,000.00	$ 1,300,000.00	7/14/220	7/13/2010	IAA
BOOZ ALLEN HAMILTON	IM SUPPORT	$ 1,862,198.92	$ 1,862,198.92	7/15/2009	1/15/2010	T&M
BOOZ ALLEN HAMILTON	BSD SUPPORT	$ 2,768,273.00	$ 2,768,273.00	7/15/2009	1/15/2009	T&M
BOOZ ALLEN HAMILTON	SLPO SUPPORT	$ 1,669,596.69	$ 1,669,596.69	7/15/2009	1/15/2009	T&M
BOOZ ALLEN HAMILTON	COS SUPPORT	$ 3,525,342.44	$ 3,525,342.44	7/15/2009	1/15/2009	T&M
BOOZ ALLEN HAMILTON	CR SUPPORT	$ 2,163,297.25	$ 2,163,297.25	7/15/2009	1/15/2009	T&M
BOOZ ALLEN HAMILTON	AP SUPPORT	$ 10,936,658.71	$ 10,936,658.71	7/15/2009	1/15/2009	T&M
NMEC	RESEARCH	$ 2,000,000.00	$ 2,000,000.00	8/15/2009	12/14/2009	IAA
PORTAL MANAGEMENT	SERVICE	$ 1,862,210.00	$ 1,862,210.00	9/28/2009	9/27/2010	T&M
TKCC	INFO SHARING	$ 6,283,207.30	$ 6,283,207.30	7/1/2007	1/30/2010	T&M
GSA FEDSIM	HSDN/T INSTALL	$ 2,786,135.14	$ 2,786,135.14	9/16/2009	8/31/2010	IAA
DIGITAL SOLUTIONS	IPDS OPTION	$ 2,658,739.37	$ 2,658,739.37	9/302009	9/29/2010	T&M
COMPUTER SCIENCES	NSIP OPTION	$ 1,313,832.00	$ 1,313,832.00	9/22/2009	9/23/2010	T&M
MITRE FFRDC	RESEARCH	$ 2,690,722.97	$ 2,690,722.97	10/12008	10/1/2010	IAA
GENERAL DYNAMICS	EAGLE	$ 13,525,944.47	$ 13,525,944.47	9/302009	8/31/2010	T&M
QINTECH	SLPO SECURITY	$ 1,990,769.00	$ 1,990,769.00	9/30/2009	9/29/2010	T&M
GENERAL DYNAMICS	CONSOLIDATION	$ 4,152,652.12	$ 4,152,652.12	9/30/2009	6/29/2010	T&M
	TOTAL	$ 132,092,565.23	$ 132,092,565.23			

Acronyms:
Time and Materials Type Contract (T&M)
Interagency Agreement (IAA)

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

ANSWER: There are no contracts, grants or other transactions within I&A being performed outside of the United States.

Bonuses

Question: Please provide a table showing how much is requested in the 2011 budget for bonuses for I&A political employees, I&A SES employees, and I&A non-SES employees.

ANSWER: The response is classified and has been provided to the House Appropriations Subcommittee on Homeland Security under separate cover.

Question: Please list all I&A SES bonuses provided in 2009 by position, office, and bonus amount.

ANSWER: The response is classified and has been provided to the House Appropriations Subcommittee on Homeland Security under separate cover.

Question: Please list by office and pay grade level the number of I&A non-SES employees who received a bonus or quality step increase (qsi) in 2009, the total bonus/qsi expenditures for the particular office and pay grade, and the total number of employees in the office and pay grade.

ANSWER: The response is classified and has been provided to the House Appropriations Subcommittee on Homeland Security under separate cover.

Travel

Question: Please provide for the record a table that shows all funds expended by I&A political employees for travel in 2009. Include name of individual traveling, purpose of travel, location(s) visited, and total cost.

ANSWER:

Last Name	First Name	Total Cost	Begin Date	End Date	Location	Purpose
Rosenblum	Todd	677.82	4/7/2009	4/8/2009	El Paso, TX	Site Visit
	TOTAL	677.82				

Unobligated Balances

Question: Please provide unobligated balances within I&A, by appropriation account, and when you anticipate that they will be expended.

ANSWER: The response is classified and has been provided to the House Appropriations Subcommittee on Homeland Security under separate cover.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE LUCILLE ROYBAL-ALLARD

Under Secretary Caryn Wagner
DHS Intelligence Programs & the Effectiveness of State & Local Fusion Centers

Sustainment Challenges

Question:

As a result of the trying fiscal environment and the fact that the Department of Homeland Security's grant programs do not cover basic operating costs, fusion centers across the country, including the Joint Regional Intelligence Center in Los Angeles, have serious concerns about sustainment funding. How is the Department working with the centers to address this growing challenge?

ANSWER: The Department provides funding to each state and territory through the Homeland Security Grant Program. In the FY 2010 grant guidance, the Department outlined the eight national funding priorities (which include information sharing) and also called out fusion centers as a special area of emphasis. Ultimately, though, it is up to each state and territory to decide how to allocate their resources, including those slated for fusion centers.

Local Confusion

Question:

According to a GAO report released in December, many local and tribal law enforcement authorities along our Southwest Border are confused about the types of incidents and information that should be reported to DHS and the fusion centers. For example, 13 of the 20 agencies interviewed said that the federal government had failed to define what "suspicious activities or indicators rise to the level of potential terrorist threats" and should be communicated to DHS.

What steps are you taking to address this uncertainty on the part of your partners in local law enforcement?

ANSWER: To help address the uncertainty of state, local, and tribal law enforcement authorities, the I&A Collection and Requirements Division (CRD), has developed and published DHS standing information needs (SINs) that uniformly document the ongoing intelligence and information needs of the entire DHS Intelligence Enterprise. DHS SINs form the basis for collection, analysis, and reporting within the Department and articulate to the intelligence and homeland security communities where analytic, reporting, and collection efforts should focus. Currently, I&A/CRD is working with individual states in their respective efforts to gather and publish their state-owned SINs. The state-owned SINs will then be aligned to the DHS SINs to clarify the type of incidents/information of concern that should be highlighted and reported amongst the intelligence and homeland security communities.

Suspicious Activity Reporting (SAR) specifically relates to pre-cursor behavior that may be indicative of criminal terrorist actions. The seven most recognized types of behavior are as follows: surveillance; elicitation; tests of security; acquisition of supplies; suspicious persons out of place; dry runs; and the deployment of assets.

The National SAR Initiative Program Management Office (NSI PMO), led by the FBI, was established to coordinate a uniform standard for analyzing suspicious activity reporting as well as a viable means of sharing SAR data. NSI PMO provides training in three distinct areas: executive/leadership training, analyst training, and line officer training. Sharing of SAR data occurs through the use of a virtual "shared space" that members may query. There are twelve (12) current state and local agencies that are connected to the shared space as contributors of SAR data. Ten (10) additional sites are due to join the NSI PMO community within the next few months.

The process for selecting the next twenty-five (25) state and local sites is underway. Additionally, the DHS Enterprise is ramping up its efforts to enjoin all ten Components to become active contributors to the NSI PMO's shared space.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE Ken Calvert

Caryn Wagner, DHS Under Secretary, Office of Intelligence and Analysis
Capt. William Harris, Delaware State Police
DHS Intelligence Programs and the Effectiveness of State and local Fusion Centers

State and Local Fusion Centers

Question:
Under Secretary Wagner, the State and Local Fusion Center program has been in existence nearly four years so it is still a relatively new endeavor. California, which has five regional centers and one state center, has identified that one of their greatest needs is the deployment and integration of DHS intelligence analysts and assessors within the fusion centers, especially from components such as ICE, CBP, TSA. As you know, these personnel can ensure efforts are coordinated and duplication of effort is reduced. Your testimony brushes on plans for additional deployments to enable Departmental representation at all 72 fusion centers in FY 2011. Can you expand on these plans and provide us with how you are determining which components will have representation at each center?

ANSWER: The Department will work closely with fusion centers, to determine fusion center needs. We also plan to work with participating DHS Components and other DHS elements to create a process for the nomination and selection of Departmental detailees to fusion centers. This will be followed by coordinating an assessment process to maximize the effectiveness of current and future DHS personnel deployments by objectively addressing both the needs of the fusion centers and DHS. This will support DHS in understanding what management resources are required by each fusion center. Ultimately, the intersecting priorities of both communities will drive future deployments of DHS personnel to fusion centers.

Question:
In a nationwide, multi-jurisdictional enterprise whose core mission is information sharing, collaboration with local and tribal agencies is essential. A GAO report from last December focused on information sharing at federal agencies and fusion centers in border communities found that *"most of the local and tribal officials in the border communities [contacted by GAO] did not clearly know what suspicious activities federal agencies and fusion centers wanted them to report, how to report them, or to whom."* Being from a border state this troubles me. Under Secretary Wagner, what accountability measures is the Department taking to ensure that information is trickling down and being absorbed at the state and local level? We can't afford any missed opportunities when it comes to thwarting possible terrorist attacks.

ANSWER: To ensure that critical intelligence information efficiently and effectively flows from federal to state levels, the SLPO has a layered system of accountability. The SLPO facilitates information sharing activities from the federal level to the state and local levels through fusion centers. Deployed DHS Intelligence Officers represent the first line of communication between the Federal Government and fusion centers—fusion centers then have the lead responsibility for relaying critical information to state and local partners. In addition, deployed SLPO Regional Directors act as a logical "touch point" between DHS/ I&A and deployed officers; thus helping to ensure receipt, aggregation, and dissemination of information. Moreover, fusion centers have

their own information sharing networks, though not operated by DHS, which also help facilitate information sharing and accountability through communities of shared best practices.

In March 2010, MITRE conducted a study to identify best practices used by fusion centers for effective dissemination of relevant information and intelligence to and from their first preventer/responder customers. This includes intelligence and information that the Federal Government pushes to fusion centers, and information that fusion centers develop themselves. The SLPO is using the results of the MITRE study to help inform the ongoing Joint Fusion Center Program Management Office planning efforts, in an effort to ultimately promote and enhance best practices.

Technological solutions also play a significant role in helping to ensure accountability and dissemination of timely information to fusion centers. Currently, the SLPO is working to ensure that each fusion center will have HSDN access—a computer network approved to the collateral SECRET level. HSDN allows DHS and other U.S. Intelligence Community members to effectively communicate sensitive information with fusion centers. Additionally, the HSIN—an unclassified information portal—helps to connect fusion centers with critical stakeholders such as law enforcement, private sector entities, emergency management, and public health and safety, to name a few.

Finally, DHS will work with the fusion centers on a self-assessment program to determine areas that require additional focus and track efforts to improve them.

THURSDAY, MARCH 25, 2010.

HOMELAND SECURITY HEADQUARTERS FACILITIES

WITNESSES

ELAINE DUKE, UNDER SECRETARY FOR MANAGEMENT, DEPARTMENT OF HOMELAND SECURITY
ROBERT A. PECK, PUBLIC BUILDINGS SERVICE COMMISSIONER, GENERAL SERVICES ADMINISTRATION
KATHLEEN GEISLER, DIRECTOR, LEASING DIVISION, GENERAL SERVICES ADMINISTRATION

OPENING STATEMENT OF CHAIRMAN DAVID PRICE

Mr. PRICE. The Subcommittee will come to order.

This morning we will review the progress made on the new Department of Homeland Security headquarters at St. Elizabeths and the administration's plans for further consolidating and rationalizing DHS headquarters' footprint. For this discussion, we welcome DHS Under Secretary for Management, Elaine Duke; and from the General Services Administration, Public Buildings Service Commissioner, Robert Peck. Good morning to both of you.

Under Secretary Duke is well known to this Subcommittee, although this is her first time testifying before us. She served in a variety of roles at DHS since coming over from the Department of Transportation when DHS was first established. She has served as Under Secretary for Management since June of 2008, overseeing the management and administration of the entire Department. It is our understanding she will be retiring at the end of this month. We want to take this opportunity to thank her for her efforts to help keep our country safe and for her very distinguished and dedicated service.

Commissioner Peck is 7 months into his second term as Commissioner of Public Buildings for GSA. In this role, he is responsible for the nationwide management of 362 million square feet of government-owned and -leased office space.

Before this term, Commissioner Peck served as Managing Director of Jones Lang LaSalle, where he advised large clients on real estate portfolio strategy and on public-private mixed use developments.

When the Department of Homeland Security was assembled from 22 elements of other governmental agencies after the 9/11 attacks, it was clear that some aspects of building this new institution would have to be addressed at a later time.

Exhibit A of this challenge: Over 7 years after the creation of the Department, its offices are still strewn across 50 locations around the Washington, D.C. area, listed on the charts that I think everyone has before them. This scattershot layout increases operational costs, hurts morale, and makes it harder for the Department to

work effectively as a unit; in other words, it compounds the challenges and difficulties of bringing these 22 agencies into a working whole.

To alleviate part of this problem, the Department has approved a $3.4 billion master plan that would consolidate a great deal of the department's headquarters into the west campus of St. Elizabeths, a 19th-century hospital campus east of the Anacostia River. This year, the administration has requested $287.8 million in the DHS budget as well as $380.3 million through GSA to fund the completion of phase 1, the Coast Guard headquarters, and to begin phase 2, the National Operations Center and infrastructure work.

Now, we need to be clear, St. Elizabeths resolves only part of the problem. The Department still needs an additional 5 million square feet of space to accommodate the rest, including various kinds of support services from all the agencies. The administration last year put forward a $75 million request for a down payment on consolidation of the Department's remaining leases to fewer locations. The administration has returned with this proposal again this year with a more detailed justification as this Subcommittee requested. The plan is to pull together the elements of the Department that will not move to St. Elizabeths in six other locations, as shown on the right side of the chart you have. Five of the six locations already house DHS elements. The sixth, shown on this chart as mission support, has yet to be formally identified.

Now, given the constraints on the budget this year and in the future, committing to additional significant investments in the Department's physical plant is not appealing at first. However, this is an action that will need to be taken at some point to improve the Department's efficiency, and it may well be more affordable to do this now rather than later. Investments in departmental facilities and management deserve careful consideration, although I am afraid critics of the 2011 budget request may have spent these funds many times over already.

What we want to learn from you today are a handful of simple things that fall into two categories: First, what is the status of the St. Elizabeths project? Are we on time, are we on budget, and are we going to get the headquarters we need to help this Department operate more efficiently?

Secondly, how does the Administration justify this further consolidation initiative? What are the specific costs and benefits to this move?

So Under Secretary Duke, Commissioner Peck, we look forward to an exploration of these questions and no doubt other topics here today. We will place your full written statements in the record and we will ask each of you to limit your remarks to a five-minute presentation.

Mr. PRICE. Before you begin, I want to recognize the distinguished ranking member, Hal Rogers, for his comments.

[The information follows:]

COMMITTEE ON APPROPRIATIONS

David Price (D-NC), Chairman, Subcommittee on Homeland Security

EMBARGOED UNTIL DELIVERY (*Approx. 10:10 AM*)
Thursday, March 25, 2010

Media Contact: Andrew High
202-225-1784

OPENING STATEMENT OF CHAIRMAN DAVID PRICE
Homeland Security Headquarters Facilities: St. Elizabeths and Beyond
March 25, 2010 / 10:00 am

This morning we will review the progress made on the new Department of Homeland Security (DHS) headquarters at St. Elizabeths and the Administration's plans for further consolidating and rationalizing the DHS headquarters footprint.

For this discussion, we welcome DHS Under Secretary for Management Elaine Duke and from the General Services Administration (GSA), Public Buildings Service Commissioner Robert Peck.

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When the Department of Homeland Security was assembled from 22 elements of other government agencies after the 9/11 attacks, it was clear that some aspects of building this new institution would have to be addressed at a later time. Exhibit A of this problem: over seven years after the creation of the Department, its

offices are still strewn across 50 locations around the Washington, DC area, listed on the charts you have before you. This scattershot layout increases operational costs, hurts morale, and makes it harder for the Department to work effectively as a unit.

To alleviate part of this problem, the Department has approved a $3.4 billion master plan that would consolidate a great deal of the Department's headquarters onto the West Campus of St. Elizabeths – a nineteenth-century hospital campus east of the Anacostia River. This year, the Administration has requested $287.8 million in the DHS budget, as well as $380.3 million through GSA, to fund the completion of Phase I, the Coast Guard Headquarters, and to begin Phase II, the National Operations Center and infrastructure work.

We need to be clear -- St. Elizabeths resolves only part of the problem. The Department still needs an additional 5 million square feet of space to accommodate the rest.

The Administration last year put forward a $75 million request for a down payment on consolidation of the Department's remaining leases to fewer locations. The Administration has returned with this proposal again this year, with a more detailed justification as we requested. The plan is to pull together the elements of the Department that will not move to St. Elizabeths to six other locations, as shown on the right side of this chart. Five of the six locations already house DHS elements – the sixth, shown on this chart as Mission Support, has yet to be formally identified.

Given the constraints on the budget this year and in the future, committing to additional significant investments in the Department's physical plant is not appealing at first. However, this is an action that will need to be taken at some point to improve the Department's efficiency, and it may well be more affordable to do this now rather than later. Investments in departmental facilities and management deserve careful consideration, and I'm afraid that critics of the 2011 budget request may have spent these funds many times over already.

What we want to learn from you today are a handful of simple things that fall into two categories:

First, what is the status of the St. Elizabeths project? Are we on time, are we on budget, and are we going to get the headquarters we need to help this Department operate more efficiently?

Second, how does the Administration justify this further consolidation initiative? What are the specific costs and benefits to this move?

Under Secretary Duke and Commissioner Peck, we look forward to an exploration of these questions and more today. Your full written statements will be placed in the record, so I ask you each to limit your remarks to a five minute presentation. Before we begin, let me recognize the distinguished Ranking Member, Hal Rogers, for his comments.

# # #

OPENING STATEMENT OF RANKING MEMBER HAROLD ROGERS

Mr. ROGERS. Thank you, Mr. Chairman. Welcome to our distinguished guests.

For Ms. Duke, I understand you are, indeed, a short timer, retiring in just a matter of days. I know we recognized your contributions at our hearing on acquisitions just a few weeks ago, but let me just reiterate our gratitude for your more than 28 years of service and wish you well in your next life. Thank you for your service.

Over the last few weeks, we have heard a lot from DHS's operational commanders about how they are being asked to live within the constraints of the budget and seek greater efficiencies. But as the fiscal 2011 budget is asking DHS's frontline agencies to withstand enormous reductions to both personnel and assets, I want to see increases for our headquarters offices personnel.

While I know the decision to construct a new consolidated headquarters campus at St. Elizabeths has been made, and I full well understand the need for such a facility, it is entirely unclear to me whether anyone has asked if we can trim down the $3.4 billion price tag. At a time of record deficits, has anyone looked at this plan through a lens of fiscal discipline?

I understand the need to align funding to mission requirements, it has been a mantra of this Subcommittee since it was born; but if there ever was a time, if there ever was a need to seek greater efficiencies, now is that time. In the wake of the Christmas day terrorist attack, with a raging drug war along our borders, with escalating threats at every turn, now is the time to give our operators on the front line in the Department what they need and ask our headquarters and administrative personnel to function with austerity.

More to the point, DHS's political leadership has spoken quite a bit about the Department's headquarters functions needing to be strengthened, and that it is superficial to say we are trading operational needs for headquarters bureaucrats. But the Secretary, nor the Deputy Secretary, neither one said one word about headquarters personnel living within budget limitations. And that fact is clearly reflected by the priorities of the fiscal 2011 budget request, priorities that I do not agree with and find simply indefensible.

It is not enough to simply say DHS needs a headquarters that can accommodate more than 30,000 people and provide 4.5 million square feet of secure space. Rather, it is incumbent upon the two of you to make it clear to this Subcommittee and the taxpayers that this proposal is both fiscally responsible and justifiably sound. So today, what I want to understand from you is how this massive proposal, the largest headquarters consolidation in our government's history since the establishment of the Pentagon in 1943, how it meets the reality of our Nation's limited finances as well as DHS's needs.

Sadly, our government does not perform well with large-scale procurements or construction projects. Costs and schedule overruns are, unfortunately, way too common. I can tell you right now that we will not tolerate such waste and abuse with this project, not

when the American people are pinching pennies and we are asking our frontline personnel to do more with less.

Now, having said all that, let me just say that I know we set a very high bar on this Subcommittee, but I believe such an uncompromising standard is what is needed when we are dealing with matters of our Nation's security.

So I thank you both for being here today. We look forward to learning more about the progress of the headquarters project. Know that while we recognize the need for a lean, efficient department, we will be watching very closely as you continue to plan your work and work your plan.

Thank you, Mr. Chairman.

[The information follows:]

OPENING STATEMENT

CONGRESSMAN
Hal Rogers

FIFTH DISTRICT • **KENTUCKY**

Offices in
Washington, D.C.
Somerset, Prestonsburg,
Hazard

Contact: Stefani Zimmerman
202.225.4601

Committee on Appropriations
Subcommittee on Homeland Security

Opening Statement:

DHS Headquarters Facilities

Witnesses:

Elaine Duke, Under Secretary for Management, DHS
Robert A. Peck, Public Buildings Service Commissioner, GSA

10:00 AM | Thursday | March 25, 2010 | B318 RHOB

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—

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But, as the FY11 budget is asking DHS's frontline agencies to withstand enormous reductions to both personnel and assets, I only see increases for headquarters offices.

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⇒ At a time of record deficits, has anyone looked at this plan through a lens of fiscal discipline?

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More to the point, DHS's political leadership has spoken quite a bit about how the Department's headquarters functions need to be strengthened and that it is "superficial" to say we are trading operational needs for bureaucrats. But, the Secretary nor the Deputy Secretary said one word about headquarters personnel living within budget limitations.

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So, I thank you both for being here and look forward to learning more about the progress of the DHS headquarters project. Know that while we recognize the need for a lean, efficient Department, we will be watching very closely as you continue to plan your work and work your plan.

Thank you, Mr. Chairman.

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The CHAIRMAN. Thank you very much.

Under Secretary Duke, we will begin with you.

STATEMENT OF ELAINE DUKE

Ms. DUKE. Good morning, Chairman Price, Ranking Member Rogers, and members of the Subcommittee. Thank you for giving us the opportunity to talk about this very important project before you this morning.

The Department of Homeland Security (DHS) and component headquarters currently occupy more than 7 million square feet scattered in about 50 locations throughout the National Capital Region. We project the need for more than 8 million square feet by 2010, and anticipated personnel growth may require additional space in the future. This extreme dispersion imposes significant inefficiencies in our daily operations that could be magnified considerably at the most important moments, when the Department must act as a nimble and quick integrated team in response to national disasters or terrorist threats.

The DHS headquarters consolidation plan will synchronize the transition of 82 percent of the approximately 180 leases that are expiring before Fiscal Year 2015. Basically, the plan consists of St. Elizabeths development for mission-execution functions and the consolidation of the remaining mission-support functions in the National Capital Region. These efforts are two sides of the same coin that must be jointly addressed in order to effectively and efficiently realign our real estate portfolio.

Besides the positive effect it will have on the Department, the Homeland Security consolidated headquarters at St. Elizabeths, partially funded through the American Recovery and Reinvestment Act (ARRA), will create direct and indirect employment opportunities for thousands of people in the Washington region while preserving a national historic landmark. It is anticipated that direct and indirect employment will create more than 30,000 jobs in the region for construction and reconstruction-related activities, and that doesn't include the 14,000 DHS employees that will relocate to St. Elizabeths.

St. Elizabeths will serve as the epicenter of DHS leadership operations, operations coordination, policy and program management—the Department's key mission functions. The project has been planned in close cooperation and coordination with the General Services Administration (GSA) as a three-phase development, with several of those segments designed to create an effective and steady funding requirement over Fiscal Years 2011 through 2014.

Phase 1 is Coast Guard headquarters, scheduled for occupancy in Fiscal Year 2013. Phase 2 is the DHS headquarters, the Federal Emergency Management Agency (FEMA) and an all-important National Operations Center scheduled for completion in 2014. Phase 3 is for the remaining component occupancies to be completed in Fiscal Year 2016. The entire plan will create 4.5 million gross square feet of space for 14,000 DHS employees.

Although we do have a phase plan for St. E's, each phase is timed to ensure that disruption of construction activities is kept to an absolute minimum. Keeping these phases in tact and in line is

essential to the efficient and fiscally responsible funding of the entire project.

DHS received more than $97 million in Fiscal Year 2009 appropriations and an additional $200 million in ARRA funding for the consolidation headquarters. GSA awarded a $435 million design build contract last August for phase 1A, and that is predominantly the Coast Guard headquarters building. In addition, GSA has awarded contracts for phase 1 construction management and phase 2 design contracts.

Our Fiscal Year 2011 budget request asks for DHS funding of approximately $287.8 million for DHS to continue to develop its headquarters. This request will provide for the outfitting of phase 1, which is Coast Guard headquarters, in addition to the construction of phase 2A for the headquarters.

As you stated, along with St. E's, we have our mission support consolidation, and the fiscal year request seeks funding for this mission-support consolidation. While St. E's will accommodate the main department and component mission-essential functions, it does not have capacity to accommodate all of DHS mission-support elements. GSA and DHS will work closely with our components to manage the approximately 180 leases and do the consolidation we have discussed.

The mission-support consolidation plan has the potential to achieve more than $400 million in that present value cost avoidance over the next 30-year period. It minimizes vacancies, short-term lease extensions and multiple move requirements. This consolidation will also contribute to a reduction in our facility operation and maintenance costs throughout the DHS National Capital Region.

The magnitude and complexity of our task to realign our facilities to better support the mission presents many challenges and opportunities. This project is one of Secretary Napolitano's highest priorities, and she has established specific objectives and is monitoring as we move forward.

Any delay in the DHS headquarters consolidation program will result in expensive charges to the lease management plan, with effects on mission performance and performance of our mission. The Department's strategic goal to strengthen and unify DHS operations and management is critical to our mission.

I look forward to answering your questions about this important project this morning.

Mr. PRICE. Thank you.

[The information follows:]

TESTIMONY OF ELAINE C. DUKE,
UNDER SECRETARY FOR MANAGEMENT,
U.S. DEPARTMENT OF HOMELAND SECURITY BEFORE THE UNITED STATES HOUSE COMMITTEE ON APPROPRIATIONS ON "DHS HEADQUARTERS CONSOLIDATION"

March 25, 2010

Chairman Price, Ranking Member Rogers, and members of the Subcommittee, thank you for this opportunity to discuss the Department of Homeland Security (DHS) Headquarters consolidation initiative.

DHS and Component Headquarters employees currently occupy more than seven million square feet of office space, scattered in 46 locations and across approximately 70 buildings throughout the National Capital Region (NCR). We project a need for more than eight million square feet of office space in 2010 and, based on anticipated personnel growth, may require additional space in the future. . This extreme dispersion imposes significant inefficiencies in our daily operations that can be magnified considerably at the most important moments—when the Department must act as a nimble and integrated team responding to natural disasters or terrorist threats.

The DHS Headquarters Consolidation plan will transform the dispersed portfolio from 46locations down to approximately seven to ten locations. The plan will also synchronize the transition of 82 percent of the approximately 180 existing leases that are expiring before Fiscal Year (FY) 2015. Basically, the plan consists of the St. Elizabeths development for mission execution functions and the consolidation of remaining mission support functions. These efforts are two sides of the same coin that must be jointly addressed in order to effectively and efficiently realign our real estate portfolio.

The DHS Consolidated Headquarters at St. Elizabeths—partially funded by the American Recovery and Reinvestment Act (ARRA)—will create direct and indirect employment

opportunities for thousands of people in the Washington region while preserving a National Historic Landmark. It is anticipated that the project will create direct and indirect employment opportunities for more than 30,000 people in the region for construction and construction-related activities, not including the 14,000 federal employees who will work at St. Elizabeths. As a result of these jobs, the local economy will gain payroll earnings of approximately $1.2 billion through the planned completion in FY 2016.

I am very pleased with the close cooperation and support from Delegate Eleanor Holmes Norton and the District of Columbia government on this project. The breakthrough in the Master Plan development was the opportunity to synchronize the East Campus and West Campus developments for the benefit of both DHS and the D.C. government. Relocating a portion of our program to the East Campus allows us to obtain our need of 4.5 million square feet of office space, helps address density concerns on the West campus, and provides a campus that can function as a single unified headquarters. It will also further enhance our interaction with the community and serve as a catalyst for retail and commercial development on the East Campus.

ST. ELIZABETHS

St. Elizabeths will serve as the epicenter for DHS leadership, operations coordination, policy and program management in support of the Department's mission execution functions and strategic goals.

The project has been planned in close cooperation and coordination with both the General Services Administration (GSA) and the Office of Management and Budget (OMB) as a three-phase development with severable segments designed to create a relatively steady future funding requirement over fiscal years 2011 through 2014. Phase 1 is the U.S. Coast Guard Headquarters, scheduled for occupancy in FY2013; Phase 2 is the DHS Headquarters, FEMA and the National Operations Center/Collocation of Component Operations Centers, scheduled for completion in FY2014; and Phase 3 is for the remaining component occupancies in FY2016. This plan will create 4.5 million gross square feet of space for 14,000 DHS employees at St. Elizabeths.

I am pleased to report that with the leadership and support of the Committee and the Congress, together with our colleagues at GSA, significant progress is being made on the St. Elizabeths development. The FY 2011 budget request seeks to sustain the momentum generated from the FY 2009 appropriations and the American Recovery and Reinvestment Act with continued investment on Phase 1 requirements (U.S. Coast Guard) and initiation of construction of Phase 2A, which includes the DHS Headquarters, the National Operations Center, and the collocation of component operations centers.

Consolidating the DHS headquarters will increase effectiveness and efficiency; enhance communication; and foster a "One DHS" culture that will optimize department-wide prevention, response and recovery capabilities. To be successful, the department must effectively manage the physical campus improvements while integrating the broader community and policy goals. We are also mindful of the National Historic Landmark

status of the campus and remain committed to minimizing harm to contributing historic features while providing functional spaces that meet our programmatic needs. St. Elizabeths will be a model for integrating modern uses with historic preservation, sustainability, economic development and coordination between the federal government, the district government, private industry and the community.

DHS received $97.58 million in FY 2009 appropriations and an additional $200 million in American Recovery and Reinvestment Act funding for the DHS consolidated headquarters at St. Elizabeths. Working together with GSA and their companion appropriations, GSA awarded a $435 million design-build contract in August 2009 for the Phase 1A new 1.1 million gross square feet U. S. Coast Guard Headquarters building. In addition, GSA has awarded contracts for Phase 1 construction management services and for two design excellence architects to complete the remaining phases of development.

Phase 1B final design submissions are being prepared for National Capital Planning Commission (NCPC) approval at the April and May 2010 meetings with construction awards scheduled for 4th quarter of FY2010. These designs will encompass the adaptive reuse of certain historic buildings for shared services functions, such as a cafeteria, auditorium, fitness center, and Coast Guard Exchange, as well as infrastructure projects consisting of Security Perimeter Improvements and Phase 1 Utilities.

The Technology Integration Program (TIP) for the Headquarters Consolidation initiative is a highly complex and transformational approach to the delivery of technology services

for the campus; this initiative will also be applicable to the Mission Support Consolidation effort that I will describe shortly. The TIP will foster integration and innovation in the delivery of technology services across the department. Centralized acquisition of all common infrastructure and common equipment is essential to ensure conformance and consistency with a new enterprise architecture that supports a "One DHS" culture, yet provides the flexibility to address unique component requirements. The GSA Federal Acquisition Service is managing this procurement in cooperation with the DHS Program Team; a fourth quarter FY2010 award is on schedule.

I would like to discuss the close working relationship of the DHS Program Team and GSA on acquisition strategies. GSA shares our commitment to competitive contracting and small business emphasis wherever possible. GSA and DHS held a joint industry day, sponsored by Delegate Eleanor Holmes Norton, on the St. Elizabeths development in October 2009 that was attended by approximately more than 1,000 business representatives. In December 2009, GSA and DHS followed up on this event by sponsoring a Pre-solicitation Conference for the TIP contract. GSA will compete this contract among the 59 large business vendors in the Government Wide Acquisition Contract (GWAC) Alliant for IT services. The conference included a small business networking session with the Alliant Prime Contractors.

We are also completing a Program of Requirements validation for all of the DHS components to ensure that we have the most up-to-date information on component needs. Phase 2A design is in progress for the National Operations center, the collocation of component operations centers, and the adaptive reuse of the Center Building, which is the

most important building on the campus historically, and will house the Secretary's office and the senior leadership of the Department.

The NCPC gave its unanimous approval on Jan. 7, 2010, to the final design submission for the first new facility to be constructed on the campus—the U. S. Coast Guard Headquarters Building and associated parking. The design of this facility by Perkins & Will Architects is a testament to the benefits of the National Historic Preservation Act Section 106 consulting process. Through their innovative efforts, and responsiveness to stakeholders concerns, this large facility will be nestled into the hillside to minimize the impacts on the historic character of the campus and provide our employees with modern office space.

Sustainability is a key driver for this facility and the entire campus. The campus will attain Leadership in Energy and Environmental Design (LEED) Silver certification at a minimum, with the goal of achieving Gold certification where possible. The U.S. Coast Guard Headquarters building is approaching this Gold certification level. We are working with GSA team on sustainable design solutions that achieve all of the targets for energy and water conservation. I am pleased to report that work is well underway with demolition completed of the buildings in the U. S. Coast Guard site and clearing and excavation activities are in progress.

I would now like to turn to the FY 2011 budget request. A total of $287.8 million is included in the President's Budget request for the Department of Homeland Security to

continue the development of the DHS Consolidated Headquarters at St. Elizabeths. This request will provide outfitting for the Phase 1 Coast Guard and shared use occupancies and initiates construction of the Phase 2A DHS Headquarters, and the national operations/collocation of component Operations centers immediately adjacent to the USCG site.

Although we are developing St. Elizabeths in phases, each phase is timed to ensure that disruption of construction activities is kept to an absolute minimum. Extending the development timeline at St. Elizabeths will impede our efforts to unify the Department's operations and will dilute the 30-year net present value cost advantage of consolidation in federal construction over leasing, which currently stands at more than $600 million. The FY 2011 request is particularly critical in this regard since there are immediate adjacencies among the Center Building, the U. S. Coast Guard headquarters facility, the Coast Guard Command Center, and the National Operations Center.

MISSION SUPPORT CONSOLIDATION

The FY 2011 request seeks to initiate the Mission Support Consolidation effort, which must be accomplished in concert with St. Elizabeths schedule in order to shed the dispersed lease locations as we begin to occupy the campus.

While St. Elizabeths will accommodate the main Department and Component HQ mission execution functions, it does not have the capacity to accommodate all of the DHS mission support elements.

As new office space is created at St. Elizabeths, DHS employees will relocate to occupy these spaces and vacancies will occur in federally owned spaces within the NCR that will be backfilled by components currently in leased space. GSA and DHS will work closely with the 22 components to manage approximately 180 lease actions and minimize vacancies.

In cooperation with DHS and OMB, a Mission Support Consolidation prospectus for lease authority was submitted by GSA to Congress in October 2009 that will address the Department's current housing needs. As the prospectus is for leased office space, GSA does not require a separate appropriation and all costs for tenant fit out requirements are funded by DHS. The $75 million included in the 2011 budget request will initiate the mission support consolidation effort by providing the necessary funding to eliminate 10 lease locations associated with the 1.2 million square feet of office space included in the prospectus. The remaining funding will be requested in future budgets to deliver the space in FY2013 and FY2014.

The Mission Support consolidation plan has the potential to achieve more than $400 million Net Present Value cost avoidances over a 30-year period. It minimizes vacancy risk, short term lease extensions and multiple move requirements and forms the basis of the FY 2011 budget request.

The Mission Support consolidation will also contribute to a reduction in facility operation and maintenance costs and provide quality of life features and other amenities to attract and retain the best professional workforce. It is a foundation for developing a culture of success for DHS to achieve its mission. In addition, all new leased spaces will aim to achieve Administration and DHS sustainability goals.

SECRETARY'S STRATEGIC OBJECTIVES

The magnitude and complexity of our task to realign our facilities to better support the mission presents many challenges and opportunities. This project is one of Secretary Napolitano's highest priorities, and she has established specific objectives that must be achieved as we move forward.

1. Create a "One DHS" culture focused on effectiveness, efficiency and collaboration

The creation of a unified campus will support the Secretary's goal to unify the Department operationally, administratively and culturally.

2. Develop St. Elizabeths into a campus that supports DHS missions

It is critical that that as we work with GSA to redevelop this beautiful National Historic Landmark and exercise all possible planning to minimize harm to historic resources, we must also ensure that the investments in new construction and adaptive reuse provide

functional, effective and efficient facilities to support our mission requirements.

3. Support community revitalization and economic recovery

St. Elizabeths is located in Ward 8 – the most economically disadvantaged ward in the city. As the federal $3.4 billion development progresses toward occupancy by 14,000 DHS employees, the Department must ensure that community interests and opportunities for local economic benefit are integrated into the plan and synchronized with DC's East Campus development. Coordination with our federal and district partners is key to success as we move forward.

4. Promote sustainable designs while preserving historic structures

As the largest federal development in the region, St. Elizabeths offers an opportunity to showcase the DHS/GSA commitment to sustainable building practices and historic preservation.

5. In form and manage employee expectations regarding relocation

Recruiting and retaining a highly professional, dedicated and motivated workforce is essential to the Department achieving its mission to protect the homeland. The headquarters consolidation effort has the potential to touch or impact nearly all of the DHS headquarters and component employees in the NCR over the next 4 to 7 years.

CONCLUSION

Any delay in the DHS Headquarters consolidation project will result in expensive changes to the lease management plan, with effects on mission performance and the performance our mission. We are committed to achieving our goal of uniting and strengthening the Department with a unified headquarters by Fiscal Year 2016.

Thank you, Mr. Chairman and members of the committee for your interest in and continued support of DHS Headquarters Consolidation program. The Department's strategic goal to strengthen and unify DHS operations and management is critical to our mission. We must be united so that we may secure and protect America.

We are grateful for your continued support as we continue to move forward to achieve our goal. I would be pleased to answer any questions that you may have.

STATEMENT OF ROBERT PECK

Mr. PRICE. Mr. Peck.

Mr. PECK. Thank you, Mr. Chairman, Ranking Member Rogers, and also Congressman Farr. Thank you for inviting me to appear today to talk about our partnership with the Department of Homeland Security in building out a consolidated headquarters at St. Elizabeths.

As you know, the headquarters will reside at the former St. Elizabeths Hospital in southeast Washington, a national historic landmark. As Under Secretary Duke noted, DHS is currently in more than 40 locations owned and leased in the Washington area. The consolidation is necessary, in the opinion of DHS, to facilitate its headquarters operation, communication, command and control of the Department.

It is our honor at GSA to have as our clients more than 100 Federal agencies. And one of the things that is amazing about this job is the people in the Federal Government who everyday perform functions important to our national defense and to Homeland Security; it is our honor to work on this project. We are enthusiastic about it. And I am here to assure you today that we are going to seek the greatest efficiencies possible and to maintain the schedule and budget that this project needs and deserves.

Housing DHS in government-owned facilities compared to the comparable cost of housing them in leased facilities over 30 years represents a savings of $600 million to the taxpayers. It is important to maintain the schedule that we are currently on with this project for two reasons. In the private and public sector, I have been involved in projects that have gone on time, and projects that have gone over time and over budget. And more often than not, when projects go over time and over budget, it is because we change our minds about what the scope is during the course of the project and because funding gets interrupted. Particularly in the current climate, in which bids for design and construction are coming in under estimates because—this is both good and bad—there is a soft economy, but an advantage to us in bidding, it is important for us to maintain the current schedule because we are realizing economies as we let contracts all over the country.

I will also note, to put this in context, that at the same time that we are building the headquarters here, we are building new land ports of entry all over the country for Customs and Border Protection. We are putting CIS and ICE in projects all over the country that also allow them to operate more efficiently, so this isn't just a headquarters-versus-the-field business.

As Under Secretary Duke noted and you have noted, the total cost of the project is going to be $3.4 billion, funded both by GSA and DHS. During the peak period of construction, there will be over 1,000 workers on the site, and approximately 100 subcontractors and vendors. We estimate the project overall will create over 30,000 jobs. Our share of the construction budget of $3.4 billion—which is $2 billion—alone is estimated to provide regional economic benefits of up to $3.8 billion.

Now, I know that your job is to provide funding for DHS headquarters and not just to stimulate economic development, but there

are so many side benefits of this project, including restoring a national historic site and bringing economic development that it is worth mentioning.

We have begun construction of phase 1A, which includes the 1.2 million square foot headquarters for the Coast Guard, and 700,000 feet of structured parking. We are on schedule to complete it in 2013. Phase 1B, which involves the adaptive reuse and renovation of seven historic campus buildings as well as the construction of a perimeter security fence gate house and underground utility tunnels is being accelerated.

The next two phases construct 3.75 million square feet of office space and structured parking on the west campus and, importantly, the construction of a 750,000 square foot office building for FEMA and its structured parking on what is known as the east campus, a property owned by the District of Columbia, and which will serve as the anchor for a new community on the east campus in Anacostia. We intend a secured underground passageway from the west campus to the east campus to allow easy access without going outside the security perimeter, but also to help DHS employees on the west campus provide the economic stimulus that will make the east campus community work. The entire project is scheduled for completion in 2016.

In line with President Obama's executive order of last October, EO 13514, we are ensuring that the headquarters facility will be environmentally sustainable. We are striving for LEED Gold certification on all of our buildings, and we are well on the way to achieving that. We are using small businesses and providing opportunities for minority and small business contractors.

On April 1, I should note, in addition to the headquarters consolidation, we plan to issue a solicitation for offers for 1.1 million square feet of leased space to consolidate mission support functions of DHS that will not be housed at St. Elizabeths. I have to say that during my private sector employment previous to working here, I was working on that lease for a private contractor, and so while I can tell you in general terms what is happening, if you have detailed questions, I am going to have to defer, under government ethics rules, for someone else to answer.

We will also retain, as you have noted, a number of other lease locations, principally the headquarters of the Transportation Security Administration in northern Virginia, and leased office space for Immigration and Customs Enforcement in the District of Columbia. We are procuring some interim leases for Coast Guard and CBP in the meantime, but they will be moving to the campus.

We are proud of our opportunity to work with DHS on this project. And finally, I would just say to you, I would invite you to visit the site—I was there yesterday morning. You will see amazing earth moving going on, sheeting and shoring for the project. We are well underway. It is going to be a project of which we can all be proud, and mostly one that will help the Department coordinate its operations in a new modern advanced environment.

I am happy to answer your questions. Thank you.

Mr. PRICE. Thank you very much. Thanks to both of you.

[The information follows:]

STATEMENT OF

ROBERT A. PECK

COMMISSIONER
PUBLIC BUILDINGS SERVICE
U.S. GENERAL SERVICES ADMINISTRATION

BEFORE THE

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON HOMELAND SECURITY

HEARING ON ST. ELIZABETHS AND DHS CONSOLIDATION

MARCH 25, 2010

Good morning, Chairman Price, Ranking Member Rogers and members of the subcommittee. My name is Robert A. Peck, and I am the Commissioner of the U.S. General Services Administration's (GSA) Public Buildings Service (PBS). Thank you for inviting me to appear before you today to discuss the progress with the new Department of Homeland Security (DHS) Headquarters at St. Elizabeths and the DHS consolidation.

GSA, in partnership with DHS, is now undertaking the largest, most complex construction project in our history. The consolidation of DHS is necessary to facilitate communication, coordination and cooperation across the Agency and optimize operational efficiency. DHS identified its most critical components that need to be located within one functional campus. This campus will serve as the DHS Headquarters, which will reside on the former St. Elizabeths Hospital in southeast Washington, D.C. The decision to create this headquarters at the former St. Elizabeths hospital was based on the DHS National Capital Region Housing Master Plan[1], which was developed by DHS with GSA's assistance.

DHS is currently housed in more than 40 locations around the Washington, D.C. metropolitan region, involving multiple buildings and leases. The Master Plan advocates for the Agency's consolidation into seven to ten locations. Three of these locations already exist as federally owned sites. Components of DHS are currently located at the Nebraska Avenue Complex, the Ronald Reagan Building/International Trade Center, and the U.S. Secret Service Headquarters building. St. Elizabeths will add a fourth federally owned location. As various DHS organizational components move from these federally owned sites into St. Elizabeths, other DHS components currently housed in leased locations will be able to move into these owned buildings. Housing DHS in government owned facilities is projected to cost approximately $600 million[2] less compared to the cost of leasing the same amount of space over the next thirty years. This is the optimal solution for the Agency, city, and American taxpayers.

The Master Plan outlines priorities of implementation and addresses the mission fragmentation caused by the headquarters elements being scattered throughout the National Capital Region. The St. Elizabeths campus will accommodate the Agency's mission execution functions. The remaining mission support functions not to be housed in federally owned buildings or sites will be located off campus in leased space.

DHS Mission Execution at St. Elizabeths Campus

The DHS Headquarters at St. Elizabeths is the largest Federal construction project to occur in the Washington metropolitan area since the Pentagon was built during World War II. The project will create 4.5 million square feet of new space, in addition to 1.5 million square feet of structured parking to bring together

[1] The DHS Housing Master Plan was presented to Congress in 2006

[2] $600 million represents the total amount in present value terms.

the mission execution components DHS requires in its headquarters facility. A total of 14,000 people will be employed on campus.

The total cost for the project totals $3.4 billion and will be funded by GSA and DHS. During the peak period of construction, there will be over 1,000 workers on site and approximately 100 subcontractors and vendors supporting the prime general contractors. The project is expected to generate more than 30,000 jobs in both direct and indirect employment through its duration. During construction, the economy would gain payroll earnings of approximately $1.2 billion, and regionally there would be a gain from total output during construction of approximately $3.8 billion.

St. Elizabeths is the only federally owned site in Washington large enough to accommodate the mission execution functions for the DHS Headquarters. Due to the size and location of the site, St. Elizabeths is fitting for such an important Cabinet level agency. The property is only two miles from our nation's Capitol and is located on a hill with a commanding view of Washington and Northern Virginia. The creation of this headquarters complex presents the best opportunity available for preserving, reusing, and revitalizing the historic buildings and landscapes at this National Historic Landmark.

Project History

Currently, more than $1 billion has been appropriated to GSA and DHS for the St. Elizabeths project. The appropriations include American Recovery and Reinvestment Act of 2009 (Recovery Act) funds. The Recovery Act provided GSA with $450 million and DHS with $200 million in funding for the St Elizabeths consolidation. GSA has accepted $199,000,000 in reimbursable Recovery Act funds from DHS and has awarded $50,500,000 of that money.

GSA has just begun construction of Phase 1a, which includes a new 1.2 million square foot headquarters building for the U.S. Coast Guard (USCG) and 700,000 square feet of structured parking. This headquarters, which is being designed by Perkins & Will and constructed by Clark Design-Build LLC, will be complete in 2013. Phase 1b will involve the adaptive reuse and renovation of seven campus buildings, as well as the construction of a perimeter security fence, gatehouses, and underground utility tunnels.

The next two phases will be the construction on the west campus totaling 2.4 million square feet of space plus structured parking, as well as the construction on the east campus, totaling an additional 750,000 square feet of space plus structured parking. The selection of the east campus to house the headquarters of the Federal Emergency Management Agency (FEMA) is the result of our close coordination with the District on this project. The District has owned the east campus since 1987, utilizing it to house its mental health facility. At this time, however, the District no longer requires the entire site for that purpose.

In December 2008, the District adopted a plan for the site that called for the development of a mixed use community on those portions of the east campus not required for their mental health program. GSA's commitment to utilize a site on the east campus represents a major breakthrough in assisting the District to pursue its redevelopment, as well as enabling us to reduce the overall density proposed for the west campus. We are now in the process of amending our master plan to incorporate the east campus portion. The mixed use community on the east campus will include residential, retail, and office space. The influx of Federal employees will act as a catalyst for the beginning stages of this development and pave the way for future development in later stages.

The entire DHS Headquarters project is scheduled for completion in 2016.

Project Benefits

In addition to the economic growth resulting from this project and in line with President Obama's Executive Order 13514, GSA is also pursuing an environmentally sustainable campus. We are committed to achieving at least a Silver certification under the Leadership in Energy & Environmental Design (LEED) program of the U.S. Green Building Council, but we are striving for Gold certification. We will also be striving to meet the sustainable requirements outlined in Energy Independence and Security Act (EISA), Energy Policy Act (EPACT) and the sustainable guiding principles. The USCG Headquarters will have a green roof and a series of landscaped gardens and retention basins that will absorb storm water runoff. It will have an abundance of natural light, sophisticated heating ventilation and air conditioning systems, as well as a utilization of local and recycled materials.

GSA is also undertaking extraordinary measures to protect and enhance the many historic components of this National Historic Landmark. We have held multiple meetings and negotiations with the historic preservation community. We will reuse 51 of the 62 buildings on the west campus that contribute to the site's historic character. The most historic building on site, the Center Building, will house the Office of the Secretary of Homeland Security. This building will remain the highest building on campus. The location of new construction has been determined so that the main cluster of historic buildings will remain physically and visually intact. Views to and from the campus will be preserved as well.

Finally, GSA has undertaken widespread meetings and discussions with the District of Columbia Ward 8 community where St. Elizabeths is located. We want to ensure the community is supportive of the new campus and that we provide them the opportunity to benefit from its development. Our outreach has included more than 50 meetings, hearings, and training labs. Close to half of these meetings were with the Advisory Neighborhood Commissions that serve the area. We have also met with the neighboring Barry Farm Resident Council, the Anacostia Coordinating Council, and the Ward 8 Business Council. Additionally,

there were six public hearings and a Town Hall meeting sponsored by Representative Eleanor Holmes Norton.

GSA also provided five days of training for Section 8 (a) small businesses and another general session on conducting business with GSA. The general contractor for the Coast Guard project, Clark Design-Build LLC, has identified $224 million in possible subcontracting opportunities as part of the construction. They have adopted the following goals for the $224 million:

40% subcontracted to Small Businesses
3% to HUBZone firms
8% to Small Disadvantaged Businesses
5% to Women-owned Businesses
5% to Veteran-owned Small Businesses
3% to Service Disabled Veteran-owned Businesses

GSA and Clark Design-Build LLC are committed to using Section 8 (a) small businesses for this project. In addition to GSA's small business outreach, Clark Design-Build LLC has hosted two small business training seminars and will continue to do so throughout construction. The first $13 million we spent on site stabilization, maintenance and security was all awarded to Section 8 (a) contractors, who have continued to work on site up to this time. Another 8 (a) firm was selected to demolish the warehouse where the Coast Guard building will be located.

GSA is also committed to providing as many employment opportunities on this project as possible. GSA has established a pre-apprenticeship training program funded by the Recovery Act, as well as required Clark Design-Build LLC to begin an apprenticeship program for the project. The pre-apprenticeship program is being run by the AFL-CIO. They are conducting six-week classes that include on-the-job-training, classroom training, and work-life training in the construction industry. The first graduating class of 20 was held last December. Representative Eleanor Holmes Norton and I spoke at the graduation.

Clark has also established an Opportunities Center on the west campus. This large facility, which consists of four double-wide trailers joined together, is being used to provide employment and training information available to individuals and companies. The facility is staffed and consists of an information kiosk, conference room, computer lab area, restroom, storage room, and break room. On-site contractors have access to the trailer to conduct training sessions while government agencies can hold small business assistance and training sessions. Rooms are also available for the AFL-CIO to conduct pre-apprenticeship training programs.

We are also working with Clark Design-Build LLC to develop an apprenticeship program that will provide opportunities for people interested in pursuing a career in the construction industry.

DHS Mission Support

As DHS Mission Execution functions will be housed at St. Elizabeths, DHS Mission Support functions will remain outside of the campus at federally owned and leased locations. These Mission Support functions include Citizenship & Immigration Services, Science & Technology, and the Under Secretary for Management.

On April 1, GSA plans to release a Solicitation for Offers (SFO) for 1.1 million square feet of leased space to consolidate these organizations. GSA is actively pursuing the most competitive offers possible for this procurement. To accomplish these objectives, we are competing this procurement as an opportunity for multiple leases in portions of the three major jurisdictions in the National Capital Region, including the District of Columbia, Northern Virginia, and Suburban Maryland.[3]

In addition to this effort, GSA intends to retain leased locations for the long term, including offices for the TSA in Northern Virginia and ICE in the District of Columbia, which was recently awarded. Additionally, GSA will soon be procuring interim leases for the USCG and Customs & Border Protection. Although they will ultimately be housed at St. Elizabeths, these two DHS organizations will need leased space temporarily, as their current leases are expiring, until occupancy is available at St. Elizabeths.

Conclusion

GSA is proud to assist this important Cabinet Agency in implementing a sound, long-term housing program. Created only seven years ago through the combination of 22 separate and independent agencies, DHS needs to consolidate in order to quickly respond to a national emergency and achieve an optimum degree of internal coordination and develop a common "corporate culture."

Such a consolidation effort is in the best interest of the American taxpayer. Occupying owned government space is less expensive in the long-term than leasing. Similarly, occupying fewer large leases saves costs.

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[3] I am recused from this lease procurement as a result of my prior employment with the firm providing GSA with commercial brokerage support for the project.

In addition to these overall benefits, creation of the new DHS Headquarters at St. Elizabeths will save and reuse a National Historic Landmark, and it will enable GSA and DHS to develop the site to demonstrate the aesthetic benefits and cost savings that arise through environmentally sustainable design and operations. Furthermore, Ward 8 can now enjoy the benefits of economic development that have brought so much prosperity to our Nation's Capitol.

We look forward to working with you and members of this Committee as we continue to deliver this important work.

RETURN ON INVESTMENT

Mr. PRICE. Under Secretary, let me begin the questions with an observation that you are already well aware of, and that is that we are operating in a very constrained budget environment. The budget is very tight. It is so tight that controversial cuts are being proposed in the operational capacities of this Department.

According to some critics, the budget before us is short on personnel. Others are going to decry shortages of funds for grant programs. Some are inclined to characterize management expenses and investment in headquarters capabilities as feathering the nest of the Secretary and the Department leadership. However, we know what you are proposing in your view will make possible better departmental oversight of the use of taxpayer dollars and will facilitate improved departmental responsiveness to the demands of its mission and the American public. So we recognize the legitimacy of these costs, and of course, the importance of the project we are discussing this morning, but there are other proposed investments that crowd in on us and offer some challenging tradeoffs.

So today, you need to make a case for these large capital proposals in terms of their return in departmental effectiveness and savings for the taxpayer. And I am going to ask you both to do that. You have lined it out in your opening statements, and we want elaboration.

So Under Secretary, given the constraints of this budget, can you explain how these two capital proposals will improve the operational effectiveness of the Department? Can you tell us why we should do headquarters consolidation now instead of using these dollars to fill operational holes?

And to both of you, I think Mr. Rogers has a legitimate point when he asks about what the evidence is that these proposals have really been scrubbed, have really been scrutinized very carefully for cost savings. Both of you cite advantages to moving ahead, both because of the inevitable costs of delaying projects in any environment, but certainly some of the advantages in the present economic environment to doing these things now when costs are lower. Can you be more precise about that? What are the advantages to proceeding on this time frame, and what are the costs of delay?

And then, just finally, the last sentence I think, almost, that you gave, Under Secretary, you are literally turning the argument about operational needs on its head, you are reversing that argument. That does carry with it a burden of proof, I think. You are saying that any delay in the headquarters consolidation project will result in expensive changes to the lease management plan, with effects on the performance of the DHS mission. Now, that is a claim we have to take seriously, particularly when precisely the opposite is being argued with respect to the budget before us.

So Under Secretary, why don't you start, but I think you see the kind of case we are looking for you to make.

Ms. DUKE. I do. I think it is important to start out noting that right now the components pay the cost of their leasing, the cost of many of the management integration functions we are trying to put forward in addition to St. Elizabeths and the mission-support accommodation and the cost to their data centers. So right now, they

are paying that as overhead if you call that mission-support overhead as opposed to direct mission functions. So we are going to have relatively flat budgets in the out years. If we don't do something to reduce the size of that wedge, the size of providing the infrastructure, that wedge is going to take a bigger piece of the components' budget. They are going to suffer, and they are going to have to reduce mission if they are going to stay with the same size of the pie or a flat budget.

So what these initiatives are seeking to do is, for the components, reduce their pieces of the DHS budget that are for overhead. So if we don't reduce their lease costs, say in U.S. Customs and Border Protection (CBP), with a flat budget, it will take up more of their budget and the mission will suffer. So that is what we are seeking to do.

When you look at the headquarters budget—for instance, my budget stays at 13 people, and it reduces. So this isn't building a bureaucracy of overhead, it is seeking to directly reduce the infrastructure and the overhead costs that the components are already paying so that they can use more of their budget toward direct mission support.

In terms of the lease and the delay, the specific problem with that is the far majority of our leases throughout the Department expire in the next couple of years, so if we cannot proceed with the St. Elizabeths and the mission-support consolidation, those leases will either have to be extended in a sole source environment or there will be double move costs, which are huge costs plus disruptions of operations. So we are looking to time this and take advantage of the fact that, I believe, more than 80 percent of our leases are expiring.

OFFICE CONSOLIDATION

Mr. PRICE. Well, that is readily understandable simply spending a couple of minutes with this chart. Can you put a dollar figure on that, though? It is intuitively understandable, but I don't hear very many hard figures.

Ms. DUKE. We think the net present value of the savings of this consolidation are about $500 million over a net present value of 30 years.

Mr. PRICE. $500 million over 30 years. And what you are incorporating in that is both the St. Elizabeths construction and the consolidation of these lease sites?

Ms. DUKE. Yes, Mr. Chairman.

IMPACT ON OPERATIONAL CAPABILITIES

Mr. PRICE. What about my question about the impact on operational capabilities?

Ms. DUKE. Well, I think there are two impacts. One is the one I just talked about, which is that if overhead stays fixed, it will actually eat more of a percentage of the budget. So that is a direct impact on mission.

I think the second is the fact that the effect on mission in terms of having a DHS headquarters; when the Department was formed, it was to get rid of gaps in Homeland Security and eliminate redundancies. And with the dispersion of our offices, especially our

National Operations Center and the other operation centers, that is extremely difficult to actually accomplish. One of the key tenets of the St. E's piece is the collocation of the Operation Center so that when we are in a Homeland Security Presidential Directive-5-type situation, we actually have the incident coordination through a single location. That is absolutely essential for one of our most key missions, which is that incident response.

COST CONTROL AND ECONOMICS OF PROCEEDING

Mr. PRICE. Mr. Peck, can you chime in here about the evidence you can provide of serious cost control efforts and also the economies of proceeding now rather than later?

Mr. PECK. Well, let me talk about some of the economies of just consolidating on the site.

One, we own the land at St. Elizabeths; we don't have to go out and acquire a piece of land for multiple agencies.

Two, in almost any operation, private or public, if you have permanent functions, there is pretty much a year that you can predict, no matter what the cost of construction and the cost of leasing, in which if you believe a function is going to exist and be useful in a particular location, it makes sense to own rather than lease. That number always comes out somewhere between 15 and 20 years. That is the point at which you start saving money from being in one place.

Third, we are going to have one single electric cogeneration plant on the facility; it should reduce operating costs over what DHS would find anywhere else. We are able to provide security within a single perimeter, which will provide some economies of scale for security itself. Otherwise, we are left finding facilities, particularly in lease cases, in which we have to often invest in privately owned buildings to provide sufficient security.

And just as to the operational aspects, there is a reason that we have joint terrorism task forces around the country. Even in an era in which people can work virtually, as you well know, particularly when you are in a secure environment and people need to share intelligence and information, we find not just in DHS, but with FBI and other black box agencies that we provide services for, people want to bring their disparate elements together.

Finally, I will just say again, this is one of you can pay now or you can pay later. I can't speak to how many people DHS needs to run its operations and the headquarters, but we are going to provide the facilities to house DHS headquarters in the National Capital Region one way or another. We can do it in a consolidated-owned location, which saves money for reasons I just noted—security, electricity, and the fact that over time the costs are less—or we can provide them as we do now in leases and continually roll over the leases.

One other thing, if I may, that Secretary Duke just talked about, let me just expand a little bit. If we don't make our schedule here, we will continue to roll over the leases that we have in buildings in the Washington area. We will do that with the idea that we are eventually going to consolidate. That will drive us toward renewing in short-term chunks; you pay more to a landlord when you renew

a lease for a couple of years than you do for 20 years. We have made this decision to go ahead.

Long-term leases are somewhat less expensive than short term, but compared to owning, even a long-term lease is more expensive. So if we keep having to roll over the leases we are currently in, we are going to face much more expense in the headquarters operations on the real estate end than you will if we go to St. Elizabeths as fast as we can.

Mr. PRICE. Thank you.

Mr. Rogers.

OFFICE CONSOLIDATION

Mr. ROGERS. Well, to follow up on that line of questioning, what do we mean by consolidation of leases?

Mr. PECK. For the mission support elements, sir? This is a complicated plan, as you can partly see from the chart. But as we roll people into the St. Elizabeths campus, we are rolling as many people as possible into the NAC on Nebraska Avenue because it is also a government-owned location and cheaper than leasing. But when all is said and done, given the amount of square footage we can fit on St. Elizabeths and the amount of government space that we have at the NAC, we have some left over needs for DHS.

And there again, although our plan is to put them in a leased location, we want to get them out of multiple leases into as close proximity as we can. So we are going to consolidate a number of the support elements into a 1.1 million square foot lease consolidation.

There are three basic elements in those mission support elements, and the solicitation that we are going to put out is going to have some suggestions for how close together or far apart those locations can be. But they, too, will be in much closer proximity and more consolidated than they have been before.

TRANSIT TIME AND LABOR EFFICIENCY

Mr. ROGERS. Well, you are claiming that $175 million will be saved due to decreased transit time and labor efficiency. How can you calculate such a thing?

Ms. DUKE. That number is calculated by looking at the current layout of the National Capital Region and where we are in nearly 50 locations. And that number is based on our current shuttle bus services and sedan services and tracking the usage of those services; that's just an estimate of how much time DHS employees spend going to another location for purposes of conducting official business.

Mr. ROGERS. Well, you are not paying them for that transit time, are you?

Ms. DUKE. Well, two things: one is we are paying for the transportation services, so that is a cost. But, in addition, it is lost productivity time in terms of the time spent in transit predominantly by senior DHS officials.

ENERGY EFFICIENCY

Mr. ROGERS. You are claiming $115 million would be saved due to energy efficiency, but that savings is based upon certain specific building standards that are not yet in place at the six locations you are migrating to, as I understand it. Is that accurate? And how is this figure calculated?

Ms. DUKE. Mr. Peck may want to expand on my answer, but predominantly, by taking over St. E as a historic site, all the designs are under the President's sustainability standard, so we are building the energy efficiency into the St. Elizabeths site. I can't specifically comment on the other existing sites, but on St. E's, it is being built into the design.

Mr. PECK. Mr. Rogers, all of the buildings that we are building at St. E's are going to be built to a high sustainability standard, which is, on the one hand, great for reducing greenhouse gases, but even more immediately, they reduce the amount of utilities that you have to pay for. So, for example, the Coast Guard building is going to have green roofs, a storm water retention pond. We have every technique you can use now, some of it as simple as just making sure that the buildings allow more daylight in so you need to use less electricity for lighting. And they will be much more efficient than the standard Washington building that we are in across the region. And I will say, to the credit of the private sector, as they upgrade their buildings, are making them more efficient, that is a slow process.

GOLD CERTIFICATION

Mr. ROGERS. I am unclear, too, you said in your oral testimony that we would be going for the Gold certification, but your written testimony says you are at least going for Silver, striving for Gold.

Mr. PECK. That is correct.

Mr. ROGERS. Which is it?

Mr. PECK. We are hedging our bets because you have to go through a certification process with the U.S. Green Building Council, and they don't give you your final certification until you are through design. Our standard is we don't accept anything less than Silver, but we believe in our designs on St. Elizabeths that we are within striking distance of Gold. So I have said to our people that we are going to reach Gold, and I am confident we are going to get there.

Mr. ROGERS. What is the difference in terms of savings if we only go for Silver?

Mr. PECK. I would have to get you that answer. I mean, you get points for different things, not just energy, not just utility reduction, storm water reduction, cutting down on commuting, and I don't know quite where our points are there, but I will get you an answer.

Mr. ROGERS. Is it a substantial figure?

Mr. PECK. Between Silver and Gold, I don't even want to hazard a guess, but it is a measurable percentage difference, yes, sir. I can get you the number.

Mr. ROGERS. Are we talking billions of dollars?

Mr. PECK. Over the course of 20 years, I suspect it is. For 4.5 million square feet, that would be a significant difference in energy efficiency.

But I will also note that the other thing we are relying on here is we are building our own very efficient energy-producing plant. We have awarded a contract to Washington Gas and Honeywell to build us an essential plant, and that in itself will produce a tremendous energy benefit.

TOTAL ESTIMATED COST STABILITY

Mr. ROGERS. Large-scale acquisitions and construction projects have a nasty tendency to grow in cost and schedule. I am saying that very gingerly, it is worse than that. But how conservative is the estimated total cost of $3.4 billion? What is that likely to wind up being in the normal governmental projects?

Mr. PECK. Mr. Rogers, I had this job in the 1990s when the economy was in a boom and construction in particular was pretty high priced, and I have to confess to you that our estimates then seemed continually to be under what we eventually realized just because costs kept going up. In this environment, I can tell you in the last year our bids have been coming in at something like 10 to 15 percent below what we had estimated in early 2009. And these estimates were made at that time, so I don't want to suggest to you that is by any management genius that we possess that I am fairly confident we will make our estimates here, but the economy, at least through the next few years, is going to work in our favor.

And I want to say again what I said at the outset, through my experience with government projects, Federal, State and local, as well as some large private sector projects, is that costs, to the extent they often go up and to the extent that scope creep comes in, it is often because we delay the projects. As things get put off, if the project slips for a year, somebody will come up with some great new idea for something that we ought to do and someone will try to add it to the project. Again, cost overruns so often just relate to management decision-making and a failure to continue funding at the rate at which you thought you were going to get it.

Ms. DUKE. And if I could add, Mr. Rogers, a lot of construction overruns are by unstable requirements. We at DHS have our own program management office of about 28 people, and one of its principal purposes is to be a good and fiscally responsible customer to GSA. One of the things that we are striving for with that program office is stable requirements and consistent requirements, looking for efficiencies. So, for instance, we have a standard space and standard and consolidated furniture purchases, so that we are making sure that we have the minimal requirements not gold plate requirements and that those requirements are stable throughout the project so that we don't have those cost overruns.

Mr. PECK. I can tell you we also put every design through a process called Value Engineering, which I suspect you are familiar with, in which we have people take a second look at the design and ask questions about what can be shaved off that won't impair either the structural solidity of the building or its energy efficiency or its functionality, but we put all our designs through those here.

Mr. ROGERS. Who does that?

Mr. PECK. A private contractor, sir.

Mr. ROGERS. You contract out an objective look-over-your-shoulder?

Mr. PECK. Yes, sir. We have some terrific internal project managers—and I have to say on this project we have put our best proven project manager, the best single proven project manager in the region, who is sitting behind me. But we have project managers, construction managers who are on site as anybody does on large projects. They are private sector people. We do have a government system, we have a lot of people overlooking us, the Inspector General has two people full-time on site. There is not much we are going to slip by on this.

Mr. ROGERS. Well, we are all going to be lined up looking over your shoulder.

Mr. PECK. We know that. It is the fun of working in this environment.

Mr. ROGERS. We are going to look over his shoulder; he is going to be looking over your shoulder; IG is going to be looking over everybody's shoulder; and the taxpayers are going to look all over us.

Mr. PECK. As well they should.

Mr. ROGERS. As well they should.

Well, you have answered a question I was going to ask, and that is, how can we cut the risks of project growth and keep the costs in line, and I think you have answered that question for me.

By the way, the consolidation of lease request, $75 million, that was submitted also in fiscal 2010, which we denied because we did not have sufficient justification at that time. So, Mr. Chairman, that is something I think we will need to look at carefully again this year as we did last year.

I have other questions that I will ask next round.

Mr. PRICE. We will proceed with the second round after we hear from Mr. Farr.

PROJECT VISION

Mr. FARR. Thank you, Mr. Chairman. I am enjoying this discussion. Looking back on my younger life when one of my mentors was Matt Owings of Skid, Owings and Merrill. I remember his discussion, actually calling the President of the United States on the Pennsylvania Avenue project. And the intent then was, for savings, to let 395 go right in front of the Capitol. He was insistent that he had to put that under the Capitol, there had to be a tunnel. Of course it was very expensive to build that, but just think what the Mall would look like in the front of the Capitol if we had a freeway right there where the Reflection Pond is, it would just be a different city. What I think is interesting about this project, this is the biggest building since the President, right—biggest construction project?

Mr. PECK. Yes, sir.

Mr. FARR. And you are doing it in Ward 8, which is certainly one of the most need for economic stimulation. It seems to me the vision here is phenomenal, and the idea that you are striving for Gold LEED and you have this apprenticeship with people working in the building trades to get the training. I mean, if we are really

talking about stimulating the economy and doing something, it is going to just remarkably change that ward in this city. And I think it would be good to kind of give us some perspective as people—because I think we are going to get—Members of Congress are very leery because we are now experiencing what we spent on the Visitors Center. I think we all enjoy the Visitors Center, but the design of it, the functionality of it is nuts—at least for us it is. It maybe works for the tourists from that standpoint, but for the rooms, it is a monument of corridors.

Mr. ROGERS. Would the gentleman yield on that?

Mr. FARR. Yes.

Mr. ROGERS. I think it would help if we had hospital stripes on the floor.

MENTAL HEALTH PATIENTS

Mr. FARR. Well, it is very interesting, one of the questions is—hospital stripes? What is going to happen to the mental health patients? You are not moving all the mental health patients, so there is going to be some—they are going to still be there on part of the property? I couldn't figure that out on the map?

Mr. PECK. Mr. Farr, the District of Columbia still runs a mental hospital operation on their property. There are no more mental hospital operations on our side of Martin Luther King Avenue.

Mr. FARR. We run a mental health hospital right here on the Hill, particularly after last weekend. Good thing we have mental health fully covered in our health bill.

REVITALIZATION OF WARD 8

Ms. DUKE. Mr. Farr, if I could comment on the revitalization of Ward 8. I mean, one can only look to what happened when the Navy moved to the Washington Navy Yard on M Street and the revitalization. There has been some criticism, well, you are behind a preexisting stone wall, and that is going to stop revitalization. I think M Street and the fact that they are behind a concertina wire fence—the revitalization that took place there is clear evidence that the same thing is going to happen for Ward 8 when DHS moves there.

TOTAL COST OF ST. ELIZABETHS

Mr. FARR. Well, I like the vision thing. I mean, I am interested, what is the total cost of this, including the relocation for leases and everything?

Mr. PECK. The cost of the project on the west campus that we are doing is $3.4 billion. The total cost of the 1.1 million square foot lease that we are going to solicit, I can't say, quite honestly, because we haven't awarded it yet. And again, in this case, knowing what I know about the Washington real estate market, I can tell you my guess about what we would lease it for per square foot, and we have a limit on that number, but I don't want to hazard a guess, I am not supposed to.

Mr. FARR. $3.4 billion for the phase——

Mr. PECK. All the phases of construction on the west campus, and it includes the construction on the east campus for the FEMA headquarters.

COLLABORATION WITH THE DISTRICT

Mr. FARR. I don't like the mega—when we created DHS, I think we were all concerned about creating this mega bureaucracy, but I do like the idea that consolidation I think is where governments, all of them, we need to consolidate and collaborate, and I like the consolidation effort here.

The question I have is, in that, can we also build some collaboration with the District? It seems to me that the concept of putting all these like kinds of needs in the same campus, same location, there is savings there, too, that the State and local governments, their headquarters aren't spread all over the place either. Is there an ability to build on this to help the District and to help either Virginia or Maryland?

Mr. PECK. Mr. Farr, a number of responses, if you will allow me a few minutes. One, I appreciated your alluding to the Pennsylvania Avenue development project because in the other body I worked for Senator Daniel Patrick Moynihan, who was a proponent of that from the time it started, along with Matt Owings of Skidmore, Owings and Merrill. I worked on that project. That was started at a time, however, when the District of Columbia was an agency of the Federal Government. The District of Columbia has home rule. We have worked with the District of Columbia on this project from the beginning. They have created on the east campus what is called a small area plant, so their plan is for what today is known as smart growth, a transit-oriented development because we have a Metro station.

Their plan is to use our employees to help populate a retail strip on Martin Luther King Avenue and hopefully help generate the demand for housing across the street, and to help revitalize that area of the city, which certainly needs it, not to mention providing jobs.

I also note, as you noted, that in that area of the city you not only need to provide jobs, you need to provide job training so that people can qualify for the jobs and have the skills they need. We have been working on that. We have a trailer on the site that takes job applications. We have apprenticeship programs, as you noted, that try to get people prepared for the jobs. But I will say there is a very close cooperation with the District of Columbia.

There is one other issue which they will want me to address, which is a transportation issue. And while we are hoping that many or most of the employees come here by Metro when this is finished, we are providing parking. We have looked at other ways in which we can improve the road interchanges to make this thing work. But one of the things we are doing here is by very judiciously putting the sorts of amenities on the site for DHS employees that they need to get their work done during the day, but also making it convenient for them to get out into the community and provide the clientele that we will need for shops and restaurants and cafes, those kinds of things.

OVERHEAD COSTS FOR CONSTRUCTION PROJECTS

Mr. FARR. Last question, what is your overhead factor on contracts? I sit on the MILCON Subcommittee, and for the MILCON, it is 5 percent. What is it for yours?

Mr. PECK. We have talked about that. It is a number I would like to provide you for the record because I don't quite know how MILCON calculates their overhead. If you are asking what is strictly GSA overhead, I can get you that number. If you are asking also what do we consider overhead among the private sector contractors that we hire, that is a different number.

Mr. FARR. Why don't you look at it from the same point that MILCON does?

Mr. PECK. Let me ask them and I will give you an apples-to-apples comparison.

Mr. FARR. Because they build buildings the same way that you do?

Mr. PECK. They do.

[The information follows:]

RESPONSE: The Army Corps of Engineers (ACOE) uses a flat rate for supervision and administration of a construction cost. This is similar to GSA's management and inspection costs for GSA projects. The ACOE's flat rate for Supervision and Administration is based on the construction cost and is 5.6% of construction. The management and inspection cost for the new Coast Guard Headquarters project is 6% of the total construction cost.

Mr. PRICE. Thank you very much.

MORE DETAILED JUSTIFICATION

Madam Secretary, let me return to the question of the lease consolidation and ask you about the differences between this year's budget proposal and last year's. As you well know, there was a very similar looking proposal for lease consolidation in last year's budget, and we have asked, of course, for a more detailed justification. How is the proposal before us different from what you proposed a year ago?

Ms. DUKE. I think there are two weaknesses we sought to correct in this year's budget proposal. First, the previous submittal lacked clear evidence of the cost savings. So we tried to lay out more clearly when the leases would transfer and be able to quantify the cost savings in the out years. This is a case where you have to spend money to save money. We wanted to make that case better, and we believe we did.

The second weakness we had in the previous submittal was there wasn't confidence by the Committee that we could actually execute, and that was partially driven by the vagueness of the request. So we sought to be much more precise in what leases we would want to consolidate when, and the exact locations and timing of those, to demonstrate that we had a more clear handle on the consolidation, that we could actually execute it and spend the money.

RECOVERY ACT FUNDING

Mr. PRICE. Now I want to pursue with our GSA witness some similar issues. I know you need to recuse yourself, Mr. Peck, on that. Before you leave the table, though, let me just divert us for

a moment, I think this will be a very quick answer. I would like to know from both of you what the effect on the proposal before us out of the Recovery Act funding is and will be. In other words, how would the budget proposal for 2011 look different from either of your agency's perspective if the Recovery Act funding had not been there?

Ms. DUKE. From our perspective, the biggest benefit has been that we have been able to jump-start some of the areas of construction. One specific example I can give you, Mr. Chairman, is in construction; even though we have phase projects, there is construction phasing that allows efficiencies. So, for instance, for the Coast Guard, there is a lot of excavation that needs to be done. With the ARRA funding, we have been able to start excavation for the Nebraska Avenue Complex, which they abut each other. So rather than having to do excavation and then do a lot of shoring and construction things and then go back and excavate, with the ARRA money, we are able to do a more efficient excavation of that phase. So that is an example.

Mr. PECK. I guess the simplest answer, Mr. Chairman, is that we got $450 million in ARRA funding to commence the Coast Guard headquarters. That funding had been delayed from fiscal 2009, we hadn't gotten it. It allowed us to proceed, and quite honestly, we are significantly in the ground right now.

Mr. PRICE. All right. So in terms of the map and the sequencing we are looking at here, had it not been for the Recovery Act funding, we really would still be entirely in the confines of phase 1?

Mr. PECK. I don't think we would have broken ground on phase 1, I think we would still be in the confines of doing a lot of planning.

Mr. PRICE. All right. Well, I understand we are going to hear Director Geisler on the lease consolidation?

LEASE CONSOLIDATION COST

Mr. PECK. Yes, sir. If I can introduce Kathleen Geisler, who is the Director of our leasing division in the National Capital Region, and she has been working on the consolidation. They don't make me put my hands over my ears, but I can't talk about it. I can hear what she says though.

Mr. PRICE. Good. Well, we welcome you, Director, to the witness table.

Ms. GEISLER. Good morning.

Mr. PRICE. There have been some conflicting estimates, Director, as I understand, about the exact timing of the lease consolidation. Is there any chance it could be less expensive next year if we wait? What kind of estimates do you have and what kind of risk would we be incurring in deferring all or part of this?

Ms. GEISLER. The risk that we would be incurring if we delay is the lease extensions that we currently have in place that coincide with the move of some of those components into the St. E's facility, as well as other components that we would be consolidating where we have done extensions to be able to move in the 2013 and 2014 time frame. So we do have a fairly complex master plan of the various leases and where they would go as we consolidate the 1.1 million of lease consolidation and the mission support.

Mr. PRICE. All right. If you want to furnish further information for the record that will give us a precise handle on that, that would be helpful because we are going to have to figure out how much of this we can afford to do and when we can afford to do it.

Ms. GEISLER. We would be happy to.

Mr. PRICE. And we know that $75 million for lease consolidation is only a down payment. Director, we do need a better answer than we have gotten this morning thus far about the total cost of lease consolidation. I wonder if you can give us a better answer, and also tell us what measures are in place to ensure those costs don't rise, assuming we go ahead with funding a good part or all of this.

Ms. GEISLER. I think the most critical part as we move forward, especially with the schedule of a $1.1 million of mission support acquisition, that becomes very critical because there are so many different leases that are tied to that consolidation. We believe that our schedule gives us ample time to do a good evaluation of the offers that come in. We also believe that we have maximized our ability to have good competition to actually get very good competitive rates. So we believe that we have taken all the steps necessary in conjunction with DHS to really come forward with a good plan and a good schedule to be able to——

Mr. PRICE. I am asking you what the cost is likely to be, given the fact that $75 million is only a fraction.

Ms. GEISLER. I would like to be able to present that to you at a later date. But it is difficult to give you the lease cost until we actually finish the acquisition because the way that the prospectus reads is that there are three different jurisdictions that are in play, and those three different jurisdictions have different caps.

Mr. PRICE. Excuse me. I understand some of those difficulties, but I want the best figure you can give us or the range of possible costs before we write this bill.

Ms. GEISLER. Okay, we will do that.

Mr. PRICE. So that means quickly.

Ms. GEISLER. Okay. We will do that.

Mr. PRICE. Thank you.

[The information follows:]

RESPONSE: The maximum annual allowable full service rents in FY12 (according to GSA's prospectus submission) are $38.624 million in Maryland ($34 per rentable square foot), $43.168 million in Virginia ($38 per rentable square foot), and $55.664 million in the District of Columbia ($49 per rentable square foot).

LEASE CONSOLIDATION COST SAVINGS

Mr. PRICE. Thank you. Now, Madam Under Secretary, your testimony indicates a potential cost savings of $400 million. I want to pin this down as much as we can. You indicated a potential cost savings of $400 million for the lease consolidation project alone, and the other figures you give I presume include that project plus the St. E's project overall figures, but let's just focus on that $400 million.

Over what time frame are you projecting these cost savings? How do you arrive at the figure? Is it based solely on rental costs, alternative rental costs, or what other components should we know about?

Ms. DUKE. We based that on the 30-year net present value, and we can provide the analysis for the record if we haven't done so already. But there are several components of that. The largest is rent, and we believe that we can save the rent cost through having less leases, bringing our buying power to the larger space, the 1.1 million, vice the many small leases we have now.

Additional costs are some of the shared services. For instance, when we are in 50 locations, you have mail services, you have security guard services, those type of things for each building. Being able to consolidate those support services, we estimate about a $26 million savings for that.

We talked about transient time earlier; that is, movement of DHS people throughout the day, both the cost of lost productive time and the cost of having the shuttle service to take us around.

There are also the energy savings. One of the requirements of the new building is we do believe we will have energy savings both through the new standards and through mandates we have for energy savings throughout our DHS projects.

Mr. PRICE. All right, thank you, that is helpful. And here, too, if you could furnish for the record as good a tabular breakdown as you can manage of where that $400 million projection comes from. And then let us know what your overall projection is in terms of cost savings for the Saint E's project and the lease consolidation, just so we know actually what we are dealing with here in terms of the trade-offs we face.

[The information follows:]

RESPONSE: The table below provides each item that makes up the Net Present Value (NPV) for the cost avoidances over 30 years for the Mission Support program:

SUMMARY OF TOTAL COST AVOIDANCE

[Dollars in millions]

LEED Energy	$115.3
Labor Efficiency	175.0
Mail Management	26.2
Cont. Sedan/Shuttle	23.3
Rent Cost Avoidance	138.4
Total	$478.2

The updated St. E's NPV Cost Avoidance is $600 million over 30 years which was determined by the General Services Administration using The Automated Prospectus System (TAPS), a cost modeling program that determines the comparison between the cost of leasing versus federal construction. Adding the Mission Support $478 million and the St. Elizabeths $600 million is $1,078 million net present value cost avoidance over a 30 year period for the St. E's project and the lease consolidation.

OFFICE SPACE REQUIREMENT GROWTH

Now, the estimates for office space needed to accommodate growth have risen somewhat in recent years from 8 million square feet to 10 million square feet. Naturally we look at that and wonder what has driven that change. An expectation for a larger headquarters cadre, or is it something else?

Ms. DUKE. It's driven partially by a larger headquarters cadre, and the functions of headquarters have grown. When you look at headquarters, we have many close-to-operational units; for instance, NPPD is not a traditional headquarters function. We have

about 3,800 people in headquarters now, which is obviously larger than the original estimate for headquarters, and those are in the National Capital Region.

Mr. PRICE. Well, we do want to make sure that these growth projections are quite well-grounded and well-considered. I don't think in a few years we want to be facing the unpleasant prospect of hearings before this Subcommittee where we are having these same discussions again about how DHS needs more money for more space.

Ms. DUKE. We are in the process right now—our program of record, which says how many people and where they go is from 2007. We are in the process now, since the change of administration, of reevaluating that. The Secretary herself is personally involved, and we are evaluating not only the proper numbers, but do they match the budget. So we are not looking at numbers, pie in the sky, that aren't supported by our program of record budgetwise. That will be completed this spring.

LEASE CONSOLIDATION

Mr. PRICE. Thank you. Mr. Rogers.

Mr. ROGERS. This is an enormously complex undertaking. I was just trying to decipher this diagram here. Now I know where they got the idea for the computer chip. Can you help us? Can you decipher this some on the charts?

Ms. DUKE. I think the summary—and Mr. Peck might want to add. What we want to do is we have approximately 50 locations right now in the National Capital Region. We want to get down to what you see here. We want to have St. E's as our headquarters. We want to keep some existing facilities that we are in right now in the National Capital Region; that includes the Nebraska Avenue Complex by American University, which is our current headquarters. That is a federally owned building.

We also want to keep the Ronald Reagan Building where we have CBP; the lease we have with the Transportation Security Administration for the two buildings at Pentagon City; the Secret Service Building; another federally owned building on H Street; and Potomac Center North, which is where U.S. Immigration and Customs Enforcement is now, near L'Enfant Plaza.

In addition to keeping those buildings, we need approximately 1.1 to 1.3 million gross square feet, and that is what was talked about earlier is we are out. We have a prospectus in front of the Hill, and a request for proposals will be coming out we hope within the next month that will solicit that new space.

Basically what this is showing is that we are going to take all those 50 locations—I think it is about 107, a lot of leases—and turn it into those eight to ten locations and leases that we can manage more effectively and just eliminate the middle of this chart.

Mr. ROGERS. So when it is all said and done, will the locations on the right-hand side remain in place?

Ms. DUKE. Yes, Mr. Rogers.

Mr. ROGERS. So we will have six-plus headquarters, places for all the agencies.

Ms. DUKE. Yes, yes.

Mr. ROGERS. What is the bottom chart; how does it relate to the top chart?

Ms. DUKE. I think the top chart is an amplification of the bottom chart. We try to show the data in more granularity. It was to answer the question asking if we are really prepared and if we know what we are doing in spending the $75 million that we requested in the 2011 budget. We tried to give a much more detailed look in the top chart.

Mr. PECK. It is more or less the Under Secretary and I looked at the wiring diagram, and also said could somebody show it in a way we can understand it. And the other chart is simpler and it just shows who is moving where, as opposed to who is moving where and when.

Mr. ROGERS. I think it would probably help us if we had a trigonometry specialist on our staff. I am going to take this to bed with me tonight.

Mr. PECK. It will help you sleep.

Mr. ROGERS. It will help me sleep.

The consolidation of leases will be completed by when, according to your plan?

Ms. GEISLER. We are planning to award that lease in mid-2011 with the move-in to be projected for 2013 and 2014.

Mr. ROGERS. Well, is that when the consolidation of the leases will be ended?

Ms. GEISLER. The consolidation of the leases will end around 2014 as we phase out of them. Because it is such a large block of space, it will be a phased move based on the expiration of the leases that we have in place.

Ms. DUKE. But that is to the new space, the 1.1 to 1.3 million square feet that we are actually acquiring. There is some movement of people in existing leased space to St E's, and the St E's occupancy isn't completed until 2016. So that will continue. We won't be down to the 8 to 10 in 2014. There will be a big large number of them going by the 2014 number. And then the finishing will be when we do the final phase of Saint E.

Mr. ROGERS. So we will need to find funding for all of the fiscal years, including fiscal 2016?

Ms. DUKE. We do have a complex plan that allows extensions in place. Our goal is not to do any double moves or to minimize them as much as possible because that is costly. The complexity is trying to get the things in place, have the final homes of each of the people. There will be some potential lease extensions for people moving to Saint E's or one of the locations that are not ready, but we are trying to do single moves as much as possible to keep the costs down.

Mr. ROGERS. So you don't want to go to the expense of an agency in the middle of the chart moving to the right-hand side and then go all the way back to the left-hand side?

Ms. DUKE. Correct.

Mr. ROGERS. But nevertheless, we are looking at some spending each year through fiscal 2016 to consolidate the leases, correct?

Ms. DUKE. Yes.

Mr. ROGERS. Will that number increase every year or decrease every year or remain roughly the same?

Ms. DUKE. I don't have our Future Years Homeland Security Program. I could provide that for the record in terms of a projection through 2015.

Mr. ROGERS. That would help us, I think.

[The information follows:]

RESPONSE: The total mission support consolidation is estimated by GSA to be about $263 million with the expectation that DHS will lease 1.2 million rentable square feet of space with a two-phase implementation schedule in calendar years 2013 and 2014. The current project costs are estimated based on a plan to consolidate mission support functions by 2014. In cooperation with DHS and OMB, a Mission Support Consolidation Prospectus for lease authority was submitted by GSA to Congress in October 2009 that will address the Department's current housing needs through Fiscal Year 2010. As the prospectus is for leased office space, GSA does not require a separate appropriation and all costs for tenant fit out requirements will pass directly to DHS. The $75 million included in the FY 2011 budget request will initiate the mission support consolidation effort by providing the necessary funding to acquire 1.2 million square feet of office space included in our prospectus. The remaining funding will be requested in future budget requests to deliver the space in FY2013 and FY2014.

CURRENT NUMBERS BASED ON PROGRAM ESTIMATES

[Dollars in thousands]

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	Totals
Mission Support	$0	$0	$75,000	$67,095	$57,781	$63,158	$0	$263,035

INTERIOR BUILD OUT

Mr. ROGERS. Help me out here. The total cost is $3.4 billion, of which GSA is responsible for property construction of $2 billion; DHS responsible for interior build-out, $1.4 billion; is that correct?

Mr. PECK. Yes, sir.

Mr. ROGERS. Since DHS' responsibility is interior build-out, why would we need this amount of money that is requested for this year, since I am not sure we are going to be in a position to spend for interior build-out, are we?

Mr. PECK. Well, let me distinguish between, in the building business, between interior build-out and what is called FF&E, furniture, fixtures and equipment. We are responsible for providing a building and an interior, ready to move into, meaning walls, lighting, air conditioning, heating.

Mr. ROGERS. GSA.

Mr. PECK. Yes, sir. And DHS is responsible for the furniture and information technology that goes in it. And often in projects, what you need to do is you need to order in advance that equipment so it is ready when you get there. Some of—just to make it more complicated—some of the information technology infrastructure, some of the cabling and things like that, does go on the DHS side of the ledger.

FUNDING FOR INFORMATION TECHNOLOGY

Mr. ROGERS. We have had some confusion, or at least I have been confused somewhat by the funding for IT infrastructure. We were briefed on March the 8th that the request of $287 million for Saint E's fails to include $69 million in information technology and infrastructure that is required to begin construction activities, which, if it were not there, could delay the project for up to a year as I understand.

And then last night at 5 o'clock, the Department said they need to retract the information provided the Committee on the $69 million omission for IT, and a more accurate answer would be submitted in the next few days.

Where are we on this? What is it all about?

Ms. DUKE. Well, first of all, Mr. Rogers, I would like to apologize for that confusion in the last minute right before hearing modification or answer. We do have a need in Fiscal Year 2011 to be doing a lot of IT infrastructure. We want to make sure that with IT we are building efficiencies into how we are going to deliver IT services.

Our current plan—and we will be coming back with a revised question for the record, I believe that came from the Secretary's hearing. What we plan on doing now is we believe that, like the first round of contracts, we will have a savings from the bids that are coming in. We have about six major contracts to be awarded this year in August. So with proposals coming in the next couple months, we believe that we will be able to adequately fund the IT infrastructure needs through the current funding level for Saint E's, without delay on a project.

Mr. ROGERS. Well, it is a bit jarring to us that we have got a $69 million item that is sort of bouncing around. That doesn't help your

veracity on the rest of the proposal. So are there any other things out there that are bouncing around that we don't know about that affect the dollar figure?

Ms. DUKE. No, this one we have known about, and I think the difference in the last-minute change is whether we consider it a problem or an unfunded requirement or something we can handle within the current project. And so we have always known about this issue. The difference is we feel confident we can handle this within the existing project budget and with our IT priorities within DHS.

Mr. ROGERS. Well, consolidation of the Department is necessary. It is a great idea. It reminds me of an old saying that I like to carry around, that "vision without funding is a hallucination." And Mr. Chairman, I may be hallucinating, but this is going to take some time to understand.

Mr. PRICE. Thank you. It does lead one to intuitively understand the importance of consolidating some of this, however. DHS is an impossibly spread-out, dispersed agency. We understand that problem.

Mr. Farr.

OFFICE CONSOLIDATION

Mr. FARR. If we could use that other chart, I think it is more helpful, at least for the question I am going to have. What essentially I see on that chart is you are going to end up with a total of seven places for Department of Homeland Security, the six on the right and the one St. Elizabeths on the left.

But what I don't understand is that in a couple of those areas, it seems to be how do you split the baby. That first chart, I can't even read all the alphabets that are under there. As you see the green line that is going to the NAC building on Nebraska Avenue, but it is also showing that it goes to St. Elizabeths. If you go down that chart, the same thing with CBP, the same thing with DNDO, with TSA, ICE, and USSS. How do you global—those are ones that are all showing going both directions.

Ms. DUKE. The St. E's, as we said, will not accommodate all of DHS headquarters; it is 14,000 seats. I think we have about a 35,000-seat need. So where you see the line going both places, in some cases, we expect all of one component to be there. For example, FEMA currently is projected to be on the east campus, 100 percent of FEMA. There are some components——

Mr. FARR. Space limitations.

Ms. DUKE. So CBP will keep space at the Ronald Reagan Building.

Mr. FARR. How do you decide who to split?

Ms. DUKE. We are working on that. There is a program from 2007 that shows the splits. With the change of virtually all the leadership in DHS, we are going back and reevaluating whether this is a good split.

Mr. FARR. Okay.

Ms. DUKE. We do need the senior leadership team to have some presence, but you will see a split. There is no way to not have a split.

DIVESTING FUNCTIONS

Mr. FARR. In this process of reassessing, is there any interest in looking at perhaps some of these components shouldn't be in DHS? I mean, there has been some criticism, particularly the Ag folks and things like that, that were brought over to Ag inspectors.

Ms. DUKE. No, I think the Secretary feels comfortable that everything in DHS should be there. I think that our first Quadrennial Homeland Security Review demonstrates that and our follow-on work. So we are now just looking not at divesting of functions, but actually what is the best split so that the components can execute their missions most effectively.

Mr. FARR. Even with all the investment in St. Elizabeths, you add up all the different agencies, and obviously they are different sizes, the sign on the left there is going to be 34 of those outside St. Elizabeths and 24 inside St. Elizabeths. So more of the Department will still rest outside of St. Elizabeths.

Ms. DUKE. Yes, that is correct, slightly more than half.

Mr. FARR. And certainly not consolidated. These are all around town.

Ms. DUKE. The good thing we can do with the consolidation, though, is getting the leadership team together. I mean, one of our most important missions—we have our day to day—is having the leadership team together in an incident response and recovery-type scenario. This is the largest—there is no possible way to get all 35,000 DHS National Capitol Region people together in one locations. It physically doesn't fit.

INFORMATION TECHNOLOGY FUNCTIONS INTERLINKED

Mr. FARR. Is their IT going to be all interlinked?

Ms. DUKE. Yes. That is a huge part. We have task forces under this. The overarching executive committee is led by the Deputy Secretary and our Chief Information Officer, Richard Spires, leads the IT.

And we think that both IT, in general—but the co-location of the command centers adjacent and with the NAC is huge in the incident situation.

SENSITIVE COMPARTMENTED INFORMATION FACILITY

Mr. FARR. Do you have to build Sensitive Compartmented Information Facilities (SCIFs) in any of these facilities?

Ms. DUKE. I believe there will be SCIFs.

Mr. PECK. At St. Elizabeths, yes, sir.

Mr. FARR. I have never really asked this question, but what is the determination of what agencies, Federal agencies, are partners with GSA and which ones aren't? Obviously the Pentagon has their own MILCON that is separate from GSA. But other areas, USDA, the Department of Agriculture, they are not a partner with GSA.

Mr. PECK. Yes, sir.

COST ALLOCATION

Mr. FARR. What is the determination of what departments get to go on their own capital outlays and which are construction and which are partners with GSA?

Mr. PECK. Some of it is history. Some agencies have long, proud traditions. And GSA didn't come along until 1949 when the government decided to have a truly consolidated real estate function, so some had been doing it before. The best example is probably the Treasury Department which used to house the building function. And I believe there was a negotiation in 1949, and they got to keep their headquarters building as something they do themselves.

Some others, like the Forest Service, has a lot of small leases in—or they built small things in the national forests. Some occasionally lease right outside the national forest. Because they have people there on the ground and they know the market, it is actually more efficient for the government for them to do that kind of work than it would be for GSA to have to either hire people to do it separately or to hire some private real estate person to do it.

Mr. FARR. Are there any papers discussing all of that? I would just be curious to read up on it. Are there thresholds where GSA—I have also dealt with the bureaucracy of the GSA.

Mr. PECK. I don't know that anyone has taken a look. We do have an Office of Government-Wide Policy that takes a look at real estate across the board. I don't know that anybody has taken a significant look at who does what. For example, the military departments which do building on military reservations. But if they are off it, and we need to lease space for the Army, Navy, Air Force, we generally do it.

There has been that split which I don't think has been challenged anytime recently. I ask the question all the time. We often get other agencies saying, We like to do real estate ourselves, or will you do it for us, even though we have the authority and we work those things out. I don't know that anyone has taken a government-wide look at who really should do what or does do what.

I do believe still that there are—I wouldn't say a perfect allocation of responsibilities, but I think like so many things in our government, it mostly makes sense.

Mr. FARR. Thank you.

LONG AND SHORT TERM LEASE COST

Mr. PRICE. Thank you. We will proceed with a rather abbreviated final round, and we appreciate your sticking with us here and helping us pursue some very important questions.

I have a couple of rather narrowly targeted ones, but I do want to ask them in this session because I think they do help us get a little better fix on this and some comparative perspectives.

I will start with you, Commissioner. You note in your testimony that the Department is retaining long-term leases for TSA and ICE, and will soon be procuring interim leases for the Coast Guard and CBP. So that does offer perhaps a point of comparison, a way for us to compare the costs we are considering for construction, vis-a-vis additional long-term leases for mission support.

What are the prices of the long-term leases GSA has retained for these two components? And what is the expected cost for the interim shorter-termed Coast Guard and CBP leases? What kind of prospectus can you give the Committee on the kind of relative costs we are talking about?

Mr. PECK. That is a great question. I will have to provide you those numbers for the record, because they are specific leases and I will have to go back and find out what they are.

[The information follows:]

RESPONSE: The price of the long term lease of TSA at Pentagon City is $17 million per annum, while the price of the long term lease of ICE at Potomac Center North is $20 million per annum.

GSA calculated that St. Elizabeths has a $31 million annual cost advantage over equivalent leased space of 4.8 million usable square feet (USF). Of this total amount, ICE and TSA will occupy 742,500 USF. On a pro rata basis, the annual cost advantage is approximately $4.8 million. The underlying discount rate assumption for this is 4.5% per annum. Both TSA and ICE long term leases will be retained as anchor locations in the DHS Headquarters Consolidation plan.

Mr. PRICE. But you would agree that it is a relevant question and that when we examine the claims for long-term versus short-term leases and the kind of savings we are projecting here, it is relevant to look at those kinds of examples.

Mr. PECK. Yes, sir. I also think we owe you the dollar assumptions and interest rate assumptions and term assumptions we have made on our net present value of savings, and we can provide those to you. I can tell you what lease rates we assumed the Agency would pay in government-owned space and what we would assume in a lease, and we can at least get you that comparison, as well as giving you these actual numbers of leases today.

Mr. PRICE. All right, I really think that would be helpful.

[The information follows:]

RESPONSE: Responses to a data call for a staffing benchmark analysis conducted by the DHS Chief Administrative Officer estimates that DHS Headquarters (HQ) and the component HQ's currently have approximately 50 real estate professionals involved with managing the DHS HQ and component HQ's real estate portfolio in the National Capitol Region (NCR). An esimate of the time involved managing the real estate portfolio indicates that approximately 300 work hours per year per person is currently expended. This equates to an esimated 15,000 man hours per year of real estate management that can be avoided after consolidation. Using an hourly rate of $38.22 per hour (GS–12/Step 3 Washington, DC) equals an annual cost avoidance of $574k per year.

CONSOLIDATION SAVINGS

Mr. PRICE. Madam Secretary, let me turn to you for a last question. This has to do with what it costs to oversee all this, to administer it. According to your testimony we are talking about 180 existing leases in the DHS portfolio; is that right?

Ms. DUKE. Yes, that is approximately.

Mr. PRICE. Now if we can find a way to fund consolidation, could we anticipate a reduction in headquarters staff or at least some administrative savings in overseeing these scores of leases and other management costs? Can you put a figure on that?

Ms. DUKE. I don't have a figure right now; but yes, I do think we would have efficiencies in all the management proposals. Most of the overseeing is done throughout DHS. It is not just done in management. But I think it would be reasonable for the committee to expect efficiencies as we reduce the numbers and make it less complex.

Mr. PRICE. Well, there too, the more specific you can make that, the more helpful it will be. I think all my other questions I will submit for the record. So I will turn to Mr. Rogers.

COMPLETION DATE FOR ST. ELIZABETHS

Mr. ROGERS. And I will be very brief in closing. When will we be able to say it is done, it is all over?

Ms. DUKE. Right now, total completion of St. E's and all the other consolidations are targeted for 2016.

Mr. PECK. Yes, sir, that should be—that is our goal. As you can see in the funding, the last really significant funding we are going to ask for St. E's is in fiscal year 2014, and then we finish up the construction and it should be done by fiscal year 2016.

Mr. ROGERS. You hesitated before you answered.

Mr. PECK. I was wondering whether you were thinking—I am thinking lease consolidations and all the moves, but that is our schedule if the funding stays on schedule.

Mr. ROGERS. I hear a lot of "shoulds" and "ifs" and "maybe." You don't seem really committed.

Mr. PECK. Sir, there are—if everything were under our control, including the funding spigot, I would be very confident. But I have been in this business a long time and I learned that sometimes you say, okay, we are ready to go, but somebody else isn't. And as I said, we will be there if we get the funding as we need it. If we don't, we won't make it.

Mr. ROGERS. It took the Pentagon 2 years from the date of ground-breaking to commissioning. Two years. They had to relocate National Airport before they could build the building.

Mr. PECK. Correct. And they did a relocation out of the building that is now in the State Department Complex. They moved fast. Our country can, when we have to, because we all know from the Pentagon reconstruction after September 11th, when we want to, we can beat our schedules.

OFFICE CONSOLIDATION

Mr. ROGERS. One final question. I thought I had this figured out, but in the chart that is showing there now, you show certain of the locations migrating to one of the six locations. But then on the other side, you show the same ones migrating to the St. E's.

Ms. DUKE. And that is because not everybody—two things. Not everybody at one location will go to one or the other. So it could be just that there are multiple functions in one of the middle locations now. It also goes back to the question Mr. Farr asked about; we will be splitting the components. So a piece of CBP will go to St. E's, but a piece of CBP will stay at the Ronald Reagan Building. The current plan does require a split of components, both the headquarters and the operating components.

Mr. ROGERS. For example, CBP might have people at two different places?

Ms. DUKE. Yes. What the split is at the highest level is mission versus mission support. So, say, in CBP the direct mission would be there, but then they have contracting support and they have logistics and they have those type of functions. So because of the space constraints of St. E's, not all of that would be there. We would have the mission support co-located in predominantly the new space but in some of these other locations, also.

Mr. ROGERS. Well, as we have said from the very beginning of the DHS, and even before then, and every day since, IT is terribly important to the mission of DHS and the consolidation and communications between wherever the personnel are. So the IT question that we asked you about earlier is a terribly important piece of this project. So I would hope that we would be sure we get the IT right in the new building as well as the six adjuncts.

Ms. DUKE. Absolutely. I want to add the Department's commitment—I know my commitment doesn't mean as much this week as it might have in the past, but I have personally engaged with the Secretary and the Deputy on this. They are committed, and they recognize and understand the importance of the IT.

The Deputy Secretary is chairing these. We meet monthly on this with the senior leadership and component heads. We are committed. It is one of the Secretary's priority. The reality is that the problem is not going to go away unless we fix it. It has gotten worse in the life of DHS. Is a very difficult decision for the Congress to look at spending money to make us more efficient in these tight budget times. But the problem will not go away without an actual movement and fix.

Mr. ROGERS. We appreciate all of your testimony and your support staff being here today.

Secretary Duke, we wish you well and want you to come back and visit with us.

Ms. DUKE. I will. Thank you.

Mr. ROGERS. Maybe we will see you on the campus here, this side or the other side.

Ms. DUKE. After 8 years at the Department, I might be in the parts still operated by D.C.

Mr. ROGERS. We will see you there.

Mr. PRICE. Mr. Farr.

Mr. FARR. Thank you, Mr. Chairman. Good luck with your next endeavors in your life. Thank you for your service to our country.

Mr. Peck, you are going to stick around for a while, aren't you?

Mr. PECK. I am a political appointee, as long as they'll have me; yes, sir.

HISTORICAL SIGNIFICANCE

Mr. FARR. I was thinking I didn't come to this hearing knowing how significant this is. This is the largest construction since the Pentagon, which was 73 years ago. I mean, we are talking about trying to set out as models for this Nation of building for the next century and using LEED's ideas, IT.

I think this is an opportunity to showcase government at its best. And I have worked with Duke and—I mean with Clark Pinnacle, Pinnacle being the realty company. Clark in my district is a phenomenal company. It builds well and they build beautifully. I think about all the architectural design, the way this is going to merge. It is going to be on your watch, on our watch. We are responsible for the oversight and funding. I hope this just comes back as one of those things that we will be as proud of as anything that has ever been done in this great city, because we really have an opportunity to do it, do it well, and I think design—my father was the first Director of Highway Beautification. He came up with the idea

of scenic highways, and it led to being the Director of Highway Beautification under Lady Bird and President Johnson. And that is how I got involved with hearing about Washington and all the great things going on here in those days. So now on your watch.

Mr. PECK. Congressman, I grew up here. My father was assigned as an Army officer to the construction project at the Pentagon somewhere around 1941 or 1942. He then made the mistake of transferring to military police. But in any event, one of the reasons I am back in this job is that the opportunity to do this project and other Recovery Act projects around the country, this happens to be, I think, the best job in American real estate.

When I was in the job before, I was fortunate to preside over the beginning of our design excellence program in which we began once again building buildings that, as we say, are worthy of the American people. I think we are going to do that on this project, too. We are determined to do that.

The Coast Guard Building itself, if you look at the design, is going to be a terrific example for green design. It is a beautiful building. Just in passing, the site happens to have one of the most fantastic views of the city of Washington that you can imagine, and it is going to be a terrific campus, a great place I think for the people in DHS to work together and productively, and it is going to revitalize the city as a side benefit. We are proud of it and determined to do it right.

Mr. FARR. Thank you. Thank you, Mr. Chairman, for the hearing.

Mr. PRICE. Thank you. And thanks to all of our witnesses. Commissioner, glad to have you, to welcome you on board——

Mr. PECK. Thank you, sir.

Mr. PRICE [continuing]. And to talk with you this morning. Director Geisler, thank you for your contribution, and Secretary Duke.

Ms. DUKE. Chairman Price, I would also like to thank this Committee. You have been so supportive of us. When I look back, there is still so much to do, but we have done a lot. And one of the things—we have a few interns here—your support of revitalizing the acquisition workforce not only for DHS but the Federal Government. I know it is difficult to support initiatives in management, and you have been wonderful to us. Your staff has always thought to understand. I just wanted to formally thank you for that.

Mr. PRICE. Thank you. I know you mean the bipartisan leadership of this Committee, which, after all, has worked with you over a good portion of the Department's life.

Ms. DUKE. Thank you.

Mr. PRICE. So we join in thanking you for your contribution and thanking all of you for being here this morning.

Thank you. Committee is adjourned.

Hearing before the House Appropriations Subcommittee on Homeland Security

Homeland Security Headquarters Facilities: St. Elizabeth and Beyond

Questions for the Record

March 25, 2010

Table of Contents for Questions for the Record

Representative	Page Numbers
David E. Price	3-12
Harold Rogers	13-14

QUESTIONS FOR THE RECORD SUBMITTED BY

Chairman David Price

Under Secretary for Management Elaine Duke
Homeland Security Headquarters Facilities:
St. Elizabeths and Beyond
March 25, 2010

Contracts

Question: Please provide for the record a complete list of contracts out for bid and awarded thus far for all phases of the St. Elizabeths Project by DHS, including opening and closing date of competition, award date, winning contractor, type of contractor and award amount. Non-competitive contracts should be noted as such.

ANSWER: The General Services Administration (GSA) is developing the St. Elizabeths Campus on behalf of DHS as the Consolidated DHS Headquarters. As such, all of the FY 2009 DHS appropriation ($97.578 million) and $198.9 million of the $200 million provided in the American Recovery and Reinvestment Act (ARRA) has been transferred to GSA for execution through Reimbursable Work Authorizations (RWAs). GSA will respond on the contracting status for all funds under their control for execution.

For the $1.1 million of ARRA funds retained by DHS, approximately $600K was used to procure goods and services to support the SDHS Site Security Team. The remaining funds were used for salaries and benefits to support the Site Security Team. The following table summarizes all procurements executed by DHS:

Contract Number	Opening Date	Closing Date	Vendor	Vendor Type	Award Amount	Note
HSHQDC-09-X-00507	N/A	N/A	SPAWAR	Interagency Agreement	$470,000.00	1
HSHQDC-09-F-00104	6/11/09	6/19/09	Textron	Large	$46,608.00	2
HSHQDC-10-F-00023	1/7/10	1/13/10	Textron	Large	$13,942.00	3
R0005	7/10/09	12/07/09	Auto-Choice/GSA	Large	$69,853.62	4
Total					**$600,403.62**	

Note 1: The Interagency Agreement (IAA) with the U.S. Navy Space and Naval Warfare Systems Command (SPAWAR) procured an Access Control Study for the St. Elizabeths Campus, and equipment for the Site security Team to manage the security aspects of the campus development. SPAWAR was chosen for this procurement due to their specialized experience in physical security and access control systems. To assure competitive processes were used by SPAWAR in the acquisition of items under the IAA, the department required SPAWAR to use open competition for all procurement actions.

Note 2: The Headquarters Management and Development (HMD) Program Office purchased six electric carts (five, 2-passenger carts and one, 4-passenger cart) to use for the Site Security Team transportation around the large campus. These carts were procured through open competition.

Note 3: The HMD purchased one, 6-passenger electric cart to use for transportation of larger groups of people around the large campus. This cart was procured through open competition.

Note 4: The HMD purchased 2 hybrid vehicles for the Site Security Team use at the St. Elizabeths campus. These vehicles were purchased with open-competition through General Services Administration's Auto-Choice program.

Growth in Demand for Space

Question: Please provide an outline of and an explanation for the series of evolutions in the growth projection for needed headquarters office space.

ANSWER: A Program of Requirements (POR) is an assembly of an organizations current and future staffing levels and special space requirements and is used by organizations to predict future growth for space planning. An initial POR for each DHS Component was developed in 2005 by GSA to establish a baseline for the DHS Headquarters (HQ) consolidation. The 2005 POR compiled all of the Component PORs and established the population of the DHS HQ in the National Capitol Region (NCR). The 2005 POR has been updated over the past few years to refresh data and predict the future growth for all of the DHS HQ and Component HQ over Fiscal Years (FY) 2010-2015. The DHS HQ and Component HQ's are projected to grow about 3.5% a year over this period; from a current population of 31,000 growing to a predicted population of 37,800.

Environmental Impacts of St. Elizabeths

Question: Please describe in detail the efforts that have been made to alleviate preservationists' and environmentalists' concerns about the St. Elizabeths project.

ANSWER: The Department and GSA have engaged in an extensive consultation process on the environmental and preservation impacts of the development on the National Historic Landmark (NHL) since the beginning of the project in 2005. These consultations continue today and will occur throughout all the development phases.

The St. Elizabeths Master Plan, Final Environmental Impact Statement (FEIS) and National Historic Preservation Act (NHPA) Section 106 Programmatic Agreement (PA) executed in December 2008 and January 2009 detail the high level planning actions and commitments that both GSA and DHS will take to minimize harm to the maximum extent possible and mitigate the impacts of the development on the NHL. The Final Master Plan benefited from a comprehensive consultation process to address preservation concerns while also satisfying the Department's operational requirements and includes Preservation, Design and Development Guidelines (PDD's) to inform the overall campus and individual building design process. In addition, a Cultural Landscape Report (CLR) was prepared and documents the contributing landscape features present throughout the campus.

While the Master Plan, Section 106 PA, the PDD's, and the CLR establish the broad guidance for preservation and mitigation actions, the design of each individual project goes through it's own consultation to assure all planning and actions are taken to minimize harm to the maximum extent possible while meeting the programmatic needs of the department. The successful conclusion of the individual project consultations result in a Memorandum of Agreement developed with all of the consulting parties/stakeholders input and executed by the signatories including GSA, DHS, the National Capital Planning Commission, the DC Historic Preservation Officer and the Advisory Council on Historic Preservation. To date, MOA's have been successfully executed for the U.S. Coast Guard (USCG) HQ building and garage, the Security Perimeter Improvements and the Phase 1B Adaptive Reuse of certain Historic Buildings for shared use functions to support USCG occupancy. Additional MOA's will be generated as the project moves forward with succeeding phases.

The St. Elizabeths development is a model of the successful integration of historic preservation with agency programmatic requirements informed by a comprehensive collaboration effort with all stakeholders.

Question: How is DHS working the local community to ensure their concerns are resolved and that the campus has the hoped-for positive impact on the community while remaining adequately secure?

ANSWER: St. Elizabeths is the largest federal development in the region and is an extremely complex project with many stakeholders and varied interests in the outcomes. From project initiation in 2005, DHS and GSA have implemented a comprehensive engagement plan with all of the stakeholder groups with interests in the St. Elizabeths development. To be successful, the Department recognizes it must effectively manage the physical campus improvements while integrating the broader community and policy goals.

DHS and GSA outreach effort have included the following:

- Public meetings throughout the National Environmental Policy Act (NEPA) and Master Planning process for the campus development.
- Town Hall meetings with Delegate Norton and local residents
- Industry/Small Business Meetings on development opportunities.
- Community Meetings (Barry Farm, Advisory Neighborhood Commissions)
- Attendance at Ward 8 Business Council Meetings
- Attendance at Ward 8 Workforce Development Council Meetings
- Interagency coordination on broader economic objectives
- Ongoing coordination with DC Office of Planning and Deputy Mayor's Office for Planning and Economic Development on East Campus DHS occupancy and DC plans for development.

DHS is particularly mindful that Ward 8 is the most economically disadvantaged ward in the City. DGS abd GSA are executing the project together in a sensitive manner that focuses on both the near term opportunities for economic benefits/jobs associated with the development and the long term opportunities for employment with DHS at St. Elizabeths.

To facilitate the near term community interests for job opportunities, GSA and the prime contractor for the new USCG HQ, Clark Design-Build LLC, established an Opportunities Trailer on the campus to provide a one-stop-shop for community members to apply for jobs with the development. Both the prime contractor and its subcontractors will have access to this data base of job applicants. Moreover, the community members only need to apply at this one location and do not need to seek out individual subcontractors for opportunities to gain employment. GSA is also conducting 8 (a) Certification training sessions at the Opportunities Trailer to facilitate greater small business participation in the development. In addition, the GSA Central Office is sponsoring Preparation for Apprenticeship Classes to further assist community members in obtaining opportunities with the development.

The Department's outreach efforts are focused on assisting GSA with the near term efforts and engaging the community on the type of employment opportunities that will be available as functions move to the campus. Ongoing efforts include:

- Identification of points of contact/engagement in the community. A representative from the DHS Chief Human Capital Office attends the monthly Ward 8 Workforce Development Council to provide linkage with other programs and initiatives in the community.
- Information sharing on types of jobs that will be available and the knowledge, skills and abilities necessary to compete.
- Identification of existing DHS employment/recruitment programs that may be appropriate for community support.

In addition, as part of the National Historic Preservation Act Section 106 Programmatic Agreement executed in conjunction with the Final Master Plan, GSA and DHS are in the process of establishing a Citizen's Advisory Panel, under the auspices of the Federal Advisory Committee Act (FACA) to provide a continuing formalized means of coordinating community concerns both during the development and after DHS occupancy.

The new Consolidated DHS HQ Campus at St. Elizabeths will be considered critical infrastructure for essential governmental functions. Accordingly, the security measures to be deployed at St. Elizabeths will comply with the new physical security criteria of the Interagency Security Committee (ISC). The entire HQ site will be designated an ISC Facility Security Level V facility. This designation requires the higbest level of protection for a high threat, highly symbolic U.S. Government facility.

An integral part of the facility design process will be coordination with the local community to develop an overall strategy to ensure the most cost-effective and efficient development of the facility, including security concerns. This process will integrate site development and security requirements with community concerns including future commercial growth and development in the surrounding community.

Although the campus will be designated as an ISC Level V facility, DHS has committed to work with the community to allow periodic (up to daily depending on demand and resource availability) controlled access to certain areas of the campus such as the point, the cemetery and the auditorium for public meetings on a not to interfere basis with our operations and threat conditions. The DHS commitment to providing public access at St. Elizabeths is memorialized in the National Historic Preservation Act (NHPA) Section 106 Programmatic Agreement to which DHS is a signatory.

Since its opening in 1855, St. Elizabeths has been in some form, a secure campus. Patients were treated here that could not function in the public domain and the historic wall along Martin Luther King Jr. Avenue not only protected the patients privacy but also provided security to keep the patients from wandering off the campus.

The level of security and the threats DHS faces today are not the same as those of the historic campus. While St. Elizabeths was not an "open" campus, it was one of the largest employers in the area and many local residents worked at St. Elizabeths and they had access to the Point and other areas. The Department respects the historic connection of tbe campus to the community, which is why we have committed to provide periodic public access to the campus.

QUESTIONS FOR THE RECORD SUBMITTED BY

Chairman David Price

Public Buildings Service Commissioner (GSA) Robert Peck
Homeland Security Headquarters Facilities:
St. Elizabeths and Beyond
March 25, 2010

Contracts

Question: Please provide for the record a complete list of contracts out for bid and awarded thus far for the St. Elizabeths Project by GSA, including opening and closing date of competition, award date, winning contractor, type of contractor and award amount. Non-competitive contracts should be noted as such.

ANSWER:

RECOVERY: Campus Coordinator for the Consolidation of the Department of Homeland Security (DHS) at the St. Elizabeths Campus, SE, Washington, DC.

RECOVERY
Solicitation Number: GS11P10MKC0063
Agency: General Services Administration
Office: Public Buildings Service (PBS)
Location: Property Development Division (WPC)
DUE: 07/16/10

RECOVERY: Adaptive Reuse of Historic Buildings for the Consolidation of the Department of Homeland Security (DHS) at the St Elizabeths Campus, SE, Wash., DC

RECOVERY
Solicitation Number: GS11P10MKC0057
Agency: General Services Administration
Office: Public Buildings Service (PBS)
Location: Property Development Division (WPC)
DUE: 07/20/10

Recovery: Construction Management Support Services for Phase II of the Department of Homeland Security Consolidation, at St. Elizabeths Campus, SE, Washington, DC

RECOVERY
Solicitation Number: GS11P10MMD0007
Agency: General Services Administration
Office: Public Buildings Service (PBS)
Location: Property Development Division (WPC)
DUE: 08/03/10

RECOVERY: SECURITY PERIMETER for the Consolidation of the Department of Homeland Security (DHS) at the St. Elizabeths Hospital site in Anacostia, Washington,DC.

RECOVERY
Solicitation Number: GS11P10MKC000058
Agency: General Services Administration
Office: Public Buildings Service (PBS)
Location: Property Development Division (WPC)
PRICE PROPOSAL RECEIVED: 07/01/10 (with Source Selection Evaluation Board)

RECOVERY: Construction of New U.S. Coast Guard Headquarters Building, Washington, DC

RECOVERY
Solicitation Number: GS11P09MKC0051
Agency: General Services Administration
Office: Public Buildings Service (PBS)
Location: Property Development Division (WPC)

Contract Award Date:

August 14, 2009

Contract Award Number:

GS11P09MKC0051

Contract Award Dollar Amount:

ARRA Funds: $162,184,000; NON-ARRA Funds: $273,197,000; TOTAL CONTRACT VALUE: $435,381,000

Contractor Awarded Name:

Clark Design/Build, LLC

Contractor Awarded Address:

7500 Old Georgetown Road

Bethesda, Maryland 20814

United States

RECOVERY: Construction Management Support Services – Phase I, US Department of Homeland Security (DHS) Headquarters Program – St. Elizabeths Campus, Washington, DC

RECOVERY
Solicitation Number: GS11P09MKD0053
Agency: General Services Administration
Office: Public Buildings Service (PBS)
Location: Property Development Division (WPC)

Contract Award Date:

November 6, 2009

Contract Award Number:

GS11P09MKD0053

Contract Award Dollar Amount:

$3,282,059 consisting of ARRA Funds @ $1,542,567; NON-ARRA Funds @ $1,739,492

Contractor Awarded Name:

Tishman/AECOM, A Joint Venture

Contractor Awarded Address:

3101 Wilson Blvd Suite 900
Arlington, Virginia 22201-4419
United States

RECOVERY: ARRA Funded: A/E Design Services for the United States Coast Guard Project in Washington, DC - St. Elizabeth West Campus - Phase I

RECOVERY
Solicitation Number: GS11P05MKC0045
Agency: General Services Administration
Office: Public Buildings Service (PBS)
Location: Property Development Division (WPC)

Awarded: 04/14/2006 @ $5,884,729.03

Award Amount to Date: $31,491,255.59

Contractor Awarded Name:

Perkins + Will Inc.

Contractor Awarded Address:

330 N. Wabash Avenue

Suite 3600

Chicago, Illinois 60611

United States

RECOVERY:ARRA Funded: A/E Design Services for the United States Coast Guard Project in Washington, DC - St. Elizabeth West Campus - Phase II

RECOVERY
Solicitation Number: GS11P08MKC0079
Agency: General Services Administration
Office: Public Buildings Service (PBS)
Location: Property Development Division (WPC)

Awarded: 12/14/2009 @ $37,417,674.00

Contractor Awarded Name:

GOODY CLANCY HDR, LLC

Contractor Awarded Address:

420 BOYLSTON ST

BOSTON MA 021163866

Department of Homeland Security Headquarters Consolidated Project at St. Elizabeths Hospital (FEMA, CBP, ICE, TSA) - Design Services for Phase III

RECOVERY

Solicitation Number: GS11P08MKC0080
Agency: General Services Administration
Office: Public Buildings Service (PBS)
Location: Property Development Division (WPC)

Contract Award Date:

March 30, 2010

Contract Award Number:

GS11P08MKC0080

Contract Award Dollar Amount:

$61 Million

Contractor Awarded Name:

Zimmer Gunsul Frasca Architects LLP

Contractor Awarded Address:

1223 SW Washington Street, Suite 200

Portland, Oregon 97205

United States

ARRA Announcement for the Central Utility and Heating Plant at the St. Elizabeth's West Campus, Washington DC. Contract No. GS-00P-06-BSD-0393/Delivery Order Name GSP1109MKD0091

RECOVERY
Solicitation Number: GS-00P-06-BSD-0393
Agency: General Services Administration
Office: Public Buildings Service (PBS)
Location: Property Development Division (WPC)

Awarded: December 28, 2009

Task Order One Cost: $3,782,500.00

Area-wide Public Utility Contractor: Washington GAS

AWARDED: July 1, 2009

Contract GS11P09MKC0061, [8(a) COMPETITIVE] Demolition and Remediation Services for Warehouse 118, Warehouse Annex 118A and Buildings 130, 11, 12, 53 & 55 at St Elizabeths West Campus, Washington, DC

L & M Construction, Inc.

8529 Ashwood Drive Phone: (301) 808-2481

Capitol Heights, Maryland 20743-3719 FAX: (301) 808-2483

Award Amount: $1,195,000

Job Creation

Question: Please provide a more detailed answer than was provided in the DHS testimony that indicates how many jobs the St. Elizabeths project and lease consolidations are projected to create. Please outline your methodology with your answer.

ANSWER: The total cost for the St. Elizabeths project is $3.4 billion, which will be funded by GSA and DHS. During the peak period of construction, there will be over 1,000 workers on site and approximately 100 subcontractors and vendors supporting the prime general contractors. The project is expected to generate more than 30,000 jobs in both direct and indirect employment through its duration.

Environmental Impacts of St. Elizabeths

Question: Please describe in detail the efforts that have been made to alleviate preservationists' and environmentalists' concerns about the St. Elizabeths project.

ANSWER: GSA is pursuing an environmentally sustainable campus as well as preserving the historic community. Within the St. Elizabeths' Master Plan, the Transportation Management Plan heavily depends on public transportation. The campus will be located near two Metrorail stops to ensure those working on the campus can easily access mass transit. The campus will only have one parking space for every four employees, which means there is a critical need for mass transit and carpools. For this reason, GSA is working diligently with state transportation agencies in Virginia and Maryland to explore park and ride bus transportation options from suburban locations. GSA is also working with the District Department of Transportation to provide access for the bulk of the employees from nearby highways to avoid impacting local road networks.

GSA is committed to achieving at least a Silver certification under the Leadership in Energy & Environmental Design program of the U.S. Green Building Council, but we are striving for Gold certification. The first phase of this project is to complete the U.S. Coast Guard (USCG) Headquarters. This building will have five acres of green roof, narrow floor plates to maximize access to natural light, an innovative HVAC system, and a combination of landscaping, underground cisterns, and a small lake that together will capture and reuse all runoff for up to a 15-year storm event.

In addition, our plan is to meet the sustainable requirements outlined in the Energy Independence and Security Act, the Energy Policy Act and the Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings. The USCG Headquarters will have a green roof and a series of landscaped gardens and retention basins that will absorb storm water runoff. It will have an abundance of natural light, sophisticated heating ventilation and air conditioning systems, as well as a utilization of local and recycled materials.

GSA is also undertaking extraordinary measures to protect and enhance the many historic components of this National Historic Landmark. We have consulted with the District of Columbia Historic Preservation Office, the Advisory Council on Historic Preservation and other consulting parties on various undertakings that are part of the redevelopment of St. Elizabeths. As a result of multiple meetings and negotiations with the historic preservation community, GSA will reuse 51 of the 62 buildings on the west campus that contribute to the site's historic character. The most historic building on site, the Center Building, will house the Office of the Secretary of Homeland Security. This building will remain the highest building on campus. The location of new construction has been determined so that the main cluster of historic buildings will remain physically and visually intact, as well as the views to and from the campus.

Question: How is the GSA working with DHS and the local community to ensure their concerns are resolved and that the campus has the hoped-for positive impact on the community while remaining adequately secure?

ANSWER: GSA has undertaken widespread meetings and discussions with the District of Columbia Ward 8 community where St. Elizabeths is located. We want to ensure the community is supportive of the new campus and that we provide them the opportunity to benefit from its development. Our outreach has included more than 50 meetings, hearings, and training labs. Close to half of these meetings were with the Advisory Neighborhood Commissions that serve the area. We have also met with the neighboring Barry Farm Resident Council, the Anacostia Coordinating Council, and the Ward 8 Business Council. Additionally, there were six public hearings and a Town Hall meeting sponsored by Representative Eleanor Holmes Norton. We are committed to continuing this outreach throughout the life of the project.

QUESTIONS FOR THE RECORD SUBMITTED BY

THE HONORABLE Harold Rogers

Homeland Security Headquarters Facilities:
St. Elizabeths and Beyond
March 25, 2010

IT Infrastructure

Question: Please explain in detail the impact of the omission of $69 million for the costs of necessary IT infrastructure upon the program execution plan for the St. Elizabeths project and provide a complete, detailed explanation for how those costs will be covered (since they are not included in the FY11 budget request).

ANSWER: The FY 2011 request is $69 million less than the 2011 estimate assumed in the funding profile established in 2008. As part of the FY 2011 budget formulation, the Department reassessed funding levels needed to keep the project on track. The $69 million adjustment is not specific to IT. We will maintain the flexibility to fund the various categories of spending as needed based on contract award schedules and market responses to our procurement requests. The FY 2011 request of $287.8 million is sufficient to award essential contracts to purchase all critical items and keep the project on schedule. DHS does not believe the adjustment to the FY 2011 funding level will adversely impact construction progress.

DHS and GSA continue to work together to ensure that the construction and resource phases are synchronized. The GSA budget request fully funds their FY 2011 requirement. Within the DHS request and in consultation with GSA, DHS will fund the highest priority items for Phases 1 and 2. The DHS budget request funds critical requirements for St. Elizabeths construction activities and includes significant funding for Phase 2A IT Infrastructure ($96.148M). With the favorable bidding climate across the construction sector in the National Capital Region savings from bids are anticipated. To ensure that the project remains on schedule, lower priority purchases will be phased over FY 2011 and FY 2012. If the FY 2011 DHS request is fully funded, no delays are anticipated.

To ensure project funding is not requested for items funded in base budgets, DHS is looking at IT funding in components' base budgets for equipment replacements (i.e., desk tops, printers, etc.) and other items (i.e., furniture) that will be synchronized with their relocation to the St. Elizabeths campus. This will ensure that the Department is utilizing its resources in the most efficient manner as construction activities at St. Elizabeths continue.

Question: Provide a complete, detailed explanation for how those costs will be covered (since they are not included in the FY11 budget request).

ANSWER: As noted in the previous response, the funding profile for the project reflects a carefully considered and synchronized approach between GSA and DHS to execute the project in severable segments. We plan to defer lower priority purchases to FY 2012. We believe this can be done without any adverse impact to the construction schedule. In addition, with the favorable bidding climate across the construction sector in the National Capital Region and upon completion of the remaining planned awards for FY 2010, the Department will access the availability of funding additional IT requirements from the FY 2009 appropriations and the American Recovery and Reinvestment Act for this project.

The DHS and GSA budget requests fund all critical requirements for St. Elizabeths construction activities, including significant funding for Phase 2A IT Infrastructure ($96.148M). The Department's approach to the Technology Integration Program for the campus is also expected to realize efficiencies in the overall IT costs

for the development. Led by the DHS Chief Information Officer (CIO) and in coordination with all of the Component CIOs, the Technology Integration program will provide a state of the market solution with an integrated enterprise architecture across all components. For example, the Department has chosen a fiber based passive optical network (PON) for distribution of voice, data and video throughout the campus and within the individual buildings. This approach will result in substantial savings in materials and labor over traditional copper based distribution systems. This will also significantly reduce the requirements for IT closets dispersed throughout the buildings. The GSA Federal Acquisition Service (FAS) is executing the IT support services acquisition on behalf of the department and the solicitation was released to the 59 awardees of the Alliant Government Wide Acquisition Contract (GWAC), and the Task Order Request was released on April 9, 2010.

Additionally, DHS is looking at IT funding in components' base budgets for equipment replacements and other items that will be synchronized with their relocation to the St. Elizabeths campus. However, any amounts contributed by the components would be relatively small to cover these routine purchases of personal property. This will ensure that the department is utilizing its resources in the most efficient manner as construction activities at St. Elizabeths continue.

WEDNESDAY, APRIL 21, 2010.

TESTIMONY FROM MEMBERS OF CONGRESS AND OUTSIDE ENTITIES

WITNESSES

HON. LAURA RICHARDSON
HON. KEITH ELLISON
JENNIFER FELT, PROGRAM MANAGER FOR THE MARINE CONSERVATION BIOLOGY INSTITUTE
DAVID WRIGHT, PRESIDENT OF THE NATIONAL FEDERAL PROTECTIVE SERVICE UNION
ERIC PERRODIN, MAYOR OF COMPTON
LILLIE DOBSON, COUNCILWOMAN FOR THE CITY OF COMPTON
TODD HAUPTLI, SENIOR EXECUTIVE VICE PRESIDENT OF THE AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES
WILLIAM MILLAR, PRESIDENT OF THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION
KELLY PETERS, DEPUTY EXECUTIVE DIRECTOR OF SEARCH

OPENING STATEMENT OF CHAIRMAN DAVID PRICE

Mr. PRICE. Good morning, and welcome to our last day of public hearings in this 2011 cycle. Today we will be taking testimony from members of Congress and outside entities who have asked for project consideration as part of the fiscal 2011 budget for the Department of Homeland Security.

As I have previously stated, and as was made clear, I think, in a letter to the House's entire membership, the Subcommittee generally earmarks funding in three areas within DHS: pre-disaster mitigation, emergency operations centers, and bridges that are deemed an obstruction to navigation and must be altered. On occasion, the Subcommittee has earmarked projects outside of these categories, but it is uncommon.

Today, we welcome discussion of such requests, and also programmatic requests that do not require a specific earmark. This is a time when members and outside groups, interested individuals, and organizations can come forward and give us their views on any aspect, really, of the Homeland Security budget.

So we are glad to start with members today. And, Congresswoman Richardson, we are pleased to have you here. We are looking to hear from Congressman Ellison after that, and then we will move to other witnesses. Our process here is to enter your full statement into the record and ask you to limit your oral remarks to five minutes. So we are glad to begin with you. First, I want to yield to Mr. Rogers for any comments he has.

Mr. ROGERS. I have no comments, Mr. Chair.

Mr. PRICE. All right.

Mr. ROGERS. Does that surprise you?

Mr. PRICE. No, no, not at all. You are always a man of few words. Please proceed.

WEDNESDAY, APRIL 21, 2010.

DEPARTMENT OF HOMELAND SECURITY

WITNESS

HON. LAURA RICHARDSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

STATEMENT OF HON. LAURA RICHARDSON

Mrs. RICHARDSON. Thank you, Mr. Chairman. Chairman Price and Mr. Rogers, thank you for convening this witness request day for full-year 2011 Homeland Security appropriations. I appreciate the opportunity to testify before this Subcommittee. And as a member of the Homeland Security Committee, I want to commend you and your colleagues of the Subcommittee for this outstanding work that you do to ensure that our nation has the financial resources necessary to secure our homeland.

The 37th congressional district of California, which I am privileged to represent, has a vital interest in ensuring our homeland security needs. My district is located in southern California, which is no stranger to some of the more recent things of natural disasters ranging from earthquakes, mudslides, and wildfires. But in addition to that, the 37th congressional district is also home to many high-value terrorist targets such as the port of Long Beach; the adjacent port of Los Angeles; airports, two of them; rail; treatment facilities; power plants; and many more.

First of all, I would like to talk a little bit about the programmatic request that I have before this Committee and express to you some of my concerns, and then I will go into my only request that I have before this Committee for an earmark. First of all, I would like to talk about cargo screening. I am concerned about the decrease in funding for international cargo screening. The proposal of $84.4 million, a decrease from 77.56 million below the full-year 2010 enactment is a significant decrease, and I believe will cause harm ultimately to all of our goals of protecting the public.

The 9/11 Act set forth a goal of working towards 100 percent cargo screening. We are not taking steps forward; in fact, we are taking steps back. I recently was on a CODEL and had a chance to go to another country and ask them, out of all of the cargo that you screen, the ones that we individually through inspections we say that you must pull out—how many others do you actually check? And I was alarmed at the response. The response was, none.

So therefore, I would say to do less in terms of cargo screening would really be an ill-advised recommendation, and something I hope you would consider.

Second of all, in terms of fire grants, I have read that many members have talked about the concern of the reduction in the fire grants, and I wanted to add my voice of concern with that. When you look at the local fire departments and their first responder role, particularly with homeland security issues, to reduce in that particular area that has been a success is something that I would

also request that you consider making a change to the President's recommendation.

Third, urban search and rescue. I support the increased funding in the national urban search and rescue response system in the full-year 2011 Homeland Security appropriations bill. Clearly, as I have talked about with both of the ports of Long Beach and Los Angeles that are in my district, we have strong urban search and rescue teams, but they need to be stronger. And to evaluate the bridges, all of the other high-target mechanisms that are there in the port, this increase is definitely needed.

The fourth area is disaster relief. As we know, the Department of Homeland Security recently requested an increase. In my statement that I believe that I have provided for you, I have a picture of when I went to American Samoa, and I had an opportunity to view firsthand the disaster that they had, first the earthquake and then the tsunami that followed 10 minutes later.

Unfortunately, in this world today, we are not only having the disasters that we have had that we normally anticipate several, but we have had beyond those numbers. And so I would support increasing that funding.

Finally, in terms of emergency planning, I brought forward a bill, H.R. 4898, the Elementary and Secondary School Emergency Preparedness Planning Act. This bill would empower school districts in high-risk areas to bolster their emergency preparedness training by establishing a program to award grants to local education agencies, which we all know are set up primarily in places to go if in fact we do have disasters or a risk situation.

Finally, I would like to talk about—those were all programmatic requests that I have before this Committee. But now I would like to close with my comments on having to do with the EOC, the emergency operation centers. Today, I have with me members of the city of Compton who are going to speak to you, I think approximately at 10:30. We have Mayor Perrodin and also Councilwoman Lillie Dobson and their representative.

We have for several years approached this Committee in terms of the need of what this particular district is facing, and I would like to briefly share that with you. One, when you talk about Compton—and they will say it for themselves, but the thing I wanted to share is in my district, the city of Compton is surrounded by five major freeways and is located within 10 miles of three major ports of entry, the Los Angeles International Airport and both the ports of Long Beach and Los Angeles. In addition, the Alameda Corridor rail project runs directly through Compton's high-threat, high-density urban area.

The current first respondent capabilities in the city are insufficient to protect the infrastructure assets, and the failure to upgrade their current operation center could jeopardize health and safety for millions of residents. This funding is critical.

Now just on a personal point of privilege—and I will speak off of my comments—being a member who actually represents—my entire district is in the county of Los Angeles, representing neighboring cities that oftentimes receive large amounts of homeland security grants. Compton is the one that has been for a long time—and needs to end; hopefully in your deliberations, ends today. The

city of Compton is surrounded by all of these communities, and all you have to do is look at any of the disasters that we have had, and Compton is left to fend for itself while other larger cities that surround them have often had the support necessary that they needed to protect their residents and to protect their infrastructure.

When you look at the city of Compton and where it is situated, with all of the freeways, if there were a major disaster in that particular section—we in the past, when the ports were cut off due to labor negotiations, every single day we lost a billion dollars a day, one billion dollars a day. So the impacts of the freeways that they have, their inability to connect on both ends of each parts of their city, is a critical piece that must happen.

As I said, major investments have been done in surrounding communities, and that is one that is left that if a major disaster occurs, those communities are going to respond to those cities first and not the city of Compton. And when you look at the growing amount of manufacturing industry that they have, the improvements that have been made in terms of business communities, this really is an accident waiting to happen. It is a high-risk area, and I would really seek your full review of their application.

And with that, they have their time coming up shortly, and I of course will be happy to answer any questions that you might have.

[The information follows:]

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House of Representatives
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COMMITTEE ON
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ENERGY THREATS, CYBERSECURITY
AND SCIENCE AND TECHNOLOGY
EMERGENCY COMMUNICATIONS,
PREPAREDNESS, AND RESPONSE

STATEMENT BEFORE THE APPROPRIATIONS SUBCOMMITTEE ON HOMELAND SECURITY

Chairman Price, thank you for convening this witness request day on the FY2011 Homeland Security Appropriations. I appreciate the opportunity to testify before the Subcommittee.

The 37th Congressional District of California, which I am privileged to represent, has a vital interest in ensuring our homeland security needs are adequately funded. My district is located in Southern California, which is no stranger to natural disasters ranging from earthquakes to mudslides to wildfires. The 37th district is also home to many high-value terrorist targets, such as the Port of Long Beach.

Therefore, I am concerned about the decrease in funding for international cargo screening. The proposal is $84.45 million, a decrease of $77.56 million below the FY 2010 enacted amount of $162 million. This decrease is part of a shift towards remote targeting and examinations of freight instead of a physical presence of personnel at the ports. The 9/11 Act set forth a goal of working towards 100% cargo screening, and this budget decrease indicates a movement away, instead of towards, that goal. While I recognize the fiscal constraints facing the President and the Department, I question the decision to deemphasize cargo screening at the expense of the safety of our ports.

In addition, as chair of the Homeland Security Subcommittee on Emergency, Communications, Preparedness, and Response, I am pleased to see a 2.31% increase in FEMA's budget. However, I notice that there is a cut of $200 million to the Staffing for Adequate Fire and Emergency Response (SAFER) Program and the Assistance to Firefighter Grants (AFG). I believe these cuts will severely limit the

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ability of local fire departments to meet community needs and maintain the readiness of local first responders during all types of emergencies. Collectively, these two programs are often the last life-line for fire departments struggling to sustain their capabilities in this economic downturn.

For example, the federally funded Alameda Corridor rail project, a 20-mile-long rail cargo expressway linking the ports of Long Beach and Los Angeles to the transcontinental rail network near downtown Los Angeles, runs through the City of Compton, resulting in a physical division between the east and the west sides of the City. If the bridge connecting these two sides collapses, the east side is stranded. The current fire station capabilities are simply not enough to protect both the federal infrastructure assets and the size of the surrounding area. Far too often, we ask our firefighters to risk their lives in our defense, and I believe we have an obligation to provide them with the resources they need, including state of the art fire stations.

I also support increased funding for the National Urban Search and Rescue (US&R) Response System in the FY11 Homeland Security Appropriations bill. The US&R System is an important program for responding to both natural disasters and acts of terrorism. This funding would provide adequate training, equipment, and exercises for emergency responders.

Specifically, I believe the program should be funded at $50 million, an increase from the $28 million proposed in the President's budget, and the $32.5 million provided in FY10. These teams are a valuable resource for responding to the wide variety of threats, both natural and manmade, that face our nation, and we need to make sure they have the resources they need to be fully effective.

I would also like to stress my support for funding of interoperable emergency communications centers grants. The budget calls for an elimination of these grants as stand alone, and I believe lumping these grants into the State Homeland Security Grant Program could dilute the amount of funding for the integration of state and local emergency communication systems.

In my district, the City of Compton is surrounded by five major freeways and located within 10 miles of three major ports of entry (Los Angeles International Airport, and the Ports of Long Beach and Los Angeles). In addition, the Alameda Corridor rail project runs through Compton's high-threat, high-density urban area. The current

first respondent capabilities in the City are insufficient to protect these infrastructure assets, and failure to upgrade our current operations center could jeopardize the health and safety of millions of residents. This funding is critical.

Finally, disaster relief funding is imperative, and should be funded at $1,950,000 above the FY10 level of $1,600,000. The recent earthquake in Mexico with aftershocks felt all the way in southern California is an example of why we need to make sure we have the resources to respond to disasters such as this one. I saw firsthand the devastation in American Samoa after the tsunamis there in September. Many Americans remain unprepared for a serious disaster such as an earthquake, and emergency officials say that cuts in funding have strained their ability to respond. After the disaster of Hurricane Katrina, this is not an area where we can afford to cut corners.

I recently introduced a bill to alleviate some of this burden from school districts, the Elementary and Secondary School Emergency Preparedness Planning Act. The bill empowers school districts in high-risk areas to bolster emergency preparedness training by establishing a program to award grants to local educational agencies located in areas at risk for terrorist attacks, natural disasters and public health emergencies. This is the kind of funding we need to make sure our communities have so they are not ill-prepared when a disaster strikes.

Thank you again, Mr. Chairman, for receiving my testimony. I yield back the balance of my time.

Mr. PRICE. Well, thank you very much. We appreciate your statement, and we will look forward to hearing also from your constituents from the city of Compton a little later this morning. I have no further questions. Mr. Rogers.

Mr. ROGERS. No questions.

Mr. PRICE. With that, thank you so much for appearing and for your good work.

Mrs. RICHARDSON. Thank you very much.

Mr. PRICE. Mr. Ellison is not on the scene yet, so we will proceed with the Marine Conservation Biology Institute, represented by Program Manager Jennifer Felt. Ms. Felt, welcome to the Subcommittee.

WEDNESDAY, APRIL 21, 2010.

DEPARTMENT OF HOMELAND SECURITY

WITNESS

JENNIFER FELT, PROGRAM MANAGER FOR THE MARINE CONSERVATION

STATEMENT OF JENNIFER FELT

Ms. FELT. Good morning, and I am about to switch gears pretty drastically. My name is Jennifer Felt, and I represent Marine Conservation Biology Institute, which is based in Bellevue, Washington, with offices in California, Hawaii, and here in D.C. I wish to thank the members of the Homeland Security for the opportunity to testify as an outside witness for the fiscal year 2011 appropriations for the United States Coast Guard.

MCBI is a national, non-profit environmental organization whose mission is to advance the science of marine conservation biology and secure protection for ocean ecosystems. We advocate for adequate appropriations for the National Oceanic and Atmospheric Administration, NOAA, Fish and Wildlife Service, and now Coast Guard programs that focus on understanding and conserving marine ecosystems, habitats, and species.

Today, I am going to focus on the important role that the Coast Guard plays in furthering these goals by combating marine debris. Marine debris is defined as any persistent solid material that is manufactured or processed and directly or indirectly, intentionally or unintentionally, disposed of or abandoned into the marine environment or Great Lakes. Some of the most common types of marine debris are discarded or lost fishing lines and nets; household plastics such as disposable lighters, six-pack rings, plastic bags, and Styrofoam pellets.

Marine debris fouls beaches and marine ecosystems; kills coral reef; causes death to marine mammals, seabirds, and turtles by entanglement and ingestion, as represented here by this albatross chick, who has ingested quite a bit of plastic material, and as a result has died; transports non-native and invasive species to marine ecosystems; and creates navigational safety hazards by fouling the engine propellers.

Research has shown that debris has serious effects on the marine environment, wildlife, the economy, and human health and safety.

The number of marine debris-related entanglement deaths of endangered and threatened seals, sea turtles and seabirds continues to grow. Entanglement and debris is a major cause of death for the Hawaiian Monk Seal, whose population is estimated at less than 1,200 individuals.

Marine debris has become one of the most widespread pollution problems affecting the world's oceans and waterways. Marine debris is a growing problem that is manifesting itself in all U.S. waters. The Coast Guard plays a critical role combating marine debris under two authorities. First, it monitors discharge of waste from ships and oversees port receptor facilities in compliance with MARPOL Annex 5, implemented through the Act to Prevent Pollution from Ships of 1980.

Second, in partnership with NOAA, the United States Coast Guard identifies, assesses, reduces, and prevents marine debris and its effects on the marine environment under the Marine Debris Research Prevention and Reduction Act of 2006. The act establishes a national program led by NOAA and supported by the United States Coast Guard. The act authorizes $10 million annually for NOAA's marine debris program and $2 million annually for the United States Coast Guard's program. However, NOAA has been level-funded at $4 million since 2008, and the United States Coast Guard has never received any program funding for its marine debris efforts.

The United States Coast Guard participates in and provides leadership for a variety of important anti-marine debris activities. For example, working together, NOAA and the United States Coast Guard have removed an estimated 600 metric tons of marine debris, mostly derelict fishing gear, from the northwestern Hawaiian islands since 1998, and are currently removing an estimated 40 metric tons each year.

While this is a great accomplishment, the annual accumulation rate is 52 metric tons, leaving a surplus of 12 metric tons of marine debris each year. The reason for this gap is lack of resources due to insufficient funding, which prevents the agencies from keeping up with the problem, and marine debris continues to be a threat to the endangered Hawaiian Monk Seal and seabirds in Papahanaumokuakea Marine National Monument.

MCBI supports the United States Coast Guard in its efforts to reach its goals in providing maritime safety, security, mobility, national defense, and protection of natural resources. As the nation continues to deal with economic challenges, MCBI recognizes that allocating new funds for projects may be difficult. However, given the crucial need to complete these missions and enhance efforts to combat marine debris, we encourage the Subcommittee to minimally maintain United States Coast Guard funding levels at fiscal year 2010 enacted levels of $10.4 billion to sustain the services operating capabilities, and include an additional $2 million for the United States Coast Guard to meet its responsibilities under the Marine Debris Act.

Thank you for the opportunity to share our views.

[The information follows:]

MCBI Marine Conservation Biology Institute

Jennifer Felt, Program Manager

March 16, 2010

The Honorable David Price, Chair
Subcommittee on Homeland Security
Committee on Appropriations
United States House of Representatives,
RHOB B-307
Washington, DC 20515

Mr. Chairman and Members of the Subcommittee:

Marine Conservation Biology Institute, based in Bellevue, WA, is a national, nonprofit environmental organization whose mission is to advance the science of marine conservation biology and protect ocean ecosystems. We advocate for effective ocean policy and adequate appropriations for marine programs that focus on understanding and conserving marine ecosystems, habitats and species. MCBI supports the United States Coast Guard in their efforts to reach their goals in providing maritime safety, security, mobility, national defense, and protection of natural resources.

I wish to thank the members of the Homeland Security Appropriations Subcommittee for the opportunity to submit written testimony on the FY 2011 budget regarding appropriations for the United States Coast Guard (USCG). The USCG is a multi-mission, maritime agency ensuring the safety, security, and conservation of the Nation's territorial waters. The FY 2011 President's request has decreased USCG's overall budget by over $340 million, including a decrease of $3.5 million for marine environmental protection. Without adequate funding, the Coast Guard will flounder in its mission and the maritime environment will be at risk of further degradation. MCBI recommends reinstating the FY2010 enacted USCG funding level of $10.4 billion, to include an additional $2 million for the USCG to play its part in preventing marine debris and aiding in its removal.

Marine Debris Program

Marine debris has become one of the most widespread pollution problems affecting the world's oceans and waterways. As highlighted by the Great Pacific Garbage Patch in the north Pacific gyre, and the recently identified garbage patch in the Atlantic, marine debris is a growing problem that is manifesting itself in all US waters, including Hawaii, Alaska, and the Caribbean. Marine debris fouls beaches and marine ecosystems; kills coral reefs; causes death to marine mammals, seabirds, and sea turtles by entanglement and ingestion; transports non-native and invasive species to marine ecosystems; and creates navigation safety hazards by fouling engine propellers. Research has proven that debris has serious effects on the marine environment, wildlife, the economy, and human health and safety. Some of the most common types of marine debris are discarded or lost fishing lines and nets, household plastics such as disposable lighters, six-pack rings, plastic bags, and Styrofoam pellets. The number of marine debris related entanglement deaths of endangered and threatened seals, sea turtles, and seabirds continues to grow. Entanglement in debris is major cause of death for Hawaiian monk seals (pop. estimate :< 1200).

The United States Coast Guard (USCG) plays a crucial role combating marine debris by monitoring and enforcing compliance with MARPOL Annex V and the Act to Prevent Pollution from Ships. Under this authority, USCG monitors discharge of waste from ships and oversees port waste receptor facilities. In addition, USCG provides critical support and leadership for a variety of anti-marine debris activities. For example, USCG has partnered primarily with the National Oceanic and Atmospheric Administration (NOAA), starting in 1998, to remove an estimated 600 metric tons (mt) of marine debris (mostly derelict fishing gear) from the Northwest Hawaiian Islands (NWHI) where marine debris continues to kill endangered Hawaiian monk seals and seabirds. As of 2006, NOAA has shifted marine debris removal in the NWHI to a "maintenance mode," intended to keep up with new debris accumulation. In FY 2006, NOAA and USCG removed an estimated 40 mt of debris. Yet, the annual accumulation rate is estimated at 52 mt of marine debris. Therefore, 'maintenance 'funding is not keeping up with the problem, and marine debris continues to be a perpetual threat to the endangered Hawaiian monk seal and seabirds in Papahānaumokuākea Marine National Monument.

To combat marine debris, the Marine Debris Research, Prevention and Reduction Act was enacted in 2006. The act established a national program led by NOAA and the USCG to identify, assess, reduce and prevent marine debris and its effect on the marine environment. The Act authorizes $10 million annually for NOAA's Marine Debris Program and $2 million for the USCG's program. However, NOAA has been level funded at $4 million since 2008; and the USCG has never requested nor received any direct funding for its marine debris efforts.

As the nation continues to deal with economic challenges, MCBI recognizes that allocating new funds for projects may be difficult. However, we encourage the subcommittee to (minimally) reinstate USGS funding levels to FY2010 enacted levels to maintain the service's operating capabilities, and include an additional $2 million for the USCG to meet its responsibilities under the Marine Debris Act.

Additional monies are needed to enhance the ability of USGC to maintain support to current removal projects; develop best management practices; reduce derelict fishing gear; and conduct education and outreach measures.

In summary, MCBI respectfully requests that the subcommittee augment the United States Coast Guard funding to support the critical role they play fighting marine debris.

Sincerely,

Jennifer Felt

Jennifer Felt

Mr. PRICE. Thank you, Ms. Felt, for your testimony. I know that representatives from your organization have met with Subcommittee staff and associate staff of several of our members to express support for maintaining the 2010 funding levels for the Coast Guard and adding a specific set-aside for marine debris removal.

Your organization was unable to say with any degree of certainty how much the Coast Guard is spending currently on marine debris removal. We are at this point seeking that information from the Coast Guard, as well as information on how they coordinate their efforts with NOAA.

But let me just ask you one question, obviously focused on the portion of the budget for which we have responsibility, namely, the Coast Guard. In your estimation, what level of effort would it take to close the gap between the 40 metric tons of marine debris removed each year and the 52 metric tons of marine debris that enters the system? I am sure $2 million in Coast Guard funding would help a bit, but it really seems unlikely that it would resolve the issue.

So I think we would be interested in the steps you see as feasible, desirable to end this accumulation, to get us on a track to reducing the presence of this persistent threat of trash.

Ms. FELT. So I think that NOAA and the Coast Guard play two very different roles in marine debris and the marine debris program, and the Coast Guard has been an excellent partner for NOAA in the northwestern Hawaiian islands in helping in this removal.

The Coast Guard's role particularly is focused on monitoring waste from ships as well as port receptor facilities. And my understanding is at this time, that with the amount of time and manpower that they have allocated, they are able to do a very good job, but that additional funds would be needed to enhance the efforts that would include things such as develop and implement a plan that would coordinate with the industry and recreational boaters that would improve ship waste management, including recordkeeping and access to waste receptor facilities for shipboard waste; also things like establishing a voluntary reporting program for commercial vessel operators and recreational boaters to report incidents of damage to vessels and disruption of navigation caused by marine debris, and observed violations of laws and regulations relating to the disposal of plastics and other marine debris.

So in the particular pickup in the northwestern Hawaiian islands, I think that additional funds for NOAA and perhaps the Coast Guard could lead to maybe an extra trip out to the northwestern Hawaiian islands to pick up that surplus of marine debris. But the Coast Guard really has an important role for preventing marine debris from getting into the environment in the first place, so that they can strengthen their program onboard these ships and outreach to the fish shipping community, that would result in a decrease in the amount of garbage that is actually getting into the oceans.

Mr. PRICE. All right. Well, we will pay attention to this as we work with this Coast Guard and develop the budget for next year. Mr. Rogers.

Mr. ROGERS. No questions.

Mr. PRICE. All right, no questions. So we will thank you for your testimony.

Ms. FELT. Thank you.

Mr. PRICE. And with that, we will call our next witness, Mr. David Wright, who represents the National Federal Protective Service Union. Mr. Wright, welcome to the Subcommittee.

WEDNESDAY, APRIL 21, 2010.

DEPARTMENT OF HOMELAND SECURITY

WITNESS

DAVID WRIGHT, PRESIDENT OF THE NATIONAL FEDERAL PROTECTIVE SERVICE UNION

STATEMENT OF DAVID WRIGHT

Mr. WRIGHT. Good morning, Mr. Chairman, Mr. Rogers. I have my fellow law enforcement officers here today for support. And they have taken their personal time off to be here.

Mr. PRICE. Welcome, gentlemen. Thank you for coming.

Mr. WRIGHT. These are Federal Protective Service inspectors.

Mr. PRICE. All right.

Mr. WRIGHT. My name is David Wright, President of the National Federal Protective Service Union, affiliated with the American Federation of Government Employees. I know my time is short. I will get right to the point.

The Federal Protective Service is a Homeland Security agency that is charged with protecting approximately 9,000 federal properties across the U.S., mainly GSA properties. We are so starved for resources and personnel that FPS is not performing its mission objectives. That is not only true of security level one and level two facilities, the lowest graded facilities in the nation. It is true of some of our highest security buildings around the nation.

At the present time, only two cities in America have 24-hour FPS police patrols. As GAO has pointed out, oversight of private guards is entirely inadequate. Recently, ten GAO investigators penetrated 10 federal buildings with actual bomb-making materials, and proceeded to set up those bombs in each building without any outside interference. Of the 1,200 full-time employees at FPS, there are only about 50 police officers left, and these are the people who have historically monitored the underpaid, undertrained contract guards.

The number of inspectors who have now assumed the work of police officers, guard overseers, and physical security specialists number only about 830 at this point. This is below the congressionally mandated level of 900 boots on the ground that this Committee established in fiscal year 2008. We are now below the manpower levels of when Federal Protective Service was transitioned into the Department of Homeland Security.

The FPS union recently looked at hiring at several other agencies with similar Homeland Security and law enforcement missions. We have attached a copy of this analysis to our statement. It showed that over the period since DHS was created, FPS law enforcement personnel have dropped from 1,017 to 830, an 18.4 per-

cent reduction. Over that same period, the U.S. Secret Service increased by 24.6 percent, and the total government law enforcement security personnel increase was 56.5 percent.

These numbers provide one measure of the extent to which funding for this agency has been neglected in the post-9/11 Homeland Security buildup. But the case for restoring law enforcement personnel to FPS has been made repeatedly in congressional hearings over the past three years. We urge this Committee to include an increase of $48 million in either fees or a direct appropriation sufficient to fund a level of 300 non-supervisory police officers, inspectors, and also 80 civilian contract guard oversight personnel.

The FPS union also supports the insourcing of private guards at level three and level four federal buildings, and providing federally trained police officers for those critical properties. While we know that money will not solve all problems at FPS, it will allow the agency to enhance its physical and visible presence in and around the security level three and level four buildings and facilities.

We believe the new personnel should be an efficient mix of police officers, inspectors, and civilian contract oversight personnel. The hiring of one civilian contracting officer technical rep frees up between one to three inspectors to perform security and law enforcement duties.

I do not have to document the failures of FPS management to members of this Committee, as I am sure you know them well. However, I do want to say that there are hopeful signs for the future of this agency. I am happy to say that the transfer to NPPD from ICE has gone smoothly, particularly in the field of labor and management relations.

Nonetheless, there are still bureaucrats within DHS and the Office of Management and Budget who continue to create problems for this agency. Apparently, these individuals manage to convince the administration to request no funding increase for FPS this coming fiscal year. In light of the current situation at this agency, we view this as an irresponsible and potentially dangerous decision, which we hope this Committee will ignore.

Finally, I leave you with this thought. Recent high-profile threats to congressional leaders and federal employees fall directly under the purview of the Federal Protective Service. Making necessary reforms to this agency and increasing the number of federal police officers on duty are not a matter of responding to vague, unsubstantiated warnings. The vulnerability and immediate danger are quite real. The writing is on the wall. And I am available for questions.

[The information follows:]

STATEMENT OF DAVID L. WRIGHT,

PRESIDENT

LOCAL 918 – FEDERAL PROTECTIVE SERVICE

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

BEFORE THE

HOUSE COMMITTEE ON APPROPRIATIONS

SUBCOMMITEE ON DHS

U.S. HOUSE OF REPRESENTATIVES

April 21, 2010

Mr. Chairman, Members of the Subcommittee:

My name is David Wright. I am the President of the National Federal Protective Service Union affiliated with the American Federation of Government Employees. I have been a law enforcement officer at the Federal Protective Service for over 23 years. I have seen this agency go from a proud, committed, mission focused agency to one that seems more focused on saving money than protecting the employees and citizens who work in federal buildings.

Introduction:

The Federal Protective Service is a homeland security agency that is so starved for resources and personnel that it is not performing its mission objectives. This is not only true of Level 1 and Level 2 facilities it is true of some of the highest security buildings we are charged with protecting. At the present time, only two cities in America have 24 hour police patrols. As the GAO has pointed out, oversight of the private guards is entirely inadequate. And, 10 GAO investigators penetrated 10 federal buildings with actual bomb making materials and proceeded to set them up – undisturbed by anyone.

Over the past two years, the Federal Protective Service has been investigated, analyzed and studied. The GAO has performed six studies since 2008 addressing different aspects of FPS, but all concluded that the agency is rife with serious problems, each of which is impairing the ability of FPS to perform its critical homeland security mission. Taken together, the GAO analyses paint a portrait of an essentially dysfunctional agency.

Mr. Chairman, as President of the FPS Union, it has never given me pleasure to bring attention to this crisis. Indeed, I have dedicated the last 20 years of my life, trying to make this agency the best law enforcement/homeland security agency in the country. But when our members see every day how serious the problems are, they urge me to speak out.

The mission of the FPS is to protect approximately 9000 high, medium and low security federal buildings and properties around the country. These buildings include Social Security offices, federal facilities housing Members of Congress and other Federal officials, Level Four high security facilities and others. Hundreds of thousands of federal employees work in these buildings and millions of Americans visit them every day.

Time and again, federal buildings and employees have demonstrated themselves to be targets. Recent threats against the Speaker and several other lawmakers and attacks in Washington

DC, Austin, Las Vegas and Kansas City all serve as a wakeup call to both the Administration and Congress that the time for discussion, studies and years of reports that highlight the same resource failures has ended; action is required now not after the next major terrorist attack.

Manpower: (Post September 11, 2001)

In the period following the terrorist attack on the Alfred P. Murrah Federal Building in Oklahoma City, it was determined that the minimum number of FPS personnel necessary to perform its mission was 1480. FPS has never reached that level of personnel. Since the Department of Homeland Security was stood up in 2003, the Federal Protective Service has seen its total number of Inspector and police officer positions drop from 1,017 in that year to 830 at the beginning of 2010 – an 18.4 percent reduction. Over the same period, the U.S. Park Service increased its security personnel by 45.5% or 260 FTE's. The Veterans Health Administration increase in security personnel numbered 820 for 35.9%. Within DHS, security personnel increased from 59 to 195 over the seven year period or 230.5 %. **

These numbers provide one measure of the extent to which funding for this agency has been neglected in the post 9/11 homeland security build up. But the case for restoring law enforcement personnel to FPS has been made repeatedly in Congressional hearings over the past two years. So we urge this Committee to include an increase in either fees or a direct appropriation sufficient to fund a level of 300 non-supervisory Police Officers (Series 0083), Inspectors (0080). We also urge this Committee to fund 80 COTR's and other Mission Support Specialists positions to take the daily administrative burden off of the Inspectors to allow more time on proactive patrol and response to law enforcement calls for service. The FPS Union also supports the insourcing of private guards at Level 3 and Level 4 federal facilities and providing federally trained police officers for those critical properties.

The situation is so dire that even current staff levels are below congressionally mandated levels. The FY 10 DHS Appropriations Act mandates that OMB and DHS shall ensure fee collections are sufficient to ensure that the Federal Protective Service maintains not fewer than 1,200 full-time equivalent staff and 900 full-time equivalent Police Officers, Inspectors, Area Commanders, and Special Agents who, while working, are directly engaged on a daily basis protecting and enforcing laws at Federal buildings (referred to as `in-service field staff'). Based on ICE and OMB guidance the FPS in-service field staff has been interpreted as including all personnel assigned to FPS law enforcement positions. Thus the 900 minimum includes recruits who have not completed all requisite training, personnel on long term restricted duty that prevents service as a law enforcement officer and senior management personnel who do not respond to law enforcement calls for service.

Of the 1200 full time employees at FPS, there are only about 50 police officers left – and these are the people who have historically monitored the underpaid, undertrained contract guards. Even the number of Inspectors, who now have assumed the work of police officers, guard

overseers and building security specialists, number only about 830. This is below the congressionally mandated level of 900 "boots on the ground" law enforcement officers and well below the level of personnel at FPS when it was transferred to DHS from the General Services Administration.

The result of this resource starvation is that FPS security services have been slashed to the point of ineffectiveness. No longer do FPS police officers operate on a 24 hour patrol basis – even when protecting level IV high security facilities; no longer does the agency have the personnel necessary to adequately oversee private guards and no longer is FPS able to adequately monitor the state of security equipment at federal buildings -- due to a lack of manpower.

All of this has occurred in a Post 9/11 environment that has made anti-terrorism efforts the highest of priorities in the White House and Congress. As a result of the extremely limited resources provided to FPS, the agency has been in disarray leaving employees uncertain of their jobs, contract guards routinely unsupervised and managers operating fiefdoms free of any central control or direction. Mr. Chairman, I believe we are on borrowed time when it comes to this very large gap in our national homeland security safety net -- and that time is running out.

FPS Management Problems

I don't have to document the failures of FPS management to Members of this Committee as I know you know them well. However, I do want to say that there are hopeful signs for the future of this agency. I'm happy to say the transfer to NPPD from ICE has gone smoothly and labor-management relations, at least, has greatly improved. Nonetheless, there are still invisible bureaucrats within DHS and the Office of Management and Budget who continue to create problems for this agency. Apparently these people managed to convince the Administration to request no funding increase for FPS. In light of the current situation at this agency, we view this as an irresponsible and potentially dangerous decision which we hope you will ignore.

Nevertheless, with the transfer complete, FPS employees are looking forward to the recognition and correction of the many management failures noted by the GAO. It remains essential that those selected for management roles have real and substantial experience with community policing strategies to deliver both law enforcement and security services to properly protect Federal workplaces. All too often our front line officers are mystified at the 'whack a mole' nature of policy changes made with no real input from the limited cadre of employees with field law enforcement experience.

It must also be pointed out that problems still exist with ICE. We ask that the Committee correct a short –sighted decision that occurred during the transition to NPPD in October 2009. Ensure proper funding transition from ICE to FPS to ensure effective management and administration of FPS. We are asking that the Committee transfer $22M from the ICE

Management and Administration (M&A) Program to the NPPD Program specifically for the M & A of the FPS. FPS received M & A as part of the ICE appropriation since 2004. ICE no longer provides most services to FPS but has had no reduction in its M & A program. Services associated with FPS M & A transitioned without the resources that ICE was appropriated to fund them. Without a transfer, NPPD will be forced to use FPS Basic Security Collections which will reduce service levels necessary to protect employees and buildings.

AFEG Local 918 also requests that it be mandated that ICE maintain FPS service wide costs (SWC) and working capital fund (WCF) charges at the same basis as existed at transfer. The ICE Congressional Budget Justification shows FPS SWC of $16.7M for FY11, but I have been told FPS has received notice that ICE may charge FPS an "external customer rate" of over $23M for services they will continue to provide. ICE should not earn a profit for servicing FPS.

FP S Structural Problems

In the Homeland Security Act, the DHS Secretary was charged with the responsibility to protect Federal facilities and employees in their workplaces. Instead of increasing staff and budgetary authority to meet this mandate cuts were proposed with the intent of creating an unfunded the Department was created to protect. The very way Federal security standards are set and implemented is dysfunctional; driven by ad hoc committees that must attempt to establish and implement security standards on a consensus basis, where any funding for mandate on the agencies essential security must come from agency funds at the expense of their statutory mission. The result is often inaction, diminished security and increased risk to employees. Now is the time for DHS to step up and accomplish it critical Federal workplace protection mission. Serious steps are required to right this floundering ship and restore a correct course:

- Change the existing funding scheme that forces agencies to choose between funds for their daily mission and protecting their employees. Appropriate the funding required to secure Federal facilities and protect the dedicated civil servants who work in them to DHS.
- Firmly place DHS in charge of determining standards and requesting the finding necessary to implement them. Advice and counsel from supported agencies is essential but current year funding availability simply cannot be the only driver determining compliance with a standard.
- Clearly establish DHS FPS as the lead for coordinating threats, informing local law enforcement and jointly investigating threats with agency investigators (such as TIGTA). Only an integrated approach will allow the dots to get connected. The current fragmented approach is a failure point waiting to happen.
- Increase the staffing of the FPS to provide agencies with regular emergency planning assistance and practice of each element of the plan including coordination with local authorities and facilities.

- FPS staffing must also be sufficient to conduct the proactive police patrol activities GAO found essential to detect and deter attacks. Terrorists, nuts and criminals don't work bankers hours and neither should FPS, yet 24-hour service is only provided in two cities. At a minimum, around the clock protection by Federal Law Enforcement Officers should be provided in the 25 -30 cities with the greatest concentration of employees and facilities.

In addition to these recommendations, the FPS union urges Congress to support work place improvements for those employees who remain committed to the work and mission of the Federal Protective Service. This can easily be accomplished by providing law enforcement retirement benefits to those FPS employees still young enough to apply for them and to grant them the same power every other law enforcement officer has to carry his or her service weapon on a 24-hour basis. Taken together these measures, which would cost less than $10 million, offer the best hope of restoring the morale of workers at this once proud federal security agency.

Finally, I ask you to consider this: There have been several recent attacks on federal employees including ones in Austin, TX, at the Pentagon and in Kansas City. Should the next attack be against a federal building that at one time had 24 hour round the clock patrolling police officers, will you believe we did all we could have done to prevent it?

Thank you.

** See below

Benchmarks for comparison of the Federal Protective Service

FY 03 (Transfer to DHS) with FY 2010

The Federal Protective Service did not have sufficient staff to effectively accomplish its GSA facilities protection mission when it was transferred to DHS.

- Post Murrah bombing required FTE was 1,480.
- 1,456 FTE were transferred to DHS.
- Necessary overhead increases (i.e. contracting) are at expense of the field force.
- Staffing shortages exist for:
    - effective monitoring above the 5,000 contract guard level;
    - proactive patrol;
    - countermeasure verification (i.e. tenants expected to test own alarms); and
    - facility security officer role to assist security committees.

Most of the law enforcement and security roles of the FPS are accomplished by staff in series 0083 and 0080. Since 2003 there has been exponential growth of security and law enforcement staff in virtually every agency, except FPS.

The below table compares the civilian workforce in these two series for FY 2003 and FY 2010 in comparable security and law enforcement organizations and government wide:

U.S. and Territories Only	Total On Board series 0083 and 0080			
Agency	**FY 2003**	**Beginning FY 2010**	**Increase**	**Percent Increase**
Government Wide	16,240	25,422	9,182	56.5%
FPS	**1,017**	**830**	**-187**	**-18.4%**
Secret Service (Police and Security)	1,213	1,511	298	24.6%
Park Service	571	831	260	45.5%
Veterans Health Administration	2,287	3,107	820	35.9%
FBI	443	906	463	104.5%
FEMA	72	140	68	94.4%

DOD	7,997	14,013	6,016	75.2%
Gov't Wide Excluding DOD	8,243	11,409	3,166	38.4%

*FPS FY 2003 is the number of positions in series 0083 and 0080 transferred from GSA to DHS.

**Capitol Police was not included as a potential benchmark because personnel data is not available from OPM's database.

The table below shows increases of in-house government security specialists (series 0080) for some FPS customer agencies, including GSA:

Agency	FY2003	FY 2010	Increase	Percent Increase
SSA	41	78	37	90.2%
CBP	59	195	136	230.5%
CIS	42	99	57	135.7%
ICE	25	89	64	256.0%
EPA	13	25	12	92.3%
GSA	4	31	27	675.0%

Since 2003 the number of facilities FPS protects has increased by over 1,200 buildings. The most dramatic change is the number and complexity of guard posts and countermeasures. No longer can we depend on a guard with 8 hours of x-ray training to find a knife or an assembled pipe bomb using a magnetometer and x-ray. As GAO clearly pointed out, the guards must be trained, tested and coached to be able to identify and prevent entry of all explosive and weapons components. The FPS field force simply does not have enough Police Officers and Inspectors to properly accomplish its mission.

The below table illustrates the number of guards requiring supervision, monitoring, evaluation and training from FPS:

	# of Guards	Guards per FPS Officer
FY 2001	5,000	6.3

FY 2003	7,000	8.1
FY 2010	15,000	18.3

FPS officer includes in-service field staff in series 0083 and 0080.

The below table illustrates differences in average buildings per Officer, the decrease in service and decrease in arrests between 2003 and 2010. The decrease in arrests is attributed to the virtual elimination of proactive patrol and curtailed service hours – the offenses still happen but the perpetrator is not caught.

	2003	2010
Buildings per Inspector/ Police Officer	7.7	11.0
GSA Managed Sq Ft per Officer	322K	426K
Cities with Night and Weekend Service	12	2
Arrests by Officers/ Inspectors (Lack of patrol results in fewer arrests)	3100	1600

Below is the number of additional FPS series 0080 and 0083 positions that would be required if that agency 2003 to 2009 increase was used as a benchmark:

	Rate of Increase 2003 to 2010	Increase required to match rate
Increase at DOD rate	75.2%	765
Increase at Gov't wide rate	56.5%	575
Increase at Park Svc rate	45.5%	463
Increase at VA rate	35.9%	365
Increase at Gov't wide except DOD rate	38.4%	391

Observations

An increase of 391 FPS in-service law enforcement staff would match the increase in like positions for non-DOD agencies between FY 2003 and FY 2009. That would reduce number of guards per Officer to 12.4 from 18.3. A rough estimate of the total funding required would be $75M after the first year. If the guard contract administrative charge was restored to the FY 09 level of 8% the first year increase in basic security charges would only be 7 to 8 cents. An alternative would be a one year stop-gap appropriation of $48M to allow programming of the increased security charge within the budget cycle.

While searching for benchmarks it was observed that while there is an "object class" for what agencies pay in GSA rent there is no equivalent measure for facilities security expenditures which could have been used as a benchmark for this exercise.

Mr. PRICE. Thank you, Mr. Wright. We appreciate your being here, and we will insert your full statement in the record. I have no questions.

Mr. ROGERS. No questions.

Mr. PRICE. Thank you for your assistance to our efforts. We will now call forward representatives of the city of Compton, California, Mayor Eric Perrodin and Compton Councilwoman Lillie Dobson. Welcome to the Subcommittee.

WEDNESDAY, APRIL 21, 2010.

DEPARTMENT OF HOMELAND SECURITY

WITNESSES

ERIC PERRODIN, MAYOR OF COMPTON ACCOMPANIED BY LILLIE DOBSON, COUNCILWOMAN, CITY OF COMPTON

STATEMENT OF ERIC PERRODIN AND LILLIE DOBSON

Mr. PERRODIN. Thank you.

Mr. PRICE. And let me just reiterate here at midstream that our practice this morning is to ask our witnesses to limit themselves to a five-minute oral statement. I assume we will be hearing from you, Mayor. Is that correct?

Mr. PERRODIN. Yes, Chairman Price.

Mr. PRICE. You are the man. So a five-minute oral statement. But we would be happy to have any further written materials from either of you. So thank you for being here.

Mr. PERRODIN. Thank you. I want to thank Chairman Price and also Ranking Member Rogers for giving me the opportunity to speak this morning. I also want to thank my congresswoman, Laura Richardson, for her efforts on behalf of the city of Compton and the members in her district.

This morning, I am accompanied by my councilwoman, Ms. Lillie Dobson. She has been a passionate advocate for the city of Compton. Ms. Dobson has focused her efforts on finding solutions to existing infrastructure and problematic issues that place the city and other parts of the region at heightened risk. I thank her for her efforts.

As Congress begins to work on the appropriations and priorities for the fiscal year 2011 federal budget, I am here to speak about the need for an enhanced emergency operation center, EOC, located in the city of Compton to protect and respond to potential threats related to the Alameda Corridor, a critical national infrastructure asset.

I urge the Subcommittee's support for the efforts by Congresswoman Richardson to secure $2.3 million to the fiscal year 2011 appropriation process to help Compton pay for the aforementioned enhanced alternative EOC. The city of Compton, also known as the Hub City, is surrounded by five freeways, and it is located within 12 miles of three major ports of entry, LAX, the port of Long Beach, and the port of Los Angeles.

In addition, due to the city's high-threat, high-density urban area runs through the federally funded Alameda Corridor rail project, a 20-mile long rail cargo expressway linking the ports of Long Beach

and Los Angeles to the transcontinental rail network near downtown Los Angeles. The importance of the Alameda Corridor to the national economy is significant. A study conducted by the Alameda Corridor Transportation Authority noted that in 2005, the two ports generated $256 billion in trade value, and affected 3.3 million jobs across the country.

Moreover, with 43 percent of all container traffic entering the United States through the San Pedro ports going up the Alameda Corridor, it is estimated that any major shutdown of the rail corridor would damage the national economy at approximately $29 million per day. Approximately $12 million is the total cost to establish an EOC in the city of Compton, which will include the construction of facilities and equipment for first responders.

With this in mind, the city proposes an enhanced partnership between federal and local leaders to secure adequate resources to protect Compton residents and provide critical infrastructure elements of relevance to the state and national economy.

To go off point for a second, Chairman Price, I used to be a police officer in the city of Compton for 12 years. Currently, I am a deputy district attorney for L.A. County. And one thing I know as being a first responder, the way the city is situated, it is a critical need for us to have an EOC in the city of Compton because as Congressman Richardson stated earlier, we are surrounded by Los Angeles and Long Beach. And a lot of times, the resources do not come to our city because we are so small. But the Alameda Corridor goes right through the heart of our city. And if any terrorist or some type of national disaster were to happen upon us, it could be devastating, not only to Compton, but more importantly to the rest of the United States.

So I urge your supporting. I would like to turn over my remaining time to Councilwoman Lillie Dobson.

Ms. DOBSON. Thank you, Chairman. I cannot over-emphasize the critical need for the fire facility and emergency operation center. The possibility of a catastrophic event was borne out in a recent statewide simulation during the last statewide disaster preparedness simulation, Golden Guardian, Spring 2009.

The challenge was presented that a fire affected the Alameda Corridor and spread throughout the east side of the city of Compton. The simulation revealed that the potential for a fire-related shutdown of the corridor is not an unrealistic scenario, based upon the current configuration of first response capabilities. Consequently, there is an immediate need to construct and equip a replacement first responder facility that will accommodate more equipment and allow the coordination of various departments to provide an adequate level of protection and specialized services.

The American Recovery and Reinvestment Act provided $210 million in funding to DHS. Under the assistance to firefighters, fire stations, construction grants, unfortunately Compton was not selected for an award. We were one of the 6,025 applicants for the federal funding grant, and only 110 requesters were selected. Clearly, as evidenced by the over-subscription to the ARRA grant program, a significant shortfall in funding exists.

I take this opportunity today to urge Congress to authorize and appropriate fire station construction grant funds at a level that re-

flects the dire need for federal investment in communities across the nation, including Compton. Thank you.

[The information follows:]

Mayor Eric J. Perrodin
City of Compton, California
Statement for Member and Outside Witness Hearing on FY 2011 DHS Appropriations

Statement by Mayor Eric J. Perrodin,
Accompanied by Councilwoman Lillie Dobson

Re: Member and Outside Witness Hearing of the Appropriations Subcommittee on Homeland Security on the Fiscal Year 2011 Budget

April 12th, 2010

Thank you Chairman Price and Ranking Member Rogers, and members of the Subcommittee for the opportunity to testify today. My name is Eric Perrodin, and I am the Mayor of the City of Compton, California. The citizens of Compton first elected me to represent them on June 5, 2001, and then again in April 2005. As Mayor, I am committed to improving and protecting the lives of those who work, live, study and play in the City of Compton.

I am accompanied today by Councilwoman Lillie Dobson. As a passionate advocate for the City of Compton, Mrs. Dobson has advocated for many years for solutions to address issues that place the city and other parts of the region at heightened risk. Councilwoman Dobson has been a primary champion of the cause, and I thank her for her efforts.

As Congress begins to work on the appropriations and priorities for the Fiscal Year 2011 federal budget, I am here to speak about one priority in particular under the jurisdiction of this subcommittee: The need for an enhanced alternative Emergency Operations Center (EOC) located in Compton to protect and respond to potential threats related to the Alameda Corridor, a critical national infrastructure asset. I urge the Subcommittee's support for efforts by Congresswoman Richardson to secure $2.3 million through the FY 2011 appropriations process.

Approximately $12 million is the total cost to establish an enhanced alternative EOC and fire facilities in the City of Compton, which will include the construction of facilities and equipment for first responders. With this in mind, the City proposes an enhanced partnership between federal and local leaders to secure adequate resources to protect Compton residents and provide critical infrastructure elements of relevance to the state and national economy. The City is prepared to assume a minimum of a 25 percent grantee cost share in cash- and/or in-kind match, as required.

The City of Compton, also known as the Hub City, is surrounded by five major freeways and is located within 10 miles of three major ports of entry (LAX, Ports of Long Beach and Los Angeles). In addition, through the City's high-threat, high-density urban area runs the federally funded Alameda Corridor rail project, a 20-mile-long rail cargo expressway linking the ports of Long Beach and Los Angeles to the transcontinental rail network near downtown Los Angeles.

This request will improve emergency management and preparedness capabilities by supporting a flexible, sustainable, secure, strategically located, and fully interoperable EOC. A fully capable emergency operations facility in Compton is a critical component to a comprehensive national emergency management system. The importance of the Alameda Corridor to the national economy is significant. A study conducted by the Alameda Corridor Transportation Authority noted that in 2005 the two ports generated $256 billion in trade value and affected 3.3 million jobs across the country. Moreover, with 43 percent of all container traffic entering the United States through the San Pedro Bay ports going up the Alameda Corridor, it is estimated that any major shut down of the rail corridor damages the national economy at approximately $29 million per day.

The current first responder capabilities in the City of Compton are insufficient to protect the Alameda Corridor and other nationally significant infrastructure assets located around the City from some of the most salient current threats including a seismic event, a hazardous accident, or a terrorist attack using biological, radiological or nuclear materials. According to a study released by the Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism, a major attack using weapons of mass destruction somewhere in the world is "more likely than not" to occur by 2013 unless significant steps are taken. In particular, the Los Angeles Metro area where Compton is located is ill-prepared to respond to and recover from biological, radiological or nuclear incidents, according to statements made by Gene Aloise, Director of Natural Resources and Environment at the Government Accountability Office, before the House Homeland Security Subcommittee on Emerging Threats, Cybersecurity, and Science and Technology.

An enhanced EOC is necessary to ensure continuity of operations and continuity of government in major disasters or emergencies caused by any hazard. A seismic event, a hazardous accident, or an act of terrorism could cause the bridges that span the Alameda Corridor train trench to collapse, thereby inhibiting the free movement of emergency response services and equipment to this area. The potential to isolate this section of the city also creates an urgent need to have an appropriate site for the EOC. With seriously limited resources, as was the case with Katrina, the predominantly low-income residents of this community are particularly vulnerable in light of the proximity of critical assets along the Alameda Corridor and the Los Angeles metro area.

The possibility of a catastrophic event was borne out in a recent statewide simulation. During the last statewide disaster preparedness simulation, Golden Guardian (spring 2009), the challenge was presented that a fire affected the Alameda corridor and spread throughout the east side of the City of Compton. The simulation revealed that the potential for a fire related shut down of the corridor is not an unrealistic scenario based upon the current configuration of first response capabilities. Consequently, there is an immediate need to construct and equip a new first responders facility that will accommodate more equipment and allow the coordination of various departments to provide an adequate level of protection and specialized services to region one and surrounding communities in area E.(USAR & Hazardous Materials).

Failure to address the need to upgrade the City's first responder capabilities could jeopardize a critical national infrastructure asset, as well as the health and safety of millions of residents and local first responders. Therefore, I am requesting the Subcommittee's assistance to work with Congresswoman Laura Richardson to secure $2.3 million to establish an enhanced alternative Emergency Operations Center in the City of Compton.

Thank you for the opportunity to testify here today.

Your attention and assistance are appreciated.

Mr. PRICE. Thank you. Let me just take a moment to clarify the situation we face. You are right, of course, about the emergency appropriations that went to fire station construction, as part of the Recovery Act. That is, however, not our usual practice, to earmark funds for fire station construction, or indeed the fire grants program, which does not cover that kind of construction.

So I assume what we are talking about here is the EOC component of this project. Is that true?

Ms. DOBSON. Yes.

Mr. PERRODIN. Yes, Chairman.

Mr. PRICE. And the request of $2.3 million is well above what we have ever been able to grant for EOC construction. Often we would like to do more, but we in fact are dealing with a situation where the federal funding is never the complete funding for these projects. It always is a partnership, has to be a partnership, which involves funding from other sources. In fact the bulk of the funding comes from other sources.

Now you have talked about a $12 million total. Do you have the rest of that funding in hand?

Mr. PERRODIN. We have a portion of it, Chairman, through some bonds that we have at this time.

Mr. PRICE. All right. Some bonds that have already been approved?

Mr. PERRODIN. Actually, it was going to be approved last night, but unfortunately I had to catch the redeye here, so we did not have a quorum. So hopefully, next Tuesday it will be passed.

Mr. PRICE. All right. Well, that will be an important part of our consideration, you know, to see what the other pieces of this funding picture look like. But we will give your proposal due consideration. We appreciate the work that has gone into it, and the effort to craft a proposal that is in line with DHS's criteria.

Mr. PERRODIN. Thank you, Chairman Price.

Mr. PRICE. Mr. Rogers.

Mr. ROGERS. No questions.

Mr. PRICE. Mr. Farr, do you have any questions?

Mr. FARR. No questions.

Mr. PRICE. With that——

Mrs. RICHARDSON. Mr. Chairman.

Mr. PRICE. Certainly.

Mrs. RICHARDSON. Thank you, Mr. Chairman. What Ms. Dobson was referring to is that in the city of Compton, in addition to what we are here to talk about, she was just sharing with you some of the frustration, that they have attempted to apply for various funding mechanisms from other sources, and yet have not been successful.

Mr. PRICE. Sure.

Mrs. RICHARDSON. And so that is why this in particular is important, because they are going to have to find other resources to fill that gap. That is what she was referring to. Specifically, regarding the EOC, what I would like to stress, that I apologize was not really captured in my comments, is understanding the network that is surrounding them, which is what I know is within your jurisdiction.

Compton also has, for example, the sheriff's department. So when you consider the network of sheriffs, of fire, of SWAT, of what I was already sharing with the port of Los Angeles, with the Alameda Corridor, when you have the metrorail, there is at least 12 different varying agencies there that they all have to coordinate with at any one period of time. And so what happens is we have had disasters in our community, and Compton—what I must say, you know, in all honesty, I do not feel is best prepared to be able to coordinate all of those assets in an emergency to be able to respond for its people, again for the businesses that are now there. Compton is one of the largest in terms of manufacturing businesses that we have in southern California. It is actually still a very strong industry.

So that hence is what our application is before you today. We have made other requests, you know, TIGER grants and so on. We were simply alluding to the fact that this is not an area that has received a whole lot of money, which is why we need your assistance.

And finally, I did not say in my comments, but this is one of my top ten requests. And so I hope that you would also consider that. And I will follow up upon their successful vote next week of the local match. Thank you, sir.

Mr. PRICE. All right. Thanks to all of you.

Mr. PERRODIN. Thank you.

Ms. DOBSON. Thank you.

Mr. PRICE. Let me now call our colleague, Keith Ellison. Congressman, we are pleased to have you here today, and we ask you to summarize your comments in five minutes or less, and give us the full statement for inclusion in the record. Welcome to the Subcommittee.

WEDNESDAY, APRIL 21, 2010.

DEPARTMENT OF HOMELAND SECURITY

WITNESS

HON. KEITH ELLISON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

STATEMENT OF HON. KEITH ELLISON

Mr. ELLISON. Thank you, Mr. Chairman. Also allow me to thank Mr. Rogers for holding this hearing and allowing members of Congress to testify concerning priority homeland appropriation requests for their districts. I am here today to provide a little extra detail for the request that I have already submitted on behalf of the city of Minneapolis.

This request is for $1 million to replace the city's deteriorating community outward warning siren system. We have sought out and have secured funding from city and state, and so this is part of an overall package, but it is essential to complete the project.

The current system is comprised of about 33 individual sirens alerted to the general public, to alert the general public on large-scale emergency exits or threatening the city. Unfortunately, the existing system is completely antiquated. It was built in the early

1950s as part of a civil defense era warning system. And given its age, it has become increasingly difficult to obtain equipment and parts to maintain the siren system.

The need to replace this system was highlighted in August 2009, when a tornado hit downtown Minneapolis, or the edge of downtown Minneapolis. According to local Minneapolis emergency preparedness officials, the current siren system no longer has the capability to adequately alert Minneapolis residents during the tornado.

Minneapolis has consistently ranked among cities over 50,000 at the greatest risk for tornado outbreaks. It has suffered several tornadoes in the past. Additionally, Minneapolis, like other major metropolitan areas, is a real potential threat for terrorist attacks and incidents. The importance of alerting community during a crisis or eminent danger situation cannot be overstated. When emergency leaders are responsible for keeping order and reducing the chance of damage, injury, and death, it is imperative to quickly and adequately notify the community in order to help them take the appropriate action.

Several temporary measures have been put in place to maintain the system, but these improvements, though necessary in an emergency situation, have become outdated, with software and hardware no longer available to support the operating system.

So let me wrap up my remarks and thank you for your time. The requested funds will be used to replace the existing system with a new warning system that will ensure safety and health of residents, and can provide a more complete coverage for the city of Minneapolis. Again, this request is a part of city and state commitment to the project. It is a priority for all of us. It is a priority for me here. And the funds will be used for technology upgrades and siren system. And so with that, I would like to thank the Committee, and thank you again for the time.

[The information follows:]

CONGRESSMAN KEITH ELLISON
STATEMENT BEFORE THE SUBCOMMITTEE ON HOMELAND SECURITY APPROPRIATIONS COMMITTEE
APRIL 21, 2010

Let me start by thanking Chairman David Price and Ranking Member Harold Rogers for holding this hearing allowing Members of Congress to testify concerning priority homeland security appropriations requests for their districts.

I am here today to provide additional details for an earmark request that I have submitted on behalf of the City of Minneapolis.

This request for $1,000,000 is to replace the city's existing community outdoor warning siren system.

The current system is comprised of 33 individual sirens designed to alert the general public that a large scale emergency exists or is threatening the city.

Unfortunately, the existing system is completely antiquated; it was built originally in the 1950s as part of the civil defense era warning system. And given its age, it has become increasingly

difficult to obtain equipment and parts to maintain the siren system.

The need to replace this system was highlighted in August 2009 when a tornado hit the edge of downtown Minneapolis. According to local Minneapolis emergency preparedness officials, the current siren system no longer has the capability to adequately alert Minneapolis residents during a tornado.

Minneapolis is consistently ranked among cities over 50,000 at greatest risk for tornado outbreaks and has suffered several tornadoes in the past. Additionally, Minneapolis like a number of major metropolitan areas is a real potential target for terrorist attacks and incidents.

The importance of alerting the community during a crisis or imminent danger situation cannot be overstated.

When emergency response leaders are responsible for keeping order and reducing chance of damage, injury, and death, it is imperative to quickly and adequately notify the community in order for them to take appropriate action.

Several temporary measures have been put in place to maintain the system but these improvements, although necessary at the time, have also become outdated with software and hardware no longer available to support the operation of the system.

The requested funds will be used to replace the existing system with a new warning system that can provide more complete coverage for the entire City of Minneapolis.

Funds will also be used for technology upgrades in the siren system. For example, the current equipment does not meet a federal FCC requirement related to narrow banding that takes effect in 2013. Funds will be used to ensure that the new system meets this standard.

Mr. Chairman, in conclusion, I thank the committee for its time and the consideration of this critical appropriations request.

Mr. PRICE. Thank you, Mr. Ellison. Let me just clarify, as I did with the last witnesses. In this case, we are talking about a pre-disaster mitigation item.

Mr. ELLISON. That is right.

Mr. PRICE. Yes, under FEMA.

Mr. ELLISON. That is right.

Mr. PRICE. And you cited the total cost. What kind of commitment do you have from the city and/or the state to cover the balance of this?

Mr. ELLISON. Both the city and the state of Minnesota have put forth bonding requests, which have been passed. And so we have a gap, and we are hoping the federal government can help us close it.

Mr. PRICE. All right. There too we will want to look at that total funding picture, and appreciate your help in doing that. Mr. Rogers.

Mr. ROGERS. No questions.

Mr. ELLISON. Thank you.

Mr. PRICE. Mr. Farr.

Mr. FARR. It is very interesting. The question I have is that if the siren system is there, and the whole city is notified, and by sirens, what response do you—what action are they supposed to take if they hear the sirens go off?

Mr. ELLISON. Well, it certainly could alert the city, depending on the nature of the disaster—it could be there is an early warning system that says in case of siren you should perhaps go in your basement, if it is a tornado. There are a number of educational processes which the city goes through to make sure citizens know what the right thing to do is. Students go through drills. There is a whole pre-education process the city goes through to help ensure that residents know what a siren means and what to do in case of such an occasion.

Mr. FARR. Our siren system here is 16 bells, but I have no idea what happens after the 16 bells go off.

Mr. ELLISON. Well, in Minneapolis, we make sure everybody knows what happens when those bells go off.

Mr. PRICE. If you heard 16 bells, you would sure do something, would you not? [Laughter]

Mr. PRICE. Thank you, Mr. Ellison. We appreciate your being here.

Mr. ELLISON. Thank you, sir.

Mr. PRICE. Okay. We will turn now to the American Association of Airport Executives, represented by Senior Executive/VP Todd Hauptli. You are a familiar figure on Capitol Hill. We welcome you here, Mr. Hauptli. Please proceed.

WEDNESDAY, APRIL 21, 2010.

DEPARTMENT OF HOMELAND SECURITY

WITNESS

TODD HAUPTLI, SENIOR EXECUTIVE VICE PRESIDENT OF THE AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES

STATEMENT OF TODD HAUPTLI

Mr. HAUPTLI. Thank you, Mr. Chairman, Mr. Rogers, Mr. Farr. Thank you for the opportunity to be here. I wanted to talk mostly about the advanced imaging technology that TSA spoke to you on the Subcommittee about last month.

Airport executives are excited about the technology, and nervous about the deployment of that technology. We have the experience going back a long ways on the inline baggage screening and the challenges associated with deploying that technology across the airport system, and we share some of the concerns raised by both you, Mr. Chairman, and you, Mr. Rogers, when TSA testified last month.

Here is the headline: our specific request is that we ask you to include in your fiscal year 2011 bill language requiring TSA to pay for the terminal modifications and the space necessary for this deployment across the airport system. TSA has told you and has told us that that will be a minimal cost, that there is really not that much to it, but history would perhaps tell a different story.

They are intending to use larger machines, not get rid of the existing magnetometers, introduce additional personnel into that same screening checkpoint, and also add baggage reconciliation screening rooms. And at some airports, that may not involve tremendous disruption, but certainly at other facilities it will. If you just think about a local example here at Reagan National and out at Dulles, at Reagan National, in terminal A, the old terminal, which four or five airlines still use, the engineers there are not sure they can even get a single additional machine in that facility, an AIT machine, without having to knock walls down and expand out the footprint.

At Dulles, brand new security mezzanines, state-of-the-art, brand new facility, and the engineers there think they can figure out how to get the machines in place, but are quite certain there is not room for this—there is not the space for this screening room to reconcile the images. And when we met recently with Secretary Napolitano, one of my leaders was stopped dead in his tracks. She interrupted and said, hold on, wait a minute. We do not think that we, DHS, TSA, should have to pay for you to knock down a wall to build that facility. You should do that.

And so we just have a fundamental policy disagreement with the department on that issue. We believe that the department, that TSA, should pay for terminal modifications to put this equipment in place. The department says it does not need to do that. This is particularly important in our judgment in the fiscal year 2011 cycle because they have indicated that in the current year, where they already have machines in place, they are going to drop them in in facilities that can accommodate it pretty easily, that they have the staffing, that the facilities do not require much modification. They have made no similar claim for fiscal year 2011, yet they have not offered any funding to take care of that.

So we are asking again for the Subcommittee to put language in place requiring TSA to pay for those terminal modifications and the space necessary to accommodate the AIT machines.

With that, I would yield back the balance of my time, and thank you for your continued leadership on this issue, and we look forward to working with you and the staff in the weeks and months ahead.

[The information follows:]

Statement of Todd Hauptli
Senior Executive Vice President, American Association of Airport Executives
House Appropriations Subcommittee on Homeland Security
April 21, 2010

On behalf of the American Association of Airport Executives (AAAE) and the thousands of men and women the Association represents who manage and operate primary, commercial service, reliever, and general aviation airports across the country, I want to thank the subcommittee for the opportunity to appear today and for your continued commitment to addressing aviation and homeland security issues. While challenges remain, significant strides have been made in recent years to enhance the security of the nation's aviation and transportation systems. This subcommittee under the strong leadership of Chairman Price and Ranking Member Rogers deserves tremendous credit for the critical role you have played in instilling those changes.

Before discussing some of the specific issues that airport executives believe are pertinent as you develop your FY 2011 bill, I want to first express our sincere appreciation to the subcommittee for your long-standing support for a number of key programs, including the in-line installation of explosives detection systems to screen checked baggage. The significant investments made over the years to deploy optimal, in-line baggage screening systems in airports have paid tremendous dividends in enhancing airport security and safety and in maximizing the utilization of TSA personnel. We are grateful for your focus on this important priority and urge your continued support for baggage system upgrades in FY 2011 to address airports that remain without permanent solutions at their facilities.

Deployment of AIT Equipment at Checkpoints: Airports Are Supportive but Concerned
As you know, a great deal of attention has now shifted to passenger screening checkpoints with the attempted Christmas Day attack on Flight 253. As the subcommittee is well aware, the Transportation Security Administration has greatly expedited plans to deploy Advanced Imaging Technology (AIT) equipment at screening checkpoints, with some 500 machines expected to be deployed by the end of 2010 and another 500 requested to follow in 2011. Many airports are eager to have AIT equipment in their facilities in recognition of the security benefits this technology provides in detecting threats highlighted by the Christmas Day attack.

The Department of Homeland Security and TSA deserve credit for their swift response to the attempted Christmas Day attack and for the efforts undertaken since that time to engage airports on charting a course forward – particularly as it relates to the wide-scale deployment of AIT equipment at airport checkpoints. DHS Secretary Janet Napolitano, TSA Acting Administrator Gale Rossides, and the senior leadership at the department and at TSA have made concerted efforts to include AAAE and other industry groups in discussions regarding AIT deployment plans and to seek airport input on how best to proceed.

AAAE appreciates these early outreach efforts on AIT deployment, and we commend the agency for the thorough work that has been undertaken to this point with general checkpoint designs and deployment strategies. While careful planning at headquarters is certainly important, the greatest challenges lie ahead, however, as TSA attempts to move from the drawing board to the "real world" at hundreds of widely divergent airport facilities across the country with the deployment and operation of AIT equipment.

Beyond the limited number of airports that currently have or are scheduled to soon receive AIT equipment, TSA's outreach efforts have not yet been widely extended to individual airports to discuss specific plans for deployment of equipment at their facilities, leaving many airport executives with significant concerns about potentially costly structural modifications that may be necessary to accommodate AIT equipment in already crowded airport terminals. Additionally, airports have questions about the ability of TSA to efficiently process passengers through updated checkpoints given the size of the new machines, the number of TSA personnel required to operate them, the slower throughput levels of the machines relative to existing magnetometers, and significant changes to divestiture procedures for passengers. These challenges will become more acute as passenger levels continue to rise at airports across the country.

To this point, TSA maintains that there will be minimal impact on the checkpoint footprint and on passenger throughput levels through screening checkpoints – particularly at the airports slated to receive the 500 machines scheduled for delivery during 2010. Airport executives believe that TSA is earnest in its view that it has considered these issues, and we readily acknowledge that there won't be significant challenges at every airport. With that said, it is evident that placing new equipment, building image viewing rooms, and accommodating teams of new personnel in already crammed checkpoint screening areas will be difficult if not impossible at some critical airports across the country. TSA has acknowledged that the agency will face challenges, particularly in 2011, as they move toward the end of their planned deployment schedule.

Unfortunately, TSA has yet to begin planning to tackle some of these issues, which we believe are inevitable. While the FY 2011 budget request calls for resources to procure and install AIT equipment and to support the additional 5,355 TSO positions the agency says are necessary to operate the AIT machines, the Administration has not requested funding to pay for either the space or terminal modifications that may be necessary at airports to accommodate AIT equipment. Administration officials have made clear their view that airports should be required to pay for some if not all of these potentially costly items.

To understand the pitfalls of moving forward with the wide-scale deployment of technology in the airport environment without adequate airport consultation at the local level and in the absence of sufficient federal funding, one need only to recall the experiences with TSA's rollout of explosives detection systems for checked baggage earlier this decade. Insufficient airport involvement at individual facilities with the planning, design, and deployment of that equipment and an initial lack of federal funding to support critical project elements led to "temporary" solutions at numerous airports with bulky machines being placed in crowded airport terminal areas – a situation that created numerous safety, security, and efficiency issues. As the subcommittee knows well, we've spent the better part of the past eight years trying to clean up the mess at great expense, and we still don't have it right in many locations.

Airports are eager to avoid repeating past mistakes. The good news is that we are at the beginning of the AIT deployment process with the opportunity to get it right this time around. Along those lines, we offer several specific recommendations for your consideration as you develop the FY 2011 DHS spending bill:

Require TSA to Pay for Space & Terminal Modifications Necessary to Accommodate AIT: Airport executives are very concerned about a lack of federal funding to support the acquisition of space and terminal modifications that will likely be necessary to accommodate AIT equipment in numerous airport locations. Many airport terminals are already at their breaking point in terms of space, and adding bigger machines, personnel, and image viewing rooms – among other necessary changes – will likely require significant infrastructure upgrades at airport facilities across the country.

Given the importance of these projects to national security, airport executives believe that it is imperative that the federal government step up to the plate to finance necessary space acquisition and terminal modifications required to accommodate AIT equipment. The current assumption that airports should be responsible for those significant expenses ignores reality.

Setting aside the fact that by law passenger and baggage screening are the direct responsibility of the federal government, airport financing simply isn't feasible at most airports – many of which have deferred major capital projects because of economic realities. Plowing new resources into helping the federal government meet its obligations in this area would take even more money away from critical safety and capacity-enhancing projects and put an additional burden on our partners in the airline industry for an item that everyone acknowledges is necessary for homeland security. I would also note that airports collectively have invested billions of dollars over the past decade on a number of important security improvements at perimeters and throughout the airport environment and to assist TSA in its passenger and baggage screening efforts.

In our view, federal funding for space and terminal modifications is unlikely to materialize without direction from Congress. That fact is evident to us based on budget documents and recent discussions with key department and agency leaders. With that in mind, we urge the subcommittee to include a provision in the FY 2011 DHS spending bill requiring TSA to pay for terminal modifications and space necessary to deploy AIT equipment in airports. Without adequate federal support, deployment decisions could be based on where machines can be accommodated easily in airports rather than where they make sense from a security perspective.

It is worth noting that in the case of checked baggage systems, TSA acknowledged the problems that a lack of federal funding would create with its deployment plans and initially supported paying for terminal modifications and other costs through a multi-year letter of intent (LOI) process that was created with the strong support of Congress. Unfortunately, the important LOI program was opposed by the Office of Management and Budget, and an important tool in financing projects was left largely unutilized – a result that slowed the deployment of in-line baggage systems at airports across the country. Those experiences illustrate the importance of placing a provision in law that requires TSA to pay for space and terminal modifications in airports necessary to accommodate AIT equipment.

Proactively Address Passenger Throughput Issues By Reestablishing Wait Time Thresholds: One of the biggest concerns that airport executives have with the wide-scale deployment and utilization of AIT equipment is passenger throughput levels. While wait times at screening checkpoints are currently manageable in most cases, airports see a potential storm brewing with

new equipment, new divestiture procedures, and steadily increasing passenger levels as the economy recovers.

Airport executives question the optimistic assumptions that TSA has made in this area, and we urge the agency to begin serious contingency planning to deal with slower processing times and increasing passenger levels. Airports have long supported the establishment and adherence to specific wait time thresholds at checkpoints and believe that this important tool – which TSA no longer measures – should be reinstituted. We urge you to include provisions in the FY 2011 bill restoring TSA screening checkpoint wait time measurements and passenger processing goals.

On the throughput issue, airport executives have placed a great emphasis on TSA efficiency to improve the experience of passengers at airports and to enhance security. In our view, improving the efficiency of the screening process goes hand-in-hand with the goal of enhancing the security and safety of airport facilities and the aviation system. Long lines and poor customer service do not equate to better aviation seeurity. To the contrary, long lines in airport terminals and at security screening checkpoints are targets for terrorists as past experiences prove.

Give Airports a Direct Role in Developing and Approving AIT Deployment Plans: Airports have long supported the expedited deployment of advanced technology as a means of enhancing security and efficiency, and airports are generally enthusiastic about the deployment of AIT equipment at their facilities. Airports also believe strongly that individual airport authorities must be actively involved in the planning and design of projects at their facilities to ensure upgrades are completed in a timely manner and in a way that limits disruptions to checkpoint operations and costly terminal modifications.

Airport professionals have a unique understanding of their facilities and should be counted on as a resource as TSA seeks to deploy technology at checkpoints or other areas of an airport. In addition to their expertise as facility managers, airport professionals share the same public safety mission as the federal government and should be relied on as a full partner in these efforts.

In recognition of those facts and in an effort to ensure that the consultation and airport involvement at the local level is meaningful and productive, we encourage Congress to consider giving airport authorities a direct role in developing and approving deployment plans at their facilities. Such a move will ensure that TSA and its contractors are working directly with airports to establish realistic plans that take into account unique facility and operational considerations. Careful coordination and cooperation between the federal government and airport operators is the key to the successful deployment of technology in the airport environment.

Other Issues: TSA Must Remain Focused on Core Mission

As the members of this subcommittee know all too well, TSA faces an already daunting mission with aviation security and with securing other transportation modes. Despite the list of existing challenges, there are those who seek to grow the agency's mission into areas of local responsibility at airports such as perimeter security, access control, and employee credentialing.

From a security perspective, airport executives believe that it would be a grave mistake to continue the push to federalize key local security functions. Given the complexity of its existing

security-related tasks, it is difficult to imagine how the federal government could possibly be in a better position than local law enforcement to perform inherently local security duties. Airport personnel are trained professionals with more than three decades of history, operational expertise and local knowledge at their disposal. The best approach moving forward from a security perspective is to maintain local control backed by federal standards, federal oversight, and federal resources.

The existing local/federal model ensures the highest levels of security and efficiency by empowering and providing responsibility to local airport operators, which can make use of their unique local experience and expertise to manage their facilities and the complex operations of their tenants. Who better than the local airport operator to police the nearly 23 miles of fence line that exists as Dallas/Fort Worth International Airport or the nearly 12,000 acres at Washington Dulles International? Who better than the local airport operator to understand the nature of multiple, complex, and ever-changing construction projects at their facilities; to know intimately the population of employees working in sensitive areas at a particular facility; or to respond to an incident at a perimeter gate? Who better than the local airport operator to understand unique local security challenges and develop tailored solutions to solving those issues?

Growing the mission of the federal government to areas traditionally performed by local governments also threatens to divert attention from the agency's primary mission and further dilute scarce resources. It will be extremely difficult for TSA to invest in technology to improve the efficiency and accuracy of its existing passenger and baggage screening responsibilities if its mission is further expanded to include costly and complex tasks such as securing airport perimeters, physically screening all workers and goods at airports prior to their entry into secure areas, or credentialing the million-plus employees who work at the nation's airports.

We are grateful for the subcommittee's recognition of the importance of effective local/federal partnerships, and look forward to working with you to enhance those partnerships and to address the other challenges outlined today. Thank you again for the opportunity to testify.

Mr. PRICE. Well, thank you. Of course, this installation effort is underway as we speak, and we understand that the installation of these AIT machines for primary screening are going to start, other things being equal, with airports that have the most space, where the configuration is least problematic. You have mentioned a couple of instances. Can you say in general how the installations are going, concerns that your members have expressed, and how involved they have been in working with TSA to make sure we have the best configurations to avoid delays?

Mr. HAUPTLI. My understanding of the situation, Mr. Chairman, is they are a bit behind from their projections in terms of getting these machines in place. They had, I believe, a number of trying to get 450 in place by the end of the year. They have not awarded one of the big contracts yet for that, and we are approaching the first week in May. So I think there is a good chance they will not get as many machines in this year as they had intended.

Some of the other items that people have been concerned about from the airport kind of engineering point of view is ADA-compliant lanes require additional space, and there does not seem to be sort of a recognition of that or factoring that into the work plan.

So airports have had some—I mean, I think TSA is working in good faith and has tried to learn the lessons of the past on just sort of barreling forward without consulting with the airport community. But we have seen this movie before, and we sort of know how it ends, and we want to make sure that we really are more involved at the beginning of the process, and that TSA is responsible for paying for those modifications, because physically, you just cannot fit within that same footprint in many facilities—you just cannot fit extra machines, extra bodies, brand new rooms, and expect all of that to work within the existing footprint of the security.

Mr. PRICE. All right. Well, we appreciate your coming in, and we understand the disagreement you articulate as regards funding responsibilities. We will be taking that under advisement as we draw up the budget for next year.

Mr. HAUPTLI. Thank you.

Mr. PRICE. Mr. Rogers.

Mr. ROGERS. Well, thank you, Mr. Chairman. Well, we have discussed this at some length now, for some time. The Chairman and I, a couple of months ago, went out to TSA headquarters and looked at the installation, the equipment and the model they had set up to demonstrate the new machine.

It is going to take more space than we presently have. It is going to require 5,000-plus people. And it perhaps could even require a larger waiting area for people to go through the machines because they will go slower than the present machines. And I do think the airports have a legitimate complaint here that TSA is expecting the airports to pay for this cost.

It is not an airport responsibility to provide security for people boarding planes. That is a governmental responsibility, federal government. So I think you have got a legitimate request, and we will look into it and try to accommodate something.

Do you have any idea what the cost nationally would be to install the machines? Is there any idea?

Mr. HAUPTLI. I do not have the number, Mr. Rogers. I will be happy to try to supply something to the Subcommittee, an estimate of that. It should not be as dramatic as it was with the inline systems. But we are very concerned that it will still be substantial and much higher than what TSA would suggest because we really do believe that there are plenty of examples where you are going to have to physically knock out wall space, expand, you know, the facilities pretty dramatically, and that is going to cost money.

Mr. ROGERS. Well, you know, the resolution to me is going to be the most expensive to provide for. It has to be fairly close to the line, but not too close. It has to be secure and protected from public viewing, and it has to be wide. And it is going to cost somebody some money. And TSA, they do not have any money either. But it is a federal responsibility, and I think we need to figure out a way to accommodate the airports.

Mr. HAUPTLI. And to your earlier point, sir, that example at Dulles, that new mezzanine, you will remember you sort of go on one level, and then you take an escalator down. They believe they may have to meter people and hold them up at the top of the escalator because of the lines backing up, as you talk about. So even a brand new, state-of-the-art, newly built facility is going to have to be redone. And you know, facilities that have been around for much longer and are in greater in need of work, the problems just multiply.

Mr. ROGERS. At the airports where TSA says they are planning immediately to install the machines, have those airports estimated the cost to them?

Mr. HAUPTLI. Some of the airports have cost figures, and I can get that. Some of those airports have been planning for this for some time. Airports are excited about the new technology. We are always in favor of technology over people solving problems.

Mr. ROGERS. Amen.

Mr. HAUPTLI. But they have been planning for this for some time, and they are in better position than most of the airports. I mean, we are talking about a fraction, 25 to 30 airports, that are in that first initial wave. And then the bigger wave of, you know, 400 machines, maybe, this year, and then TSA has obviously asked for——

Mr. ROGERS. Well, these 25 machines you are talking about, the first ones——

Mr. HAUPTLI. Yes, sir.

Mr. ROGERS. Have those airports requested funds from TSA to install the machines?

Mr. HAUPTLI. Not to my knowledge, because in those instances, they have not had to do major reconfigurations. But we can see the iceberg that we are going towards. And a lot of those facilities down the stream—because TSA has, in selecting those first few airports, they have selected airports that can easily accommodate the technology. And for most airports, it is not going to be as easy.

Mr. ROGERS. When do you think we will encounter this problem first?

Mr. HAUPTLI. I suspect you will see it in the coming weeks rather than months. It will be in this fiscal year. Despite TSA's suggestion

that it will be a smooth deployment this year, I think you will see stuff, frankly, before your bill is ready to be enacted into law.

Mr. ROGERS. Well, there are no funds in the current budget for this purpose.

Mr. HAUPTLI. Right, right. All the more reason, in our view, that you consider the request to make sure that it gets in in the 2011 budget, because that is where the big problem is going to be.

Mr. ROGERS. Well, somebody is going to have to tell us what it is going to cost so we can consider the number.

Mr. HAUPTLI. Yes, sir.

Mr. ROGERS. Whether it is you or TSA or both. I would like to see TSA and your group sit down and talk about this, and see if there is some sort of accommodation that can be reached that would minimize the cost to the government, yours and ours, and would provide a pathway that we can live with.

Mr. HAUPTLI. Yes, sir. The initial conversation did not go well. That was Secretary Napolitano saying no. So we will keep working at it.

Mr. ROGERS. Yes. Well, we may have a voice in that.

Mr. HAUPTLI. We hope so, sir.

Mr. ROGERS. Thank you.

Mr. PRICE. Just to clarify——

Mr. HAUPTLI. Yes, sir.

Mr. PRICE. The checkpoint support line in the budget——

Mr. HAUPTLI. The 300 million request?

Mr. PRICE. The request is for $360 million. The current amount is $128 million. That can be used for this purpose, for reconfiguration purposes at the TSA's discretion. Is that not true?

Mr. HAUPTLI. I will have to admit that I do not know the answer to that, sir. If that is, maybe that is a good work-around. I do not know the answer to that. I thought that was the personnel request. You are talking about the——

Mr. PRICE. It is an inclusive budget line, which covers a number of specific functions, and has some flexibility. It is called "checkpoint support," and it is a sizeable increase that is requested in the 2011 budget.

Mr. HAUPTLI. And that may be elegant solution, sir, in terms of providing a little additional clarity to the TSA about what they can and cannot use that for.

Mr. PRICE. Well, we will certainly work with you and obviously with the agency in trying to figure our way through this.

Mr. ROGERS. Mr. Chairman?

Mr. PRICE. Yes.

Mr. ROGERS. On that point, that account was set up before we anticipated this problem we have now. So I am sort of doubtful that these expenses were anticipated when we were doing that number.

Mr. PRICE. No, not for the current year. But there is a sizable request for next year. What we need to figure out is how flexible that money is, potentially. Mr. Farr.

Mr. FARR. Thank you very much, Mr. Price.

I am curious, when an airport was designed did they have to get FAA approval?

Mr. HAUPTLI. Yes, sir.

Mr. FARR. This is where the right hand of government and the left hand of government do not know what they are doing. I mean, if you look out at Dulles, which is a monument to space, they have got a tram to nowhere. They take you all the way out in the tram and then you have got to walk back to the terminal. It is a design of stupidity trying to—from a passenger's standpoint. If indeed the design for the airports have to be approved by the FAA, why do they not be inclusionary in the process of sort of getting the building codes for security machinery and lines, and so on into the design of the airport?

Mr. HAUPTLI. Mr. Farr, it is a great question, and up until seven or eight years ago FAA would have had that all within its purview. With the creation of the Department of Homeland Security and TSA, that responsibility for security shifted over, and the truth is there has not been that many new facilities constructed in that period of time.

Mr. FARR. Well, certainly Dulles expansion did not——

Mr. HAUPTLI. No, that is exactly right. Your example of the train, you know, part of the frustration that you and other passengers like myself share on that, is that United Airlines was unwilling to be a partner in building that train all the way out to where it really should have gone, and the airport authority went as far as they could with the money that they had, and if United had stepped in to be a full partner there, that would be a more customer-friendly experience for you.

Mr. FARR. But it seems to me what has been pointed out here, this is a unfunded band-aid. You are requiring the airports to absorb this construction code modification, if you will, of the airport design for purposes of security, and certainly I agree we ought to have some money for that.

Mr. HAUPTLI. Thank you, sir.

I also if I may very briefly just say thank you, Mr. Farr, on behalf of the Monterey Airport. You recently were very helpful in getting the attention of the Department of Transportation and getting a sizeable funding stream headed towards Monterey for that small community air service program, and without your leadership on that, that probably would not have happened.

Mr. FARR. Well, they certainly do not have the space to accommodate this new equipment, I will tell you.

Mr. HAUPTLI. Thank you.

Mr. PRICE. Thank you, Mr. Hauptli.

Now we will call to the table President William Millar of the American Public Transportation Association. Mr. Millar, thank you for joining us.

WEDNESDAY, APRIL 21, 2010.

DEPARTMENT OF HOMELAND SECURITY

WITNESS

WILLIAM MILLAR, PRESIDENT OF THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION

STATEMENT OF WILLIAM MILLAR

Mr. MILLAR. Good morning, Mr. Chairman, Mr. Rogers, members of the Committee. I am pleased to be with you. I am Bill Millar. I am the President of the American Public Transportation Association, and I appreciate the opportunity to return before this Committee on very important issues related to the security of our nation's public transportation and rail system.

I have to ask the Committee to provide in its Fiscal Year 2011 appropriations for the Transit Security Grant Program in the amount of $1.1 billion. This is the amount that was authorized by the Congress under the implementing regulations of the 9/11 Commission Act of 2007.

Now, we appreciate the funding that the Committee has provided in the past, but at recent levels grant allocations to regions and ultimately grant awards to individual transit agencies have greatly limited what projects can be pursued and implemented, and we urge the Congress to find the resources to appropriate the levels authorized in the 9/11 Act.

Now for many Americans it is hard to believe that at this point in time so long after the terrorist attacks of 9/11/2001 that we are still in need of significant investments for transit security in order to protect the millions of citizens who use our systems every day, but that need remains.

You may recall GAO report in 2002 that said about a third of the terrorist attacks worldwide target transportation systems, and transit systems are the most commonly attacked where just last fall the Director of the National Counter-Terrorism Center Michael Leiter testified in the Senate that Al Qaeda continues to pursue plans for homeland attacks and is focusing on prominent political, economic infrastructure targets designed to produce mass casualties, visually dramatic destruction, significant economic aftershocks and/or fear among the population. The group also likely remains interested in targeting mass transit systems and other public benefit venues that are viewed as relatively soft targets as evidenced by the attacks in London.

Unfortunately, terrorist attacks in London, in Mumbai, in Madrid, in Moscow, and a host of lesser known incidents have made it clear that our enemy has not relented and neither can we. Unless someone say, but, gee, that has all occurred overseas, we would urge them to look and not ignore the planned attacks that we have been fortunate to thwart. Details have emerged about plans involving Al Qaedans planned recent New York subway bomb plot. We remind the Committee of similar New York subway bomb plots prevented back in 1997, a planned chemical attack avoided in 2003, a bomb plot to Harold Square Station in 2004, and the list goes on and on and on. This is a real threat.

Now recently APTA, my association, conducted a survey of U.S. transit agencies that have been receiving the security grants to gain a better understanding about how they have been spending the money that you have made available to them, and what needs remain, and today at this hearing I am announcing the release of that survey, and if you wish, Mr. Chairman, I would be very pleased to make a copy of the survey available to the Committee.

Mr. PRICE. Please do that.
Mr. MILLAR. We will gladly do that.
[The information follows:]

SURVEY OF UNITED STATES TRANSIT SYSTEM SECURITY NEEDS

SUMMARY OF FINDINGS

April 2010

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Survey of United States
Transit System Security Needs
Summary of Findings

April 2010

Published by the

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Table of Contents

Summary and Principal Findings 4

APTA Survey of United States Transit System Security Needs 5

- **Transit Funding Needs** 5
- **Security Funds Received During The Past Three Years** 6
- **Use of Funds Defined By Project Effectiveness Group Descriptions** 8
- **Use of Funds vs. Actual Needs** 10

Respondents Views on the Administration of the Transit Security Grant Program (TSGP) 10

Other Security Needs Not Identified in This Survey 11

About Public Transportation in the U.S. 13

SUMMARY AND PRINCIPAL FINDINGS

The American Public Transportation Association (APTA) conducted a survey of 35 of its transit agency members during 2009 and early 2010 to determine agency security funding requirements, grants received in prior fiscal years, and the projects advanced through prior year grants. The participating transit systems were selected from APTA members who are eligible recipients of Federal Emergency Management Agency (FEMA) Transit Security Grant Program (TSGP) funding. Additional estimates of national needs were expanded beyond the survey respondents based on the portion of transit operations represented by the responding systems in six categories that represent equipment, infrastructure, and activity that requires security efforts. The principal findings of that survey are:

- ***Total security needs far surpass funding provided to date***
  Transit agency security-related investment needs are $6.4 billion. This amount is a 5-year estimate and includes $4.4 billion for transit agency security-related capital investment plus $2 billion for security-related personnel and other security-related operational expenses. Federal funding provided in FY2010 for public transportation security was $253 million.

- ***Capital security needs remain a top priority, but many agencies cite operating needs***
  Respondents to the survey estimated capital needs as exceeding operating needs by more than a 3 to 1 ratio. Disparities in priorities between large and small systems are indicative of the differences in infrastructure and assets requiring protection. Security operations needs are more likely to comprise a larger percentage of need for smaller systems.

- ***Transit security priorities vary from agency to agency***
  Survey responses demonstrate that security priorities are unique to each individual agency, just as each individual agency's infrastructure, operations and governance is unique. Transit agencies seek more flexibility in the uses of funds and a streamlined application process. A broad list of eligible projects formed the basis for the *National Transit Systems Security Act of 2007* as contained within the *Implementing Recommendations of the 9/11 Commission Act* (P.L. 110–53).

- ***Transit security resources are required beyond grant funds***
  Beyond the grant funding sought by transit agencies, resources are needed in a variety of components within the Department of Homeland Security (DHS), including funding for information sharing and intelligence, security standards development, research and technology development, technical assistance, and the broader approaches towards cybersecurity and resiliency (all-hazards response).

For further information contact Brian Tynan, Senior Legislative Representative at (202) 496-4897, or e-mail btynan@apta.com.

APTA SURVEY OF UNITED STATES TRANSIT SYSTEM SECURITY NEEDS

The American Public Transportation Association (APTA) conducted a survey of 35 of its transit agency members during 2009 and early 2010 to determine agency security funding requirements, grants received in prior fiscal years, and the projects advanced through prior year grants. The participating transit systems were selected from APTA members who are eligible recipients of Federal Emergency Management Agency (FEMA) Transit Security Grant Program (TSGP) funding. The sample of systems operates 43.0 percent of all transit vehicles that were reported in the Federal Transit Administration (FTA) National Transit Database (NTD) in 2008, operates 52.4 percent of all revenue vehicle miles, operates 64.0 percent of all passenger stations and 62.9 percent of all rail transit right-of-way measured by directional-route miles, and carries 71.8 percent of all passenger trips and 68.1 percent of all passenger miles of travel.

TRANSIT FUNDING NEEDS

Respondents were asked to report their 5-year security funding needs for capital and for operations. Table 1 shows those needs as reported by the participating agency and expanded to include other transit agencies.

Table 1: Five-Year Security Funding Needs

Transit Systems Included in Estimate	Five Year Funding Needs (Millions of Dollars)		
	Capital	Operating	Total
Respondents to Survey for These Questions	2,204	655	2,859
Systems Eligible for TSGP Funds	3,286	1,518	4,804
All Transit Agencies in Any Location	**4,419**	**2,018**	**6,437**

The security funding needs over the next five years for all transit systems are $6.4 billion, $4.4 billion for capital and $2.0 billion for operating. Among all transit systems eligible for TSGP funding these needs are $4.8 billion, $3.3 billion for capital and $1.5 billion for operations.

These needs are based on the 34 survey respondents who were able to forecast capital funding needs and the 33 who were able to forecast operating funding needs. Respondents which provided needs estimates found a total security related funding need of $2.9 billion for their systems, $2.2 billion for capital uses and $0.7 billion for operations. The responses were expanded to estimate needs for other transit agencies. The

expansions were based on the portion of transit operations represented by the responding systems in six categories that represent equipment, infrastructure, and activity that requires security efforts. These categories are the following: total vehicles operated, vehicle miles in revenue service, unlinked passenger trips, passenger miles, stations, and directional miles of rail routes. Data are taken from the 2008 National Transit Database and APTA's 2009 Public Transportation Fact Book.

APTA published a survey of transit systems security needs in April, 2004. That survey was used to project security funding needs for the entire transit industry. Capital needs to "maintain, modernize, and expand" the security function were $5.2 billion without a specified time period. Annual operating needs were $800 million which included existing security operating expenses. Those needs are most comparable to the $6.4 billion need for all agencies for the next 5 years estimated in this survey.

SECURITY FUNDS RECEIVED DURING THE PAST THREE YEARS

Respondents were asked the amount of funds they received during each of Fiscal Years (FY) 2006, 2007, and 2008 for security related projects regardless of the source. Because these amounts are not expected to be of a similar amount for non-participating systems in any consistent manner, no funding estimates are made for non-participating systems. Transit security grants were also distributed during Fiscal Years 2003, 2004 and 2005; however this survey limited the request to the most recent three fiscal years for ease of reporting. Data regarding Fiscal Year 2009 grants was not available at the time of this survey.

Table 2: Security Project Funding for Survey Participants

Funding Source	Funding Amount for Participating Systems Only (Millions of Dollars)		
	FY 2006	FY 2007	FY 2008
TSGP Grants	103.8	146.3	143.2
Agency Match for TSGP Grants	0.6	5.5	4.8
State, Local Security Grants	46.6	41.5	41.1
Agency Match for State, Local Grants	26.7	19.7	18.2
Total Security Funding	177.7	213.0	207.3

USE OF FUNDS DEFINED BY PROJECT EFFECTIVENESS GROUP DESCRIPTIONS

FEMA groups security projects into five categories termed Project Effectiveness Group Descriptions (PEGD) which are used to prioritize investments. The five groups and the project types they include, as described in the *Fiscal Year 2010 Transit Security Grant Program Guidance and Application Kit December 2009,* are:

Priority Group A, "Training, Operational Deterrence, Drills, and Public Awareness Activities" which includes: Developing Security Plans; Training (basic before follow-on) for Security Awareness, DHS-Approved Behavior Recognition Detection Courses, Counter-Surveillance and Immediate Actions for Security Threats/Incidents; Operational Deterrence for Canine Teams, Mobile Explosives Screening Teams, and Anti-Terrorism Teams; Crowd Assessment; and Public Awareness.

Priority Group B, "Multi-User High-Density Key Infrastructure Protection" which includes: Anti-terrorism security enhancement measures, such as intrusion detection, visual surveillance with live monitoring, alarms tied to visual surveillance system, recognition software, tunnel ventilation and drainage system protection, flood gates and plugs, portal lighting, and similar hardening actions for: Tunnel Hardening; High-Density Elevated Operations, Multi-User High-Density Stations, and Hardening of Supervisory Control and Data Acquisition (SCADA) systems.

Priority Group C, "Single-User High-Density Key Infrastructure Protection" Anti-terrorism security enhancement measures for High-Density Stations, and High-Density Bridges.

Priority Group D, "Key Operating Asset Protection" which includes: Physical Hardening/Security of Control Centers; Secure stored/parked trains, engines, and buses; Bus/Rail Yards; and Maintenance Facilities.

Priority Group E, "Other Mitigation Activities" which includes Interoperable Communications, Evacuation Plans, and Anti-terrorism security enhancement measures for low-density stations.

In addition, larger systems in high risk areas meeting activity criteria are eligible for funding for operational activities with Operational Package (OPack) funds.

Table 3 reports the number of agencies in the sample which received TSGP funds and matching funds for use for each PEGD category for Fiscal Years 2006, 2007, and 2008 in the columns to the left and the use of funds from other sources in similar categories for the same years in the columns to the right. Thirty-five systems answered each question.

Table 3: Use of Funds by PEGD Category

Project Effectiveness Group Description Category	Use of TSGP - Number of Grants by Category			Use of Non-Federal Funding Sources, Number of Grants Using Funds by Category		
	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008
A. Training, Operational Deference, Drill, Public Awareness	8	24	20	6	8	8
B. Multi-User High-Density Key Infrastructure Protection	12	13	16	8	8	8
C. Single-User High Density Key Infrastructure Protection	7	5	5	5	5	7
D. Key Operating Asset Protection	19	16	11	11	12	10
E. Other Mitigation Activities	5	6	7	7	9	8
Operational Packages (OPacks)	0	8	5	5	6	5

USE OF FUNDS BY PROJECT DESCRIPTIONS

Participating transit systems were asked an open ended question to list examples of the types of projects for which they used security funding. The question was repeated for each year for both TSGP and Matching Funds and State and Local Funding. Table 4 counts those answers in generalized categories into which they appeared to fit. Not all answers are included and many participants did not answer for each year. This table is thus a list of project types and should not be considered a count of the number of each project type actually undertaken.

Table 4: General Types of Projects Reported by Participants

Type of Project	Projects Implemented - Categorized By General Types (Open Ended Question, Not All Systems Answered Question for Each Year and Not All Uses Were Listed)					
	TSGP and Matching Funds			State and Local Funding		
	FY 2006	FY 2007	FY 2008	FY 2006	FY 2007	FY 2008
Closed Circuit TV and CCTV Support	15	7	10	7	7	7
Access Control	5	2	3	2	3	2
Intrusion/Perimeter Monitoring/Protection	2	6	4	2	4	2
Chemical Detection Equipment	2	0	0	0	0	0
Awareness Training	4	1	2	0	0	0
Behavior Recognition Software	1	0	0	0	0	0
K-9 Related Equipment/Training	1	0	0	1	1	2
Training and Exercises	7	14	15	0	0	1
Public Awareness	1	2	3	0	0	0
Communications Improvements and Equipment Upgrades	3	0	2	2	1	5
Tunnel Communications	1	0	0	0	0	0
Security Planning	1	1	3	0	1	0
Infrastructure Protection/Fencing/Lighting	1	0	0	2	2	3
Control Center and Control Equipment Redundancy/Improvement	2	1	0	0	0	0
Tunnel Protection and Tunnel Access Equipment	2	3	2	0	0	0
Vehicle Location System	1	0	0	0	0	0
Portal Security	1	0	2	0	0	0
Station Security	1	1	1	1	1	0
Passenger Information systems	0	1	0	0	0	0
Risk Assessment	0	1	3	0	0	0
License Plate Recognition Equipment	0	0	1	0	0	0
Electronic Security	0	0	1	0	0	0
Guards, Police	0	0	0	4	4	4

Use of Funds vs. Actual Needs

It is important to note that survey responses on funding uses should not be seen as indicators of transit agency security funding priorities. Instead they are provided to simply demonstrate where funding has been spent. APTA and many of its members continue to have concerns that the categorical prioritization of funding within the TSGP unnecessarily restricts agencies from applying for security grants for projects they would otherwise deem more important to their specific agency security mission. The statutory provisions of the *Implementing Recommendations of the 9/11 Commission Act* which outlined the eligible use of funds did so in a broad and generic manner in order to specify the wide range of eligible uses, and not in the restrictive and prioritized manner prescribed by TSGP grant guidance.

RESPONDENTS VIEWS ON THE ADMINISTRATION OF THE TSGP

[NOTE: Changes to TSGP administration have been implemented in response to grantee concerns since APTA's survey was conducted, some of which are reflected in the FY 2010 Grant Guidance.]

The administration of the TSGP has been of significant concern to the transit industry over the last several years, with changes to policy and priorities occurring each year creating challenges for grantees to implement their own security budgets, plans and programs in a consistent manner. APTA's survey asked open-ended questions regarding grantees views on the TSGP administration.

Many agencies sought additional availability of funds for operational security needs, while other agencies felt the program should be limited to capital security improvements. It was widely viewed that TSGP grants should be comprised of 100 percent federal funding, so as not to jeopardize important security projects because of other budget limitations. Multiple comments were received calling for operating and maintenance costs of TSGP funded equipment to be considered an eligible expense.

The grant process timeline was widely perceived as too long and time consuming given the amount of funds available to agencies. Early release of grant guidance was a recommendation that would allow for timelier grant application submission.

Concerns were expressed that the TSGP did not allow "pre-award" authority. This inconsistency with Federal Transit Program grants not only added to confusion in agency dealings with FEMA and the Transportation Security Administration (TSA), but also had the potential to lead certain project expenditures to be ineligible because of relatively minor administrative details, thereby affecting the transit agency's ability to expend the funds as programmed.

A variety of administrative process recommendations were made in the comments section, such as urging DHS to follow the FTA practice of utilizing annual audits for agencies with certified grantees business systems and practices. Many of the paperwork requirements and record keeping processes in place were seen as duplicative.

Additional projects that have been excluded or overly restricted include consequence management projects, continued sustenance and life-cycle maintenance of security projects, interoperable communications, and redundant power systems. Current allocations for management and administration are not sufficient for long term capital endeavors. Agencies require more flexibility in the assignment of in house flagging and escort crews for work tied to security projects. Some agencies argued for allowable costs to include program administration and project management. Several respondents argued that the guidance was unnecessarily restrictive as to the use of funds, since threats and technology are regularly subject to change. As well, needs vary from transit agency to transit agency according to inherent risk exposures and current state of infrastructure and technological applications.

Many agencies commented that operational funding should be available for projects and purposes other than the currently defined OPacks. Not all transit agencies control their own sworn law-enforcement, and as such often contract for services – often with private contractors or sworn forces of surrounding jurisdictions. The unavailability of funds for these purposes is seen as an unnecessary restriction.

Some agencies felt that the current grouping of agencies into Tiers did not adequately correlate their Tier to their risk, due to perceived unique regional security concerns. Smaller systems complained that despite their eligibility under the Tier system, they either had not been successful at obtaining grant funding. Some smaller agencies felt that minimum project amounts should be eliminated.

The wide variety of comments from agencies supports APTA's consistent call for less restrictive security grants and for a process that avoid the one-size-fits-all approach.

OTHER SECURITY NEEDS NOT IDENTIFIED IN THIS SURVEY

The funding needs and uses identified through this survey do not include Department-centric budgetary resources, such as those required for intelligence and information sharing, security standards development, and research and development.

Information and Intelligence

A high priority for the transit industry in the area of information sharing and intelligence is the continuation of a small but critical amount of annual funding for the annual maintenance of the Public Transportation Information Sharing and Analysis Center (PT-ISAC). Established in response to Presidential Decision Directive 63 and Homeland Security Presidential Directive 7 (HSPD-7), the PT ISAC is seen by transit security professionals as a highly valuable interactive resource for the dissemination and sharing of industry specific information and intelligence. A joint industry/government working group formed under the auspices of the Mass Transit Sector Coordinating Council (SCC)/Government Coordinating Council (GCC) is currently refining a proposal for security information sharing that would look to the PT-ISAC to becoming a permanent, expanded system that would coordinate the dissemination of all relevant security information to the public transit industry.

Security Standards
A similar high priority for the industry requiring continued, but relatively small amounts of funding is the transit security standards development program. Produced through the consensus-based process recommended by the American National Standards Institute (ANSI) and fully inclusive of federal stakeholders including the TSA, FTA and Federal Railroad Administration (FRA), the transit security standards program serves an extremely important guiding role for future policies and investments in transit security.

Research and Development
Additionally, resource allocation issues within the Department of Homeland Security have failed to adequately address the research and development needs of transit. In September 2008, the Mass Transit SCC Security Technology Working Group issued draft recommendations which identified concerns over the lack of a formal structure that brings the federal government and transit industry together to discuss transit security technology priorities, needs and areas of potential interest for technology advancement and research. There is a general view that TSA Research and Development, and DHS Science and Technology do not conduct adequate early outreach with the industry to determine needs ahead of actual technology development and deployment efforts. Transit security professionals believe that early and active engagement of industry could lead to a better understanding of varying transit agency needs, as well as better research and development overall.

Cybersecurity
Also, resources such as technical assistance and the like may be necessary for support of transit industry efforts in the area of cybersecurity. Concerns over cybersecurity have increased across the federal government and throughout the country over recent years, and transit agencies are no different. As significant users of power and computerized control systems, cybersecurity will remain a significant concern for an industry responsible for the safe and secure movement of 35 million daily riders.

Technical Support
Since September 11, 2001, the FTA initially and DHS subsequently have offered technical support from time to time to assist transit agencies in the ongoing development and strengthening of their security plans, processes, procedures and resources. This level of federal support continues to be an imperative need and necessitates DHS to ensure that such technical assistance is appropriately funded.

Resiliency and All-Hazards
Finally, as DHS and many others in the homeland security policy arena discuss issues of resiliency and "all hazards" approaches to security and emergency management policy, transit agencies are increasingly looked to as instruments for disaster response and evacuation, and as such have repeatedly responded to major incidents ranging from 9/11 to Hurricanes Katrina and Rita. Views on the resources made available to the Department for its overall budget should not overlook the potential transit needs in "all-hazards" response to the resiliency question.

ABOUT PUBLIC TRANSPORTATION IN THE U.S.

The United States transit industry carries over 10 billion riders a year for over 50 billion passengers miles. In 2008, 7.2 million people used transit as their primary means of commuting to work, 23 percent more than commuted on transit in 2000.

Transit service is provided by more than 387,000 employees operating 137,000 vehicles in the peak service period each weekday. Transit rail cars, buses, and vans provide 4.6 billion miles of revenue service in a year. Twenty-six commuter rail systems, 15 heavy rail systems, and 35 light rail systems provide service over 11,270 directional miles of routes, and along with bus service stop at 4,500 stations and numerous street locations.

APTA's Security Affairs Steering Committee serves in the role of the Mass Transit Sector Coordinating Council (SCC).

Now, this survey shows that over the next five years some $6.4 billion should be invested in America's public transit systems, and I can tell you, according to our survey plus my own experience, that the funds you have provided previously have been well used. Many systems now have closed circuit television that did not before. They do better access controls to their stations. They have intrusion monitoring and perimeter protection. They have more training and more exercises than they have had before. They have been able to alert the public to its responsibilities in this area. They have increased their security planning, expanded their canine protection, and the list goes on. But more should have been done, more could have been done if additional funding had been available.

Unfortunately, the restrictiveness of the Transit Security Grant Program does not allow us to fulfill the goals stated in the act, and the funds appropriated by the Subcommittee continue to flow slowly to our nation's transit agencies. And while we are pleased with some recent steps taken at FEMA and the Transportation Security Administration to improve the program, we hope that this Subcommittee can continue its attention on simplifying and streamlining the process necessary.

Now, Mr. Chairman, we agree with the stated mission of TSA to protect "the nation's transportation systems to ensure freedom of movement for people and commerce," but TSA continues to be overly focused on one mode of travel rather than the security of all.

No one doubts the need to have a safe and secure aviation system, but realizing that in three weeks public transit systems carry more Americans than in 12 months by our domestic airlines it is certainly necessary to have the better balance between the investments in the air system and in the public transit. We do not need another wake-up call in transportation, and we have learned much since 2001 how to thwart our enemy, but we need the financial resources to do so. This is why we are calling for the Congress to appropriate $1.1 billion authorized by the Congress in the 9/11 Act during the 110th Congress.

Mr. Chairman, I appreciate the opportunity to be with you today, and I will be very pleased to answer your and the Committee members' questions.

[The information follows:]

TESTIMONY OF
WILLIAM MILLAR
PRESIDENT
AMERICAN PUBLIC TRANSPORTATION ASSOCIATION
SUBMITTED TO THE
HOUSE APPROPRIATIONS SUBCOMMITTEE ON HOMELAND SECURITY
April 21, 2010

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OVERVIEW

Mr. Chairman, thank you for this opportunity to provide testimony to the Subcommittee on the Fiscal Year (FY) 2011 funding needs for public transportation security within the budgets of the Federal Emergency Management Agency (FEMA) State and Local Grants program, and the Transportation Security Administration (TSA), Transportation Sector Network Management (TSNM) Mass Transit Division, and throughout the Department of Homeland Security (DHS). APTA asks the committee to provide appropriations for the FY 2011 Transit Security Grant Program (TSGP) in the amount of $1.1 billion, the level authorized under the Implementing Recommendations of the 9/11 Commission Act of 2007 (Public Law 110-53). We appreciate the funding that this committee has provided, but at the recent levels, grant allocations to regions, and ultimately the awards to the individual transit agencies have limited what projects can be pursued and implemented. We urge Congress to find the resources to appropriate the levels authorized in the 9/11 Act.

ABOUT APTA

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

GREATER INVESTMENTS IN TRANSIT SECURITY ARE REQUIRED

As I will discuss later in my testimony, it is well established that transportation and public transportation specifically, continue to face significant security risks. One only needs to look to the recent attacks in Moscow and the ongoing investigation and prosecution of conspirators in New York to be reminded of this. Safety and security have always been the top priority of the public transportation industry. Since 9/11, transit systems have taken many steps to further improve security. Public transit agencies with state and local governments, have invested billions of dollars on security and emergency preparedness programs. While we recognize that as an open public infrastructure there are limitations on what specific steps can be taken to secure transit facilities and operations, I want to emphasize that there are still many steps that must be taken and many security improvements that can be made to improve the security of our systems and enhance the safety of our nation's transit riders.

In 2009, APTA conducted a new survey of U.S. transit agencies to update their security investment needs and their experience with the current program. The results of the survey demonstrate that security investment needs persist nationwide, with total needs for all transit agencies exceeding $6.4 billion. Our previous survey in 2004 identified needs in excess of $6 billion. Despite billions of dollars already invested from federal, state and local sources, it is important to understand that facilities have changed and expanded; our understanding of risk, consequence, response and recovery has changed; and technology and operational approaches are also different than they were in 2004.

Congress recognized the need to enhance the focus of DHS on surface transportation and public transportation security when it enacted the 9/11 Act. That legislation authorized $3.4 billion for public transportation security improvements, and authorized additional funding for the security of rail carriers (freight, passenger and commuter rail) over a four-year period. And yet, over the period covered by the 9/11 Act authorizations, only $1.25 billion of the $3.4 billion authorized has been appropriated, and even less has ultimately been directed in grants to transit agencies. This is simply unacceptable. We must increase investments and meet our security needs now – before we are forced to ask the question "what could have been done?"

The legislation also set in place a number of the structural elements that APTA and the nation's transit systems continue to emphasize as priorities, including broad eligibility for capital and operational improvements, a rejection of a "one-size fits all" approach to transit security, a recognition of the open nature of transit facilities and services, interagency coordination between DHS and the Department of Transportation (DOT), consultation and coordination at all levels of government and with industry stakeholders, and support for information sharing and intelligence analysis, standard development and research and technology development.

TRANSIT SECURITY NEEDS ARE REAL AND REQUIRE ATTENTION

As we have stated before, and as the members of this Subcommittee well know, authoritative sources have acknowledged that the risk to public transportation systems is real, and it has not diminished:

- The Government Accountability Office (GAO) released a 2002 report stating "*about one-third of terrorist attacks worldwide target transportation systems, and transit systems are the mode most commonly attacked.*"
- In 2007, the GAO reported to Congress that "*the characteristics of some passenger rail systems—high ridership, expensive infrastructure, economic importance, and location (e.g., large metropolitan areas or tourist destinations)—make them attractive targets for terrorists because of the potential for mass casualties and economic damage and disruption.*"
- On February 29, 2008, the Office of Intelligence of the Transportation Security Administration (TSA) released a report concluding that public transportation in America remains vulnerable to terrorist attack. The report states: "*The volume of previous attacks and recent plotting against mass transit systems overseas demonstrates continued strong terrorist interest in targeting this sector.*" The report further states that: "*Previous rail attacks in Madrid, London, and Mumbai could inspire terrorists to conduct similar attacks in the United States.*"
- On September 30, 2009, the Honorable Michael E. Leiter, Director, National Counterterrorism Center (NCTC) testified in the Senate that "*al-Qa'ida continues to pursue plans for Homeland attacks and is likely focusing on prominent political, economic, and infrastructure targets designed to produce mass casualties, visually dramatic destruction, significant economic aftershocks, and/or fear among the population. The group also likely remains interested in targeting mass transit systems, and other public venues, viewed as relatively soft targets as evidenced by past al-Qa'ida attacks in London.*"
- The TSA Office of the Inspector General released a March 2010 report highlighting the need for greater attention by TSA in surface transportation emergency planning and response capabilities.
- The Federally funded and chartered, independent Mineta Transportation Institute (MTI) has collected data on worldwide terror incidents and found more than 2,000 separate attacks on surface transportation – 1,223 involving bombs and incendiaries – since 1970. These attacks caused 6,190 deaths and approximately 19,000 injuries.

The Department of Homeland Security has the responsibility to ensure the safety and security. All of the official government and independent analyses of risk and threat cite transportation modes as a potential target for terrorism. As a result, it is the mission of the TSA to protect "the Nation's transportation systems to ensure freedom of movement for people and commerce." We couldn't agree more vigorously with that mission statement! However, one only needs to look at the TSA website to realize that the agency continues to focus in a sizable and disproportionate manner on one mode of transportation above all others. There is no mention of surface transportation anywhere to be found at the forefront of the TSA website.

Let me be very clear – and we have been consistent in our views on this – no one questions the security requirements of our nation's aviation system. But the scope and scale of the disproportionate attention and dedication of resources to one mode of travel over all others is hard to ignore. In 2009, Americans took more than 10.2 billion transit trips. People use public transportation vehicles more than 35 million times each weekday. This is eighteen times the number of daily boardings on the nation's domestic airlines. Make no mistake; a successful

terrorist attack on a single high capacity urban rail system during peak travel time could result in a devastating number of fatalities and injuries. In addition, it would have a crippling affect on the economy of that entire metropolitan area, with a potential ripple effect nationwide. We do not want to scare anyone, but at the same time we cannot continue to avoid talking about the consequences, as the resources are not being dedicated where our needs truly exist.

OTHER PROGRAM REQUIREMENTS AND RESOURCE NEEDS

We further ask that you again include language that directs DHS to award funds directly to transit agencies and prohibits DHS from imposing a local match requirement, consistent with Congressional intent expressed in the conference report of the 9/11 Act. APTA has no objection to language included in last year's conference report which directed FEMA to allow transit agencies to permit States to act as sub-grantees. We believe that as long as transit agencies affirmatively choose to have their grants administered by their state administrative agencies, they should have that option.

We are pleased that many steps have been taken at the Federal Emergency Management Agency (FEMA) and TSA to improve the Transit Security Grant Program (TSGP) application and award process, and we appreciate the attention that this committee has placed on the difficulties inherent in this process. However, we urge your continued oversight and attention to opportunities to simplify and streamline the process. We are hopeful that the oversight efforts of Congress, which have led to recent proposed reforms in the TSGP grant process, will achieve the desired results and expedite the delivery of funds to transit agencies with security improvement needs.

In addition to grant funding, we urge Congress to provide $600,000 to TSA Transportation Sector Network Management (TSNM) Mass Transit Division for the continued operations of the Public Transit Information Sharing Analysis Center (ISAC). Funding for this program was authorized in the 9/11 Act bill under Section 1410 (d), which provides for the sharing of security information between transit agencies and DHS. The ability to share vital information is crucial in preventing and mitigating potential terrorist attacks. We have been advised by TSA that resources for the Public Transit ISAC are part of the TSA budget for TSNM. Further, a joint industry/government working group formed under the auspices of the Mass Transit SCC/Government Coordinating Council (GCC) is currently refining a proposal for security information sharing that would look to the PT-ISAC to becoming a permanent, expanded system that would coordinate the dissemination of all relevant security information to the public transit industry.

We also urge Congress to provide $500,000 to DHS for the development of transit security standards. Over the last several years, APTA has worked closely with the DOT, DHS and industry leaders to develop standards that help transit agencies use available resources as effectively as possible. It is our understanding that resources are factored into the TSA budget for this continuing effort, but we urge the committee to support the TSA in this regard. The ISAC and security standards are two important national programs that, although modest in funding needs, can significantly enhance transit security at the local level.

Finally, with regard to technology research and development, resource allocation issues within the Department of Homeland Security have failed to adequately address the research and development needs of transit. In September 2008, the Mass Transit SCC Security Technology Working Group issued draft recommendations which identified concerns over the lack of a formal structure that brings the federal government and transit industry together to discuss transit security technology priorities, needs and areas of potential interest for technology advancement and research. There is a general view that TSA Research and Development, and DHS Science and Technology do not conduct adequate early outreach with the industry to determine needs ahead of actual technology development and deployment efforts. Transit security professionals believe that early and active engagement of industry could lead to a better understanding of varying transit agency needs, as well as better research and development overall.

Finally, resources such as technical assistance and the like may be necessary for support of transit industry efforts in the area of cybersecurity. Concerns over cybersecurity have increased across the Federal government and throughout the country over recent years, and transit agencies are no different. As significant users of power and computerized control systems, cybersecurity will remain a significant concern for an industry responsible for the safe and secure movement of 35 million daily riders.

CONCLUSION

Mr. Chairman, the recent suicide bomb attacks in Moscow provided an unwanted but graphic reminder of the threats our industry continues to face. We cannot forget the attacks on Madrid's commuter trains, on London's subways, or the seven bombs on Mumbai's commuter trains. Those three incidents alone resulted in 452 deaths and 3,000 injuries. We should also not ignore those potential incidents that we have been fortunate to thwart. More details have emerged about the plans involved in the Al Qaeda-inspired New York subway bomb plot, and the reports surrounding this plot alone should emphasize the need for continued vigilance in surface transportation security.

I thank the subcommittee for this opportunity to testify and we look forward to working with you and the Congress to advance our mutual goals of safety and security for the traveling public.

Mr. PRICE. Thank you, Mr. Millar. We appreciate your presence here. We will look with interest to your full statement. Let me just ask you one question and it has to do with something that this Subcommittee has been concerned about for some time, and it has to do with the grant process that you are contending with.

Mr. MILLAR. Yes, sir.

Mr. PRICE. You mentioned the difficulties of that process at greater length in your written testimony. We, as you probably know, had—it turned out to be sequential hearings last year—with TSA and FEMA about the tangle and delayed grant process. We have just received some several months late a report on this which indicates the problems are not yet solved, although administrators in both agencies are working on them in good faith, but there are frustrations that you, of course, and your members experience daily.

I wonder maybe just briefly here this morning orally and any other material you would want to submit what kind of particular take you have on the current state of the process; efforts to streamline it, ways that might offer promise going forward.

Mr. MILLAR. Yes, sir. As I stated in my testimony, we do believe that some things are going better today, but we continually have to avoid backsliding. Even though the Congress has not required a local match and, you know, we still fight those issues in a variety of ways. Even though we now finally have grants that are going more directly to the transit agencies, we continue to see delay.

I think what I would prefer to do, if it is acceptable to you, sir, is let me find a small handful of what I think are clear examples in various categories that I could supply to the committee.

Mr. PRICE. That would be very helpful and you can perhaps consult the report that we have just received and offer this by way of reflections on that progress report.

Mr. MILLAR. We would relish that opportunity. Thank you, sir.

Mr. PRICE. All right. Mr. Rogers.

Mr. ROGERS. No questions.

Mr. PRICE. Mr. Farr.

Mr. FARR. No questions.

Mr. PRICE. Mr. Rothman.

Mr. ROTHMAN. No questions.

Mr. PRICE. All right. Well, thank you very much.

Mr. MILLAR. Thank you, sir.

Mr. PRICE. We will move to our last witness of the morning, the Deputy Executive Director of SEARCH, Kelly Peters.

WEDNESDAY, APRIL 21, 2010.

DEPARTMENT OF HOMELAND SECURITY

WITNESS

KELLY PETERS, DEPUTY EXECUTIVE DIRECTOR OF SEARCH

STATEMENT OF KELLY PETERS

Ms. PETERS. Good morning, Mr. Chairman, Mr. Rogers, Mr. Farr and Mr. Rothman. Thanks for allowing me to appear before you all today and for your support over the past year.

I am Kelly Peters, Deputy Executive Director of SEARCH. SEARCH is a nonprofit justice support organization created by the states and comprised of state governors' appointees. Each state pays dues annually.

SEARCH's mission is to bring out the effective use of information, communications, and identification technologies by justice, public safety and first responder agencies. This House of Representatives recognized our work just this past November in House Resolution 851. SEARCH is requesting $1 million earmark to continue development of the National Institute for Emergency Communications or NIEC.

Working in partnership with the Department of Homeland Security, the Office of Emergency Communications, the NIEC will address the most critical issue facing the first responder community today: their ability to man and control emergency resources in response to terrorist acts, natural disasters and crimes through interagency communications.

Nearly 10 years after the tragic events of 9/11 there is still much work to be done. State and local public safety organizations are undertaking major communications interoperability initiatives without access to ongoing professional training and resources to plan for, design and implement, and manage these efforts. By 2011, state and local governments are predicted to spend $4.4 billion on communications technology for first responders in part through funding from new and exiting grant programs.

However, when decisionmakers have limited access to expert training, they can underestimate the extent of the effort involved in overseeing, implementing and managing such initiatives. These initiatives can fail and be very costly to the public, and sadly we read about them in the news quite often. While there are programs that provide technical assistance and training to first responders, there are oftentimes specific federal grant programs, and only a small percentage of the nation's 60,000 or more first responder agencies actually receive federal grants, so there is a large number of agencies that have little or no access to these resources.

The NIEC will professionalize public safety project management, provide communications interoperability training and assistance, and create a nationally recognized resource for best practices and tools. In addition, there are major initiatives occurring with the public safety broadband spectrum and few opportunities for training on this critical issue. NIEC can provide the needed training and technical assistance to practitioners on this major effort. This will directly benefit communities nationwide by giving first responders the communications tools necessary to do their job and ultimately to keep citizens safe.

For over 40 years SEARCH has earned a strong reputation for providing on-site technical assistance to state and local agencies in the planning, development, implementation, and management of their information sharing and interoperability activities. SEARCH was a founding member of the Interoperable Communications Technical Assistance Program at DHS over five years ago, and since 2007, SEARCH has also lead efforts to develop and provide training through the communications unit program. Through funding and support from DHS, SEARCH convened subject matter ex-

perts from across this country, practitioners from the field to develop this critical training program. It is now a key program of the OEC and over 1,600 students have been trained in 80 classes offered nationwide.

In addition to the communications unit leader training, SEARCH has just led and completed the development of the communications technician training curriculum to be used by OEC in a national rollout anticipated later this month.

SEARCH's assistance with these national programs is only part of the story. We also work directly with state and local agencies to advance their information sharing and interoperability projects in the field. In North Carolina, for example, SEARCH helped the state develop standard operating procedures for equipment purchased for the North Carolina Voice Interoperability Plan for Emergency Responders an 800 megahertz radio system.

As it has in many states across the country, SEARCH hosted the newly developed community unit leader training course last year in Kentucky and in New Jersey. SEARCH has participated in many other additional training and technical assistance initiatives across the country, including statewide communications interoperability plan review.

I share this with you to say that SEARCH's independent and trusted expertise in the design, use, and implementation of interoperable communications technology highly qualifies us to establish and operate the National Institute for Emergency Communications, and Congress, and with our partners in New Jersey and the support of Congressman Rothman last year you all recognized this and created the NIEC in Fiscal Year 2010 by awarding SEARCH a $1 million earmark.

We are still awaiting receipt of that funding, but we are prepared and ready to move as soon as funding is received, and we have been working with OEC on this initiative in anticipation of that funding.

All state and local governments would openly have access to the NIEC. However, the first step in this process is to establish the pilot site with our partners in New Jersey. The next step will be to operationally develop and roll out training, curriculum and technical assistance and up to three additional pilot sites.

The program's development will require an estimated two to four years of expansion before becoming operational on a national level, and SEARCH does intend for NIEC to transition to a fee-based, fee-supported program.

Congressional support for the National Institute for Emergency Communications is vital. The federal investment of $1 million for NIEC will allow SEARCH to move forward with ground-breaking opportunities to help professionalize public safety project management and communications interoperability nationally. It will also leverage the billions of dollars federal, state, and local agencies are investing in these critical efforts.

So on behalf of SEARCH and its governors' appointees I thank you for your time today, and I am available for questions.

[The information follows:]

SEARCH
The National Consortium for Justice Information and Statistics

Francis X. Aumand III
Chairman

Ronald P. Hawley
Executive Director

Prepared Testimony of Kelly Peters, Deputy Executive Director
SEARCH, The National Consortium for Justice Information and Statistics

I. Introduction

I am Kelly Peters, Deputy Executive Director of SEARCH. Thank you, Mr. Chairman and members of the Subcommittee for the opportunity to submit this testimony and for your past support. The efforts of your outstanding subcommittee staff are also greatly appreciated. SEARCH has requested a $1,000,000 earmark to be included in the Homeland Security appropriation bill for the National Institute for Emergency Communications.

SEARCH is a state justice support organization comprised of governors' appointees from each state. Each state pays dues annually. SEARCH's mission is to promote the effective use of information and identification technology by justice agencies nationwide.

II. The National Institute for Emergency Communications (NIEC)

The National Institute for Emergency Communications (NIEC) provides direct benefit to the community by giving first responders the communications tools necessary to do their job, and ultimately, to keep citizens safe. New Jersey and the other pilot areas selected will benefit from intensive training for its first responders in a coordinated fashion, based on the best practices and methodology that has been developed over the years by the Department of Homeland Security (DHS) Office of Emergency Communications (OEC) and with SEARCH assistance.

Working in partnership with the OEC, the NIEC would address the most critical issue facing the first responder community today: Their ability to command and control emergency resources in response to terrorist acts, natural disasters, and crimes through interagency communications.

Nearly 10 years after the tragic events of 9/11, there is still much work to be done creating not only operable, but interoperable first responder communications. The NIEC fills an unmet need that significantly challenges our nation's public safety and first responder community: organizations are undertaking major communications interoperability initiatives without access to ongoing, professional training and resources to plan for, design, implement and manage these efforts. It is predicted that spending by U.S. state and local governments on communications technology for first responders will rise from $3.2 billion in 2006 to $4.4 billion by 2011. Meanwhile, new and existing federal grant programs are infusing substantial capital into the field to support these initiatives. All too often, decision-makers grossly underestimate

the extent of effort involved in overseeing, implementing and managing such initiatives. The results are evident, as well as costly to the public. Such failures are particularly unfortunate in grant funded projects. There is broad and deep need for the specialized field of managing large-scale, business-critical communications interoperability projects.

While there are programs that provide technical assistance and training to first responders, those support services are often tied to specific grant programs. Only a small percentage of the nation's 60,000 or so first responder agencies actually receive federal grants, so there are a large number of agencies that have little or no access to such training. In addition, in many cases existing training and technical assistance – because these activities are funded by and associated with grant programs – can ebb and flow with the availability of funding. This is the gap that the Institute would fill.

Congress recognized this need for expert training and created the Institute in FY10 by awarding SEARCH a $1 million earmark. The NIEC will professionalize public safety project management, provide communication interoperability training and assistance, and create a nationally recognized resource for best practices and tools.

III. SEARCH Credentials

SEARCH has a well-earned record for providing on-site technical assistance and training to state and local justice agencies in the planning, development, implementation and management of information sharing activities for over forty years. This record and our qualifications were recognized by the U. S. House of Representatives in Resolution 851 passed on November 17, 2009.

This strong reputation has caused SEARCH to be engaged by key federal agencies in providing support to state and local agencies on their interoperable communications issues. Some of these key interoperability programs are listed below:

- SEARCH was a founding member of the Interoperable Communications Technical Assistance Program (ICTAP) team since its establishment at DHS over five years ago. SEARCH has provided many instances of technical assistance under this program to Urban Area Security Initiative (UASI) regions, hosted training, workshops and conferences and helped state and local agencies develop their statewide and tactical interoperability plans.

- SEARCH has been the lead in developing and providing the training for the Communications Unit Program started in 2007. Previously devoid of such a program in the first response community, SEARCH — through funding and support at DHS — convened subject matter experts from across this country to develop the critical training program focused on communications. It is now a key program of the OEC and over 1,600 students have been trained in the 80 classes that have been offered nationwide. In addition to the COM Unit Leader (COML) training, SEARCH has just led and completed the development of the Communications Technician (COMT)

Training Curriculum to be used by OEC, and will lead the national roll-out anticipated to start in April 2010.

- SEARCH has been the sole Technical Assistance and Training provider to the U.S. Department of Justice Office of Community Oriented Policing Services (COPS) technology programs (COPS MORE, Technology, and Interoperability programs) since 1998. Since 2003, SEARCH has provided technical assistance for the COPS Interoperable Communications Technology Program (ICTP), which issued 102 grants totaling approximately $400 million. These grants have provided funding for technical assistance, training, publications, conferences, survey development and deployment, and information technology tools.

Furthermore, SEARCH's work directly with state and local agencies to advance information sharing and interoperable communications technology projects is well established, such as the following activities:

- In New York, SEARCH has coordinated with the OEC, the New York State CIO, and New York Statewide Interoperability Coordinator; to host a beta training class in December 2009 for COMT at which New York public safety practitioners participated and contributed to the development of the COMT curriculum. SEARCH also recently participated in the New York Statewide Communications Interoperability Plan (SCIP) review.

- In North Carolina, SEARCH provided technical assistance for the development of standard operating procedures to correspond with the equipment purchased for the strategic solution developed for the North Carolina Voice Interoperability Plan for Emergency Responders (VIPER), which was an 800 MHz radio system. SEARCH also assisted in the modification of the original project charter to focus on the communications interoperability committee. In September 2009, SEARCH provided on-site assistance to the various public service agencies included in this program - Pitt County Sheriff's Department, Greenville Police Department, Greenville Fire/Rescue, Pitt County 911 and East Care Medical Transport.

- In New Jersey, SEARCH staff provided logistical, administrative and training support for the presentation of a three day COML training course in September 2009 for twenty-four attendees held in Egg Harbor Township, New Jersey.

- In Kentucky, SEARCH staff provided logistical, administrative and training support for the presentation of a three day COML training course for forty-two attendees held in August 2009 in Greenville, Kentucky. SEARCH has participated in many additional training and technical assistance initiatives, such as participation in the Statewide Communications Interoperability Plan (SCIP) review and Interoperable Communications Technical Assistance Program (ICTAP).

Because of these qualifications, SEARCH has been a key partner with the U.S. Department of Justice and founding member of the Global Information Sharing Initiative

(Global) working to develop the tools and resources needed by these justice and public safety agencies. This participation uniquely positions SEARCH with expert knowledge of the design, use and implementation of information sharing and interoperable communications technology. This level of expertise highly qualifies SEARCH to establish and operate the National Institute for Emergency Communications.

IV. Intended Use of Funding for Fiscal Year 2011

For FY11, SEARCH is requesting $1,000,000 for the National Institute for Emergency Communications. SEARCH has been honored to work with Congressman Steven Rothman, the sponsor of the FY10 earmark, to successfully bring the NIEC's pilot program to New Jersey. SEARCH intends to continue working with Congressman Rothman during the FY11 appropriations process. If SEARCH is provided with the requested funding, SEARCH intends to utilize the funds to continue work in New Jersey and expand the NIEC's services to other regions around the country, ultimately preparing for the NIEC's nationwide offerings. This expansion to other regions will build upon the developments in New Jersey, and then refine the NIEC's offerings to handle the unique needs of a variety of regions.

Though still awaiting receipt of FY10 funding, SEARCH has prepared and is ready when it receives funding to move forward expeditiously. Internally, a structure is in place to manage and lead the NIEC, and initial conversations have been held with New Jersey officials. The staff and management for the program will meet in late June to further refine and develop a strategic plan for the NIEC's pilot in New Jersey. SEARCH's gubernatorial-appointed membership group has provided input to the preliminary structure of the NIEC. SEARCH and the Association of Public Safety Communication's Officials have met and discussed collaboration on some elements of the NIEC. Once funding is received, SEARCH will work in cooperation with the OEC, who will be administering the funding. Thus, once funding is received, SEARCH is positioned to immediately develop and execute the strategic plan, course curriculums, tools, Internet resources, and logistics to establish the NIEC's first pilot in New Jersey. SEARCH will work with New Jersey officials to create the NIEC's programs and academies (developed in conjunction and collaboration with DHS, and based on nationwide best practices). Training will be offered, tested, evaluated and honed in New Jersey. Those trainings will form the basis for the nationwide roll out of the NIEC.

All state and local governments will ultimately have access to the NIEC, however, the first step in this process is to establish the pilot site in New Jersey. The next step will be to operationally develop and roll out training, curriculum and technical assistance in up to three additional pilot sites. The timeline for this phase of the project is 12 months. The program's development will require an additional 2-4 years of expansion, before become operational on a national level for an addition 1-2 years with the goal of transitioning to a fee supported program.

V. Conclusion

Congressional support for the National Institute for Emergency Communications is vital. The federal investment of $1,000,000 for the NIEC will allow SEARCH to move forward with a

groundbreaking opportunity to help professionalize public safety project management and communications interoperability nationally.

On behalf of SEARCH, its governors' appointees, and the thousands of justice officials who participate in the SEARCH network and who benefit from SEARCH's efforts, I thank you for your time.

SEARCH

The National Consortium for Justice Information and Statistics

Francis X. Aumand III
Chairman

Ronald P. Hawley
Executive Director

Kelly Peters Harbitter, Deputy Executive Director
SEARCH, The National Consortium for Justice Information and Statistics

Addendum to Prepared Testimony of April 22, 2010
before the U.S. House Appropriations Subcommittee on Homeland Security

SEARCH's work directly with state and local agencies across the nation to advance information sharing and interoperable communications technology projects is well established. As an organization, SEARCH is governed by a Membership Group of Governor appointees from each state and territory; this lends legitimacy to our efforts, as our Membership speaks with the common voice of the States and provides critical operational practitioner guidance. The services we offer across the country to state, tribal, regional, and local public safety agencies are also invaluable because we provide objective direction, guidance, and expertise in such areas as automated systems development; strategic planning and integration of communications and justice information technology; functional, data, and technical standards development and implementation; and communications interoperability and wireless issues. Our efforts are also focused on ensuring state and local efforts are coordinated so that common or complementary standards, approaches, and technologies are utilized.

The following activities illustrate that SEARCH's impact reaches all 50 states.

Alabama	In Alabama, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in December 2008 for 16 attendees held in Mobile, Alabama, and in July 2009 for 17 attendees in Pelham, Alabama. The course provided standardized, focused training for communications unit personnel and first responders and was designed to provide them with the knowledge of managing communications from a multi-jurisdictional large-scale event to a localized emergency.
Alaska	In Alaska, SEARCH provided a March 2010 on-site workshop to help the City of Fairbanks Department of Public Safety develop a redundant/backup location for the Fairbanks Emergency Communications Center dispatch operations, which serves a broad base of City and Borough public safety services in the region. The workshop was instrumental in helping the City develop a successful

	governance structure and standard operating procedures compliant with current best practices and Federal Government-recommended guidelines, including interoperability considerations. SEARCH provided recommendations that targeted meaningful improvements to information sharing and interoperability between emergency services and across levels of government and, most significantly, to the survivability and continuity of operations during emergencies.
Arizona	In Arizona, the Phoenix Police Department and City of Yuma Department of Information Technology Services benefited from a consolidated technical assistance delivery from SEARCH. The 2009 assistance involved developing a standard operating procedure (SOP) for the Phoenix/Yuma system-to-system console patch. The collaboratively-developed SOP defined the use of an interoperability patch system between the dispatch centers in Yuma and Phoenix — coordination talk groups for forward-deployed units to use while in transit from their originating jurisdiction to their destination. The SOP, the end purpose of which was improved public service through the use of interoperable communications, was also intended to be used as a model for similar efforts within the State of Arizona.
Arkansas	In Arkansas, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in November 2009 for 33 attendees held in Little Rock.
California	In California, SEARCH expertise and assistance in wireless, radio and emergency response communications proved critical to the public safety efforts of three diverse cities to improve their public safety communications interoperability. For example, the City of San Francisco and Bay Area Urban Area Security Initiative benefited from SEARCH assistance in 2009 that involved developing a Memorandum of Understanding to enable partner jurisdictions to roam from one Project 25 system to neighboring P25 systems using a Roaming Inter Subsystem Interface (ISSI) link. The MOU was designed to outline and set the foundation for interoperability procedures within the Bay Area UASI region for a broad array of public safety users. Using its years of experience and knowledge of multi-agency governance structures, SEARCH also helped the City of San Diego's Regional Command and Control Communications (3Cs) program take its communications capabilities to an enhanced level by providing first responders more ways to work together to protect the lives and property of the communities they serve. SEARCH reviewed the program's draft MOU and made recommendations on how it could be improved to add more stakeholders. The City of Salinas Police Department also had a better chance of successful outcomes after

	SEARCH reviewed its RFP for a Next Generation integrated public safety voice and data radio system for Monterey County and made crucial recommendations relating to RFP wording in the areas of requirements, selection criteria, acceptance testing and others.
Colorado	In Colorado, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in October 2008 for 33 attendees held in Denver and in October 2009 for 25 attendees in Colorado Springs.
Connecticut	In Connecticut, SEARCH provided on-site technical assistance in 2009 to the Cheshire Police Department in its efforts to replace its records management and computer-aided dispatch system. SEARCH conducted a detailed business function need analysis that showed how much a new CAD/RMS could improve the efficiency, effectiveness and accuracy of the department's information management. SEARCH also provided an overview of project planning. In 2010, SEARCH provided technical assistance to the Bridgeport Police Department and Fairfield County Chiefs of Police Association in its efforts to develop a standard operating procedure that would link all users together by utilizing a cross-band existing VHF system into a multi-site, simulcast system on very high frequency (VHF), ultra high frequency (UHF), and 800/700 bands. The system will be "always on," which will enable users to use the system without the benefit of dispatch or patching. With SEARCH's guidance, stakeholders discussed and identified the elements needed to support the development of a regional communications SOP. SEARCH staff completed a review of existing agreements and contemporary models to ensure that the most relevant content is included within the new document.
Delaware	In Delaware, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in March 2009 for 16 attendees in Dover.
Florida	In Florida, the Cape Coral Police Department improved its chances of project success after SEARCH reviewed the capabilities of its 800 MHz radio system upgrade, design for a standards-based digital system, project management practices, and system implementation. A comprehensive review like that done by SEARCH helps departments like Cape Coral and its partner, Lee County, move toward a successful completion of a long-range plan to provide new and improved communications capabilities to area public safety agencies.

Georgia	In Georgia, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in November 2009 for 31 attendees in Atlanta. Georgia has also benefited from SEARCH's approach to training through its technical assistance programs, which prepares practitioners to successfully manage their technology initiatives. COPS Interoperable Communications Technology Program conferences and workshops conducted since 2004 have focused on critical success factors, providing tools, techniques, and other resources to assure project success. These training events have been very well received by local, state, and tribal officials, as evidenced from these remarks from Major Stan Savage of the Atlanta Police Department: "COPS and SEARCH do a great job in this very critical area of communications, interoperability and technical assistance. Thanks...."
Hawaii	In Hawaii, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in October 2008 for 39 attendees and in November 2009 for 47 attendees, both in Honolulu.
Idaho	In Idaho, SEARCH assisted key operational, project management and technical stakeholders in Canyon County and its Sheriff's Office with a time-sensitive need they had to assess vendor responses to an RFP issued for upgrading a multi-agency shared radio system infrastructure. Because County commissioners had ejected the responses, the site needed to learn how to overhaul its existing RFP review and assessment process in order to enable an appropriate, fair, legally defendable and objective analysis. SEARCH's targeted, expert assistance enabled the site to better capture the necessary and sufficient data needed to reasonably assess the RFP responses. SEARCH also provided a high-level assessment of the radio system project planning and management efforts undertaken by the Bonneville County Sheriff's Office, based on formal project management standards. The office is managing a complex, multi-agency, multi-discipline, multi-jurisdictional, radio system project that includes in-vehicle mobile and handheld radios, and a radio infrastructure site build-out of six sites. The county's use of interoperable communications resources are now in conjunction with the operational standards of the National Incident Management System and the Incident Command System.
Illinois	In Illinois, 14 counties in the southern part of the state were beneficiaries of SEARCH's high-level analysis of the region's proposed Next Generation 9-1-1 Network Project. The counties—Randolph, Perry, Franklin, Wabash, White, Jackson, Williamson, Saline, Gallatin, Union, Johnson, Clay, Massac, and Pulaski—serve 22 Public Safety Answering Points and are seeking to form an IP network.

	They needed help with developing a comprehensive plan to serve as the project's roadmap, and were challenged by a number of issues, including less accessible telecommunications infrastructure in the region. SEARCH's expertise in formal project planning and best practices enabled it to help the site move forward with critical success factors for project planning.
Indiana	In Indiana, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in February 2009 for 30 attendees held in Indianapolis. Indiana officials have been attending SEARCH technical assistance conferences for years—and learning critical skills they could put to operational use immediately. Chief Detective Ronnie Lawson of the Starke County Sheriff's Department noted that a SEARCH TA conference he attended "was one of the most well-organized and well-presented conferences I've ever attended during my 38 years in Law Enforcement."
Iowa	In Iowa, a consortium of four public safety answering point agencies in Scott County that are creating a consolidated 9-1-1 emergency communications center received critical SEARCH guidance on incorporating National Information Exchange Model standards to support the new PSAP. SEARCH's expertise in NIEM standards, CAD/RMS procurement best practices, and information sharing approaches is helping the stakeholders more successfully create a single, countywide dispatch state-of-the-art system. The project will enable the Davenport and Bettendorf Police Departments, Scott County Sheriff's Office, and MED-COM to reduce overall operational costs, provide better efficiency and response time, reduce redundancy in call center services, promote data sharing within the jurisdiction through integration, and reduce CAD/RMS technology inconsistencies.
Kansas	In Kansas, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in September 2009 for 27 attendees held in Salina.
Louisiana	In Louisiana, Col. Terry Ebbert, Director of Homeland Security for the City of New Orleans, had this to say about SEARCH interoperable communications training: "[The conference] was excellent in every respect. I learned more in 3 days than in the last 3 years." SEARCH's approach to training through its technical assistance programs is to prepare practitioners to successfully manage their technology initiatives. COPS Interoperable Communications Technology Program conferences and workshops conducted since 2004 have focused deeply on critical success factors, providing tools, techniques, and other

	resources to assure project success. In addition, targeted technical assistance provided directly to agencies is a hallmark of SEARCH's commitment to providing impartial help in carrying out technology initiatives. Over the years, multiple interoperable communication projects in Louisiana have directly benefited from SEARCH assistance, including a CAD/RMS/Mobile data project in Shreveport (SEARCH helped the site develop a standard operating procedure compliant with best practices and federal interoperability standards), a data sharing project in the Louisiana UASI Region 1 (SEARCH reviewed the region's communications plan, talkgroup configuration, and template to support a regional Field Operations Guide), and a radio systems project for the Louisiana Department of Public Safety (SEARCH reviewed critical success factors affecting the 700 MHz P25 statewide land mobile/mobile data project and future public safety radio system projects). These efforts are moving stakeholders further toward better interagency communications for first responders.
Maine	In Maine, SEARCH provided a four-day site visit in support of the Maine Department of Public Safety, its Bureau of Consolidated Emergency Communications and the Maine State Police on a critical project to procure a new computer-aided dispatch system for the State. When completed, the fully integrated CAD system project will enhance first responders' ability to respond to incidents. CAD stakeholders recognized the importance of making sure the system is able to seamlessly share information with other critical line of business systems throughout Maine. The Maine DPS requested technical assistance from SEARCH in order to identify and standardize crucial exchanges of information between the new CAD system and other disparate systems. SEARCH was able to use the site visit to produce exchange standards for the 19 exchanges that the CAD stakeholders identified. SEARCH followed the National Information Exchange Model (NIEM) Information Exchange Package Documentation (IEPD) process to complete the 19 exchange specifications. In January 2010, SEARCH delivered 19 NIEM-conformant IEPDs along with additional documentation to support the requirements for the 19 CAD-related information exchanges.
Maryland	In Maryland, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in October 2008 for 22 attendees held in Prince George's County, Maryland.
Massachusetts	In Massachusetts, the Executive Office of Public Safety and Security now has assurance that its new resouree management software application, which supports Emergency Management, is fully

	compliant with the National Incident Management System (NIMS) standards. This assurance came as a direct result of a SEARCH in-depth validation of the application, done via an on-site technical assistance visit. SEARCH also included a complete review of all current NIMS standards to ensure their inclusion within upcoming software deployment. SEARCH provided a range of recommendations, including communication plan development and governance improvements, that will help the Commonwealth achieve a higher level of success with its data collection initiative.
Michigan	In Michigan, SEARCH provided on-site assistance to the Kalamazoo Township Police Department's Radio Coverage Enhancement Project in 2009. SEARCH experts reviewed the township's radio system coverage improvements made through the project by reviewing coverage prediction maps and field measurements. Following interviews and onsite work, SEARCH and suggested a specific course of action that will enable the jurisdiction to further benefit from improved portable radio coverage, particularly as a user of the Michigan Public Safety Communications System.
Minnesota	In Minnesota, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in March 2009 for 29 attendees, held in St. Cloud.
Mississippi	In Mississippi, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in October 2008 for six attendees and in June 2009 for 10 attendees, both held in Pearl.
Missouri	In Missouri, SEARCH provided advice, guidance and expertise to the Missouri State Highway Patrol for its Missouri Criminal Justice Modernization Project, specifically to develop a customized communications plan to disseminate project information to key stakeholders. SEARCH drew on its years of experience in helping sites develop and implement successful Project Communications Plan. Once fully operational, Missouri's project will replace five critical systems: computerized criminal history, CAD, mobile computing, RMS, and the state message switch. SEARCH was able to show the MSHP that communications is one of the key knowledge areas that must be addressed in successful projects, and it crosses all phases of the project life cycle. With a Project Communications Plan, in place, the MSHP can better educate and inform stakeholders.
Montana	In Montana, the state Department of Administration's Public Safety Services Bureau is closer to its goal of having standard operating

	procedures in place that outline interoperability procedures for a broad array of public safety users, thanks to SEARCH. Specifically, SEARCH provided an onsite workshop in 2009 in which they provided a detailed review of the DHS Office of Emergency Communications' SOP Shared System template guide. The Bureau plans to pursue assistance for an interoperable communication SOP at a later time when the State of Montana and the Interoperability Montana project are better prepared to move forward on this. In Montana, SEARCH also assisted with workshops to help state officials complete DHS-required Statewide Communications Interoperability Plans and related investment justifications.
Nebraska	In Nebraska, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in Grand Island May 2009 for 33 attendees from state, local and university public safety and emergency management agencies. SEARCH also assisted with workshops to help Nebraska state officials complete DHS-required Statewide Communications Interoperability Plans and related investment justifications.
Nevada	In Nevada, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in March 2009 for 30 attendees and in August 2009 for 13 attendees, both held in Las Vegas.
New Hampshire	In New Hampshire, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in August 2009 for 23 attendees held in Concord.
New Mexico	In New Mexico, SEARCH helped the Las Cruces Police Department with grant governance, RFP assessment methodology and communications plan development related to its mobile data project. The project will provide interoperability through for 20 agencies, including city, county, state, and university organizations, supporting the field reporting, routing information and situational awareness of law enforcement, fire, and EMS first responders. SEARCH also assisted with workshops that helped New Mexico state representatives complete DHS-required Statewide Communications Interoperability Plans and related investment justifications.
North Dakota	In North Dakota, SEARCH conducted a high-level assessment of the Fargo Police Department's Computer-Aided Dispatch/Records Management System replacement project in 2009. Several years prior to that, SEARCH had provided technical assistance to the FPD and the

	Red River Regional Consortium — at that time in the initial stages of this complex, multi-year, multi-agency, multi-discipline and multi-state effort — to identify best practices for potential CAD/RMS vendor identification and selection. The 2009 assistance was able to pinpoint the project success factors and to identify recommended approaches to eliminate delays and ensure a successful project implementation.
Ohio	Ohio public safety agencies have benefited from a wide range of SEARCH interoperable communications technical assistance efforts. Through on-site visits and workshops, SEARCH helped the Newark Police Department develop strategies to enhance radio system interoperability among public safety agencies in the area; conducted a needs analysis of the Central Ohio Data Sharing Initiative mobile-to-mobile software; reviewed the Columbus Division of Police's mug shot system specifications; and assisted the Ohio Department of Public Safety with a comprehensive technology assessment with the goal of making more efficient use of its IT resources.
Oklahoma	In Oklahoma, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader Course held February 2009 in Oklahoma City . The course was attended by 21 public safety officials from the Oklahoma Highway Patrol, Oklahoma Department of Health, and communications unit personnel representing county and local fire/EMS/law enforcement, including Antlers, Ardmore, Altus, Oklahoma City, Canadian County, Moore, Oklahoma County, Norman, Tulsa and others. For Oklahoma, SEARCH also assisted with workshops to help state officials complete Department of Homeland Security (DHS)-required Statewide Communications Interoperability Plans (SCIPs) and related investment justifications.
Oregon	In Oregon, SEARCH provided an detailed on-site assessment of the State Police's Oregon Wireless Interoperability Network (OWIN) mobile data project. With SEARCH's expertise, the OSP was able to reevaluate customer needs to ensure their alignment with the OWIN project plan, and to provide guidance in managing project change requests, especially with respect to rapidly-changing mobile data technology. The OSP is on track to reach two major goals: to add a digital microwave infrastructure to existing radio sites, and to establish a public safety, high-speed 700 MHz mobile data network along the major interstate highway corridors.
Pennsylvania	In Pennsylvania, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in March 2009 for 45 attendees held in Harrisburg.

Rhode Island	In Rhode Island, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in February 2009 for 23 attendees held in Warwick.
South Carolina	In South Carolina, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in July 2009 for 25 attendees held in Columbia.
South Dakota	In South Dakota, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in October 2009 for 14 attendees held in Rapid City.
Tennessee	In Tennessee, SEARCH helped the Memphis Police Department successfully draft a Memorandum of Agreement for their offender-tracking system that involved multiple public safety agencies in the area. By assisting with the critical foundational component of a formal governance agreement between regional, multi-discipline and multi-jurisdictional stakeholders, SEARCH was able to help the MPD make more effective use of its offender tracking system. The system uses a GPS and cellular communications-based tracking system, which includes a wristwatch-sized device worn by offenders. The system is expected to provide significant operational and cost-savings benefits.
Texas	Texas' public safety communications response to Hurricane Gustav was enhanced significantly through the delivery of the All-Hazards Type III Communications Unit Leader (COML) training. SEARCH developed the COML training curriculum and helped deliver the class attended by Texas public safety officials. Because the hurricane was bearing down as the class was underway in Houston, instructors worked with state emergency managers to coordinate a conference call to receive the governor's emergency briefing and then began real-life planning with students for the emergency communications response to the impending disaster. Several students were deployed directly from the class to begin using what they learned to coordinate interoperable communications for first responders. SEARCH also assisted with workshops held in Texas to help state representatives complete DHS-required Statewide Communications Interoperability Plans and related investment justifications. SEARCH has also provided on-site technical assistance to the City of Houston and Harris County in developing a governance structure for the area's regional radio system; and to the San Antonio Police Department's emergency communications computer-aided dispatch analytics and benchmarking project.

Utah	In Utah, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in February 2009 for 34 attendees held in Salt Lake City.
Vermont	Vermont State Police public safety communications and training officials attended a SEARCH presentation of the three-day All-Hazards Type III Communications Unit Leader training course in October 2008, held in Albany, New York. In addition, the Burlington Police Department was ensured that its proposed communications upgrade was compliant with Project 25 and public safety communications interoperability best practices, following technical assistance provided by SEARCH.
Virginia	In Virginia, SEARCH has helped the City of Virginia Beach operationalize a new shared public safety communications system for the Hampton Roads region. Their challenge was to put the technology to work once it had been procured, installed, and activated. SEARCH staff with expertise in both public safety operations and technology management worked on-site with agencies across the region to develop a regional communication plan detailing how and why the system would serve their joint needs. Officials remarked that the assistance prepared the Hampton Roads region for subsequent designation as an Urban Area Security Initiative through development of a tactical interoperable communications plan. In a follow-up assistance, SEARCH helped the city develop a Regional Field Operations Guide for ORION, its Overlay Regional Interoperability Network — a voice and data network overlaying compatible systems maintained individually by the partners for routine operation that provides supplemental interagency and incident management communications. The RFOG is the logical next step in enabling use of interagency communications resources in the regional cities of Virginia Beach, Norfolk, Chesapeake, Hampton, Suffolk, Portsmouth, and Newport News. SEARCH assistance was crucial to helping the region achieve higher levels of public safety communications.
Washington	In Washington, the City of Bremerton and Kitsap County's efforts to upgrade their mobile data and information sharing project has a greater chance for success, following on-site assistance and guidance provided by SEARCH. SEARCH addressed a range of issues, including implementation plans, potential risks and identifying project shortfalls. To ensure project success, participants were urged to create and maintain a project plan; risk assessment/management plan; communications plan; funding plan; testing protocol, etc. Once the upgraded and expanded mobile data system is in place, radio channel congestion will be reduced and data sharing improved. For

	Washington, SEARCH also assisted with workshops to help state officials complete DHS-required Statewide Communications Interoperability Plans and related investment justifications. SEARCH also provided guidance to the State of Washington in governance structures model development, via an OEC-sponsored interoperable communications technology assistance initiative.
West Virginia	In West Virginia, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in April 2009 for 29 attendees held in Kingwood, West Virginia.
Wisconsin	In Wisconsin, SEARCH staff provided a comprehensive architecture review of the Wisconsin Department of Justice's new Transaction Information for Management of Enforcement (TIME) System. The purpose of the on-site technical assistance, provided to the DOJ's Bureau of Computing Services management and staff, was to determine the TIME System's alignment with current best practices and technology, and also to provide guidance with documenting and prioritizing goals and objectives for the system. The SEARCH team drafted a strategic plan, which the DOJ was able to use to complete their strategic planning during the first quarter of 2010. The strategic planning will enable the DOJ to communicate a direction for improvement and provide justification for funding requests.
Wyoming	In Wyoming, SEARCH staff provided logistical, administrative and training support for the presentation of a three-day All-Hazards Type III Communications Unit Leader training course in April 2009 for 11 attendees held in Douglas, Wyoming.

These four states were featured in Kelly Peters Harbitter's original testimony	
Kentucky	In Kentucky, SEARCH staff provided logistical, administrative and training support for the presentation of a three day COML training course for forty-two attendees held in August 2009 in Greenville, Kentucky. SEARCH has participated in many additional training and technical assistance initiatives, such as participation in the Statewide Communications Interoperability Plan (SCIP) review and Interoperable Communications Technical Assistance Program (ICTAP).
New Jersey	In New Jersey, SEARCH staff provided logistical, administrative and training support for the presentation of a three day COML training course in September 2009 for twenty-four attendees held in Egg Harbor Township, New Jersey.

New York	In New York, SEARCH has coordinated with the OEC, the New York State CIO, and New York Statewide Interoperability Coordinator; to host a beta training class in December 2009 for COMT at which New York public safety practitioners participated and contributed to the development of the COMT curriculum. SEARCH also recently participated in the New York Statewide Communications Interoperability Plan (SCIP) review.
North Carolina	In North Carolina, SEARCH provided technical assistance for the development of standard operating procedures to correspond with the equipment purchased for the strategic solution developed for the North Carolina Voice Interoperability Plan for Emergency Responders (VIPER), which was an 800 MHz radio system. SEARCH also assisted in the modification of the original project charter to focus on the communications interoperability committee. In September 2009, SEARCH provided on-site assistance to the various public service agencies included in this program - Pitt County Sheriff's Department, Greenville Police Department, Greenville Fire/Rescue, Pitt County 911 and East Care Medical Transport.

Mr. PRICE. Thank you very much. We will put your full statement into the record, and that full statement does contain information about the work you have done in a number of states represented on this Subcommittee, including my State of North Carolina.

Let me just briefly use that North Carolina effort as a way of asking you to illustrate the relationship between the state level and the local first responder level of your work, how that is integrated. Maybe you can help us get a better understanding of that.

In North Carolina, you have provided technical assistance for the development of the statewide system, the North Carolina Voice Interoperability Plan for Emergency Responders, so-called VIPER System which we have been involved with for years. It is an 800 megahertz radio system, and you have also worked locally. You have provided on-site assistance, as you say here, to the various public safety service agencies involved in the program, various sheriff departments, police departments, and of course one of your major focal points has been making sure first responders are trained to make appropriate use of these systems, and yet it is a little hard to conceptualize just what that relationship looks like. Can you clarify?

Ms. PETERS. Sure, absolutely, and it is an excellent question, and I think something that we consider one of the important, most important pieces of our methodology is that anything an agency takes on, whether it is a state or local level, is done in lockstep, quite frankly, with what is going on around them, whether it is regionally, statewide or at the national level, and so when we work with a local agency, for example, we always reach out. If we have not already conducted projects with the state, we work with the state. We consider it sort of a holistic program. We are not going to work with a local agency without consulting the states, understand what is happening at the state level, what standards the states are following, what technologies the state is implementing, so that a local agency is not going off in a new and different direction because of course the last thing we want are stovepipe systems to be developed, but it certainly happens on a regular basis.

So one of the most important things we look at and try and participate in is standards set at the state levels, but also nationally, and how we bring that holistically to a jurisdiction so that when they are moving forward in their initiatives they, and so often they are not aware of what is going on at the state or there are often issues of very well-intentioned grant programs but have very different missions and requirements. Oftentimes we will see local, especially large locals getting huge funding from substantially the Communications office or OEC, and the state has other types of funding, and they have mandates to follow.

So what we try and do is collaborate and coordinate those efforts and bring people, and that is why governance is so important in the standard operating procedures. It is not about just purchasing the technology, it is making sure the right people are involved so that we are marching down that same path, and in the end we have a result where we do have interoperable communications.

Mr. PRICE. Thank you. Mr. Rogers.

Mr. ROGERS. No questions.

Mr. PRICE. Mr. Farr.

Mr. FARR. Thank you. I have a question.

The Department of Homeland Security has a school that is at the Naval Postgraduate School in Monterey. It is the Center for Homeland Defense and Security, and DHS likes the students to go out there, and part of that program is emergency communications training. Are you working—I mean, California, I know, the governor's office is working with that school. You being from Davis, are you aware of that program?

Ms. PETERS. I am aware of that. What tends to happen, quite frankly, is there are—you know, FEMA has programs, OEC has programs.

Mr. FARR. Yes.

Ms. PETERS. The program that you mentioned, and quite frankly, helping coordinate all those initiatives is a key issue too, so being aware of what is going on in those programs. I think that training is a little bit different than what ours is. I think it is more technical, and I would have to look into it a little bit more. I am not as familiar with that training program myself.

Mr. FARR. What about, I mean, we put a lot of money into supplemental to fill out the broadband, essentially to fill out the net so that one can at least have access. In your opinion is it more important to get the infrastructure in place?

I mean, I think you are absolutely right. The field of interoperability communication does not communicate. They do not. Everybody is out to buy their own equipment.

Ms. PETERS. Right, right.

Mr. FARR. The equipment they buy does not operate with somebody else's equipment. We found that between police and fire, even among fire station stuff.

Ms. PETERS. Right.

Mr. FARR. I have seen a lot of it firsthand or involved in it, particularly in fires because I have experienced fighting fires when I was in college. So I am really interested in how we—I think this is another thing, Mr. Chairman, where we have a lot of programs, not just solely in DHS, but in other appropriations responsibilities, and we are putting money out there and there is no requirement to this ability to make them interoperable and learn how to do that, and learn how to build the system as being interoperable so that the infrastructure works.

I guess the question is are you working with the broadband installation to make sure that they are doing this smartly?

Ms. PETERS. Well, as you are aware, that is all formulating right now. There is a lot going on at FCC with the development of the ERIC governance of that. Quite frankly, the concern is that the technology is there and we want to build out this spectrum but it has to be built out with the needs of public safety agencies squarely represented and in mind, and just making everybody able to talk to one another is not solving the problem. In fact, that can cause more problems, and it is understanding all those hierarchical communications, what the standard operating procedures are going to be, who is going to take command in responding to an incident.

I think it is absolutely critical that we have the technology, but the technology, no matter how good it is, is not going to be used

well if it does not have a governance associated with it both from people and policy level.

Mr. FARR. So reports will get developed with report language that allows this committee to understand the things that are broken.

Ms. PETERS. And if I may, that disconnect that you talk about is something that we work very hard, and I think programs like this could assist in helping folks understand. Locals have a hard time understanding what is out there, what is available to them, what they should be pursuing, those sort of things. I think you are absolutely right.

Mr. FARR. Thank you.

Mr. PRICE. To tell you the truth, Mr. Farr, we need to continue pursue coherence in this area of interoperable communications where there have been many funding streams and problems with coordination in the past. I think the value of this SEARCH organization has been the consultation available at the state and local level to enable these players to make rational decisions as they put their own systems together. That has been a useful complement to governmental efforts on the part of the funding agencies.

Mr. Rothman.

Mr. ROTHMAN. Thank you, Mr. Chairman, and let me associate myself with your remarks a well.

Ms. Peters, thank you for being here, and I want to thank my colleagues on this Subcommittee for providing an earmark last year for this organization. We are looking forward to getting that stood up.

I come from the 9th Congressional District, and we literally look out our windows, many of us, and saw people jumping out of the World Trade Center Building on 9/11. Many of our residents died. Many of our first responder units, everyone of the first responder units within 50 miles raced over to get across the river to help, and so we are very, very familiar with the heroism of all those first responders and those law enforcement and the terrible tragedy, of course. But we are very mindful of the shortcomings in the communication and radio communications capability amongst law enforcement which is why we brought this forth last year, and looking forward to funding again this year to complete that work in New Jersey and then use it as the model.

Ms. Peters, what if you do not exist, your organization does not get funded, and this effort does not go forward? How many billions of dollars of investments from this Committee and the Congress will be poorly spent because no one coordinated all these activities?

Ms. PETERS. I do not have a figure for you on that, but I think that that is where it is always—we routinely work with agencies that say we are so glad that we found you because we would not have known this otherwise, or I think, unfortunately, more commonly we get calls from agencies that have already gone down the path of failure and they need to redirect their spending money, things are not going the way they are supposed to be going, and we can straighten them out and then we talk about—they often talk about we wish we had known when we started that this resource is available.

Resources like this have to be made available, I think, because agencies cannot—especially in these budgetary times—keep people with this type of expertise on staff, quite frankly. It is hard to keep technical positions, it is hard to keep up with the technology, and when you have to make choices between first responders out on the street or your technical infrastructure, unfortunately that is——

Mr. ROTHMAN. And your organization is funded voluntarily by each of the 50 states?

Ms. PETERS. Each of the 50 states pay membership dues that support their coming together twice annually and for a board of directors to meet to establish priorities for the organization in the public safety and justice field.

Mr. ROTHMAN. So in a sense your organization is giving the Good Housekeeping Seal of Approval by these 50 different states?

Ms. PETERS. That is correct. One governor's appointee from each of the 50 states, and we are also funded by federal grant programs.

Mr. ROTHMAN. No further questions, Mr. Chairman.

Mr. PRICE. Thank you, Ms. Peters. We are grateful for your testimony.

Ms. PETERS. Appreciate your time. Thank you.

Mr. PRICE. And that brings our morning hearing to a close and our hearing season to a close. So with thanks to everyone will adjourn the Subcommittee.

WITNESSES

	Page
Dobson, Lillie	431
Duke, Elaine	333
Ellison, Keith	438
Felt, Jennifer	414
Harris, William	263
Hauptli, Todd	443
Lute, Jane Holl	197
Millar, William	454
Napolitano, Janet	16
Peck, Robert	333
Perrodin, Eric	431
Peters, Kelly	476
Richardson, Laura	408
Wagner, Caryn	263
Wright, David	419

INDEX

Department of Homeland Security Appropriations for 2011

	Page
Opening Statement of Chairman David Price	1
Opening Statement of Ranking Member Harold Rogers	9
Statement of the Honorable Janet Napolitano, DHS	16
287(g)	56
Advanced Imaging Technology	40
Agency Leadership (e.g., lack of senior political/career management staff)	89
Agent Housing	77
Air and Marine Operations Center	196
Aviation Security	38, 76
Bonuses	103
Center for Homeland Defense and Security	191
Clear Funding for Unbudgeted Items	179
Coast Guard	189
Contracts	151
Cybersecurity	43, 192
Deepwater Implementation Plan	64
Detainee Treatment	55
Disaster Relief Fund	65
Einstein 3	44
E-Verify	48
Firefighter Jobs	82
Funding for Additional CBPOs	182
Funding Requests	47
Future Budgeting	89
Gang Violence	58
Graduate Programs	57
Growing Headquarters Funding at Expense of Operations	40
Haiti Response	82
Haiti	190
Homeland Security Presidential Directive 19	187
Hometown Security and Gang Violence	191
Housing for Agents	182
Human Resources	91
Immigration Reform	76
Inflationary Increases	90
Infrastructure Protection	74
Intelligence Coordination-Sharing and “Operationalization”	88
Intelligence Sharing and Coordination	189
Interagency Coordination	185
International Cargo Security	85
Interoperability Grants	188

Page
Islamic Extremism 45
Maritime Security 88
National Protection and Programs Directorate and the Office of Infrastructure Protection 185
Newark Airport Security Breach 59
Nominees 72
Nonprofit Security Grant Program 190
Nonprofit Security Grants 60
Office of Bombing Prevention 186
Operation Stonegarden 48
Operation Streamline 61
Overdue Reports and Expenditure Plans 71
Passenger Manifest(s) 50, 61
Project Shield 53
Questions for the Record Submitted by Chairman David Price 82
Questions for the Record Submitted by Ranking Member Harold Rogers 164
Questions for the Record Submitted by the Honorable Alan B. Mollohan 185
Questions for the Record Submitted by the Honorable Ciro D. Rodriguez 182
Questions for the Record Submitted by the Honorable Ken Calvert 196
Questions for the Record Submitted by the Honorable Nita M. Lowey 188
Questions for the Record Submitted by the Honorable Sam Farr 191
REAL ID 71, 73
Reception and Representation 155
SAFER Grants 66
Secure Border Initiative 83
Secure Communities 194
Secure Communities/Immigration Enforcement 86
Securing the Cities 52
Southwest Border 192
Staffing for DHS Departmental Management 164
Staffing 62
Stimulus Spending/Advanced Imaging Technology 188
Termination of FLAP 183
Terrorism and Gang Violence 195
Travel 111
Urban Search and Rescue 50
Vacancies 64
Vulnerability Assessments 186
White House Party Crashers 72
Work Site Enforcement 72
Working Capital Fund 153

Major Systems Acquisition

Opening Statement of Chairman David Price 197
Opening Statement of Ranking Member Harold Rogers 205
Statement of Deputy Secretary Jane Holl Lute 211
Acquisition Management Process 246
Acquisition Management Workforce 248
Acquisition/Shipbuilding 262
Airport Security Technology 238
Automated Commercial Environment (ACE) 251
Border Security Fencing, Infrastructure, and Technology 250
Budget Cuts for the Secure Border Initiative (SBInet) 229
Budget Cuts to Coast Guard and Customs and Border Protection 238

Page
Changes to Acquisition Review Process 220
CIO Invoices 259
Coast Guard Budget Cuts 221, 225
Cyber Security 241
National Security Cutter and Deepwater Programs 226
National Security Cutter 257
Offshore Patrol Cutter 228
Overdue Expenditure Plans 227
Overdue Reports and Expenditure Plans 234, 236
Questions for the Record Submitted by Chairman David Price 246
Questions for the Record Submitted by Congressman C.A. "Dutch" Ruppersberger 261
Questions for the Record Submitted by Ken Calvert 262
Reducing Reliance on Contractors 223, 230, 240
Secure Border Initiative (SBInet) 235, 236
Securing the Southwest Border 232
Transformation and Systems Consolidation (TASC) 242, 258, 261
TSA Information Technology and Services 258

Intelligence Programs

Opening Statement of Chairman David Price 263
Opening Statement of Ranking Member Harold Rogers 267
Statement of Caryn Wagner, Under Secretary, I&A 272
Statement of Captain William Harris, Delaware State Police 285
Bonuses 328
Contracts 325
Cyber Security 301
Differences Between the Joint Terrorism Task Forces and Fusion Centers 295
Differences Between the Joint Terrorism Task Forces and Other Intelligence Groups 297
Fusion Center Locations 305
Fusion Center Standardization 302
High-Value Detainee Interrogation Group (HIG) 298
Hiring 324
I&A Information Technology Systems 321
I&A Products 324
Information Sharing During an Investigation 298
Intelligence and Analysis' Role 307
Intelligence Sharing During an Investigation 299
Joint Fusion Center-Program Management Office 317
Local Confusion 329
Measuring Fusion Centers' Effectiveness 295
Paradigm Shift Between the Department of Homeland Security and Fusion Centers 293
Questions for the Record Submitted by Chairman David Price 317
Questions for the Record Submitted by the Honorable Ken Calvert 331
Questions for the Record Submitted by the Honorable Lucille Roybal-Allard 329
Reception and Representation 324
Securing United States Borders 313
State and Local Fusion Center Program 309
State and Local Fusion Center Reporting Requirements 324
State and Local Fusion Centers 331
Sustainment Challenges 329

Page
Travel 328
Unobligated Balances 328

Homeland Security Headquarters Facilities

Opening Statement of Chairman David Price 333
Opening Statement of Ranking Member Harold Rogers 338
Statement of Elaine Duke, Under Secretary for Management, DHS 344
Statement of Robert Peck, Commissioner, GSA 358
Collaboration with the District 375
Completion Date for St. Elizabeths 389
Consolidation Savings 388
Contracts 394, 398
Cost Allocation 386
Cost Control and Economics of Proceeding 369
Divesting Functions 386
Energy Efficiency 371
Environmental Impacts of St. Elizabeths 395, 402
Funding For Information Technology 384
Gold Certification 371
Growth in Demand for Space 395
Historical Significance 390
Impact on Operational Capabilities 368
Information Technology Functions Interlinked 386
Interior Build Out 384
IT Infrastructure 404
Job Creation 402
Lease Consolidation Cost Savings 378
Lease Consolidation Cost 377
Lease Consolidation 380
Long and Short Term Lease Cost 387
Mental Health Patients 374
More Detailed Justification 376
Office Consolidation 368, 370, 385
Office Consolidation Continued 389
Office Space Requirement Growth 379
Overhead Costs for Construction Projects 376
Project Vision 373
Questions for the Record Submitted by Chairman David Price 394
Questions for the Record Submitted by Ranking Member Harold Rogers 404
Recovery Act Funding 376
Return on Investment 367
Revitalization of Ward 8 374
Sensitive Compartmented Information Facility 386
Total Cost of St. Elizabeths 374
Total Estimated Cost Stability 372
Transit Time and Labor Efficiency 370

Testimony From Members of Congress and Outside Entities

Opening Statement of Chairman David Price 407
Statement of the Honorable Laura Richardson 408
Statement of Jennifer Felt, Program Manager for the Marine Conservation 414
Statement of David Wright, President of the National Federal Protective Service Union 419
Statement of Eric Perrodin, Mayor of Compton Accompanied by Lillie Dobson, Councilwoman, City of Compton 431

Page
Statement of the Honorable Keith Ellison 438
Statement of Todd Hauptli, Senior Executive Vice President of the American Association of Airport Executives 443
Statement of William Millar, President of the American Public Transportation Association 454
Statement of Kelly Peters, Deputy Director of SEARCH 476

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