

**SECURING THE MARITIME BORDER: THE FUTURE
OF CBP AIR AND MARINE**

HEARING
BEFORE THE
SUBCOMMITTEE ON
BORDER AND
MARITIME SECURITY
OF THE
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HOUSE OF REPRESENTATIVES
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SECURING THE MARITIME BORDER: THE FUTURE OF CBP AIR AND MARINE

Tuesday, July 14, 2015

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
SUBCOMMITTEE ON BORDER AND MARITIME SECURITY,
Washington, DC.

The subcommittee met, pursuant to call, at 10:02 a.m., in Room 311, Cannon House Office Building, Hon. Candice S. Miller [Chairman of the subcommittee] presiding.

Present: Representatives Miller, Vela, and Torres.

Mrs. MILLER. The Committee on Homeland Security Subcommittee on Border and Maritime Security will come to order.

The subcommittee is meeting today to examine the future of CBP's Office of Air and Marine. In the interest of time, and though we don't have too many other Members here, we are going to begin. The Democratic conference, I think, has Hillary Clinton there and our conference is just concluding, so we are waiting on some folks to get here, but—our Ranking Member has got another committee hearing I know as well, and so we want to accommodate his schedule.

But we are very pleased to be joined today by General Randolph Alles, who is the assistant commissioner for the Office of Air and Marine, and Mr. John Roth, who is the inspector general for the Department of Homeland Security. We welcome both you gentlemen. I will more formally introduce them in just a moment.

But among the CBP's missions and responsibilities, maritime security is not often front-page news. Nonetheless, this does not mean that it is not an important part of their overall border security efforts. Our coastal and maritime borders are long and they cover millions of square miles. My home State of Michigan alone has over 3,000 miles of Great Lakes coastline and shares many, many miles of maritime border. We call it our long liquid border with Canada.

Illicit drug and migrant flows remain principal concerns of our border security agencies, and rightly so. However, as we have seen on our Nation's California coast as we strengthen security along the southern land border, the cartels adapt, sending Panga boats as far north now as San Francisco.

From the Great Lakes to the coast of California to the Gulf of Mexico, Caribbean and Central American transit zones, the maritime security components of the Department of Homeland Security have a lot of sea to cover, and as a result, they must coordinate effectively, share intelligence to understand the threat, and smartly

position resources to stop it. The need for maritime domain awareness or the ability to understand where illicit traffic is most likely to occur cannot be understated. Without this understanding, drugs will continue to transit the maritime corridors and migrants will make the perilous journey to this country.

Radar coverage of the Great Lakes and other areas along the border is far from complete, which could allow low-flying aircraft, it does actually allow, low-flying aircraft and vessels to move drugs and other contraband with ease. Within Customs and Border Protection, CBP's Office of Air and Marine has a fleet of over 280 marine vessels and more than 250 aircraft, making it essentially the largest civilian law enforcement air force in the world. They have enormous responsibility to interdict drugs and migrants using the sea as a means to enter the country.

So today we want to explore how CBP Air and Marine, a relatively small operational component of CBP, fits into the larger maritime security strategy of DHS and how Air and Marine's authorities support and complement the Coast Guard's security and interdiction missions. Border Patrol's responsibilities provide aviation support to other components like ICE and FEMA and, most importantly, examine the security value that American taxpayers are getting for the roughly \$750 million that they spend every year.

Without question, the work that the men and women of Air and Marine do is very dangerous. Last month one of their helicopters was struck by two bullets fired from the Mexican side of the border. Thankfully, our agents were not harmed. Air and Marine as well has had other serious incidents over the last few years, including the complete loss of a maritime variant of the Predator on a maritime mission off the coast of California. There was an incident where a smuggler fired multiple rounds from an AK-47 at our agents near the Virgin Islands. Then we had a recent collision with another vessel off the coast of California that resulted in the capsize of the vessel and loss of life.

The vessels and aviation assets that our agents use to perform this dangerous work are aging. Recapitalization of the aging CBP Air and Marine fleet has long been a priority and a significant budgetary challenge as well for our Nation. For example, Air and Marine has experienced difficulty procuring a new coastal interceptor vessel to replace the *Midnight Express*, which is a boat that they first acquired long before the creation of the Department of Homeland Security.

While I am pleased that CBP has awarded a contract to procure up to 52 coastal interceptor vessels just 2 weeks ago, this award does come after a series of delays and nearly 5 years from the time that CBP initially announced its intent to purchase new marine vessels to replace the aging fleet, which has been in service, again, since the 1980s.

Better planning between the Office of Air and Marine and the Coast Guard has the potential to save taxpayers' dollars, especially when components conduct similar missions and have recently procured similar boats, fixed-wing aircraft, and helicopters. The Department needs to ensure components are working together to ensure efficiencies can be gained both operationally and with procurement of additional assets.

In addition, this subcommittee and committee has been on record multiple times calling for robust border security metrics that measure the state of border security, and they are largely absent in the border security debate, and a valuable tool to help CBP deploy resources appropriately or come to Congress with additional needs. Finding the right set of metrics to gauge performance is not an easy task, but it must be done.

Air and Marine, as the inspector general has recently reported, has struggled to develop clear, concrete performance metrics that will help Congressional decision makers and the American people understand how they contribute to border security at the air and maritime domain and at what costs.

So we look forward certainly to hearing from Mr. Roth on the two controversial inspector general reports that cast some doubt on the true cost of the UAV program and missed opportunities to save the taxpayers' dollars by leveraging existing DHS resources to upgrade Air and Marine helicopters. I am sure that the general has his own views on these reports as well.

When it comes to outlining the future of this agency, I certainly understand that Air and Marine strategy is currently in its final stages of approval, but was not yet ready in time for this hearing. So I hope the general will be able to share key aspects of his new strategy with Members to help us understand where he sees this organization going and present his vision for the future of CBP Air and Marine.

Finally, last month the House passed for the second time CBP authorization language that I actually authored, and this clearly demonstrates that this committee is keenly interested in the future of this organization and the maritime security value that it provides to the Nation.

So we look forward to hearing from our witnesses today. I want to thank you both for appearing here today as well.

[The statement of Chairman Miller follows:]

STATEMENT OF CHAIRMAN CANDICE MILLER

JULY 14, 2015

Amongst CBP's missions and responsibilities, maritime security is not often front-page news. Nonetheless, this does not mean it is not an important part of their overall border security efforts. Our coastal and maritime borders are long and cover millions of square miles. My home State of Michigan alone has over 3,000 miles of Great Lakes coastline and shares many miles of maritime border with Canada.

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From the Great Lakes, to the coast of California, to the Gulf of Mexico, Caribbean and Central America transit zones, the maritime security components of the Department of Homeland Security have a lot of sea to cover. As a result, they must coordinate effectively, share intelligence to understand the threat, and smartly position resources to stop it.

The need for maritime domain awareness, or the ability to understand where illicit traffic is most likely to occur, cannot be understated. Without this understanding, drugs will continue to transit the maritime corridors and migrants will make the perilous journey to this country. Radar coverage of the Great Lakes, and other areas along the border, is far from complete, which could allow low-flying aircraft and vessels to move drugs and other contraband with ease.

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largest civilian law enforcement air force in the world. They have an enormous responsibility to interdict drugs and migrants using the sea as a means to enter the country.

Today, I want to explore how CBP Air and Marine, a relatively small operational component of CBP, fits into the larger maritime security strategy of DHS. How Air and Marine's authorities support and compliment the Coast Guard's security and interdiction missions, Border Patrol's riverine responsibilities, provide aviation support to other components like ICE and FEMA, and most importantly, examine the security value that American taxpayer is getting for the roughly \$750 million dollars they spend every year.

Without question, the work that the men and women of Air and Marine do is dangerous. Last month, one of their helicopters was struck by two bullets fired from the Mexican side of the border. Thankfully our agents were not injured. And Air and Marine has had other serious incidents over the last few years including: The complete loss of a maritime variant of the Predator on a maritime mission off the coast of California, an incident where a smuggler fired multiple rounds from an AK-47 at our agents near the Virgin Islands and a recent collision with another vessel off the coast of California that resulted in the capsizing of the vessel and the loss of life.

The vessels and aviation assets our Agents use to perform this dangerous work are aging. Recapitalization of the aging CBP Air and Marine fleet has been a long-term priority and a significant budgetary challenge. For example, Air and Marine has experienced difficulty procuring a new Coastal Interceptor Vessel to replace the *Midnight Express*, a boat they first acquired long before the creation of DHS.

While I am pleased CBP awarded a contract to procure up to 52 Coastal Interceptor Vessels just 2 weeks ago, this award comes after a series of delays, and nearly 5 years from the time CBP initially announced its intent to purchase new marine vessels to replace the aging fleet, which has been in service since the '80s.

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When it comes to outlining the future of this agency, I understand Air and Marine strategy is currently in its final stages of approval, but was not yet ready in time for this hearing. I hope General Alles will be able to share key aspects of his new strategy with Members to help us understand where he sees this organization going and present his vision for the future of CBP Air and Marine.

Finally, last month the House passed, for the second time, CBP authorization language I authored. This clearly demonstrates that this committee is keenly interested in the future of this organization and the maritime security value it provides to the Nation.

I look forward to hearing from our witnesses and thank you both for appearing before us today. With that I recognize the Ranking Member of the subcommittee, the gentleman from Texas, Mr. Vela, for any opening statement he may have.

Mrs. MILLER. With that, I would like to recognize the Ranking Member from the subcommittee, the gentleman from Texas, Mr. Vela, for his statement.

Mr. VELA. Thank you. The purpose of today's hearing is to examine the future of U.S. Customs and Border Protection's Office of Air

and Marine. Air and Marine's mission covers both aerial and maritime surveillance of our borders as well as interdiction of people and goods crossing illegally into our country in the areas between the ports of entry.

As the Ranking Member of this subcommittee and representing a district along the Texas-Mexico border, I have a strong interest in Air and Marine's efforts to better secure our Nation's borders. Indeed, Air and Marine has a marine unit based out of Brownsville, Texas, the largest city in my Congressional district, right on the Gulf of Mexico.

Given that Air and Marine provides specialized air and marine support to various Federal, State, and local law enforcement partners, I believe today's discussion should help us all better understand Air and Marine's specific role in border security.

Certainly the Southwest Border is a very active region in terms of both legitimate trade and with respect to security concerns. As the Chairman mentioned, just last month we know that one of OAM's helicopters was patrolling the river near Laredo, Texas, and was hit by gunfire. Today I hope that we are able to have a rigorous and thorough discussion on Air and Marine's overall operations and how they fit in with the Department of Homeland Security's broader border security strategy.

In particular, I would like to learn more about how the marine and air assets under Air and Marine's purview are being used to support DHS's border security operations. Last year's report by the DHS Office of Inspector General on CBP's unarmed aircraft system program underscores the need to ensure that our limited border security resources are being used in the most effective way possible.

Lastly, I would be interested in hearing how Air and Marine works with other components within the Department of Homeland Security to meet the Department's border security mission; specifically, learning how Air and Marine partners with the Coast Guard on marine patrols and interdictions would be very beneficial. On the surface, it would seem there is some overlap in these sorts of operations, and gaining a clear understanding of how the two DHS components complement each other will help our committee's border security oversight and legislative work.

I would like to close by thanking the Chair for holding this hearing and our witnesses for joining us today, and I yield back the balance of my time.

Mrs. MILLER. I thank the gentleman from Texas very much for his opening statement. Other Members are reminded that opening statements may be submitted for the record.

[The statement of Ranking Member Thompson follows:]

STATEMENT OF RANKING MEMBER BENNIE G. THOMPSON

JULY 14, 2015

In order to fulfill its mission, Office of Air and Marine (OAM) uses its integrated air and marine force to detect and interdict the unlawful movement of people, illegal drugs, and other contraband moving toward or crossing the borders of the United States. As Ranking Member of the Committee on Homeland Security, I am aware of the varied border security surveillance and interdiction operations OAM carries out both on the water and in the air.

OAM's authorities also allow it to provide specialized air and marine support to various Federal, State, and local law enforcement agencies, such as assisting FEMA

in response to natural disasters. Unfortunately, various reviews conducted by DHS's Office of the Inspector General (OIG) and the Government Accountability Office (GAO) have raised concerns about certain OAM programs.

In response, the OIG and GAO have made a number of recommendations over the past several years to ensure OAM's assets and personnel are best positioned to effectively meet mission needs and address border security threats. For instance, in December 2014, the OIG published a report on CBP's unmanned aircraft system (UAS) or "drone" program.

The report concluded that despite spending 8 years and hundreds of millions of taxpayer dollars on its UAS program, CBP cannot prove the program is effective and that its impact in stemming illegal immigration has been minimal.

The report also concluded there are serious questions about whether the program has led to a greater number of apprehensions, reduced border surveillance costs, or increased efficiency by the U.S. Border Patrol along our Southwest Border.

The Inspector General summarized their findings saying, "Notwithstanding the significant investment, we see no evidence that the drones contribute to a more secure border, and there is no reason to invest additional taxpayer funds at this time." Among the OIG's recommendations was for OAM to establish attainable performance measures to determine the effectiveness of the UAS program at enhancing border security.

Additionally, the OIG recommended the development of "policies and procedures to ensure that [the Office of Air and Marine] accumulates and reports all costs associated with the UAS program and other OAM flight programs." I know OAM vehemently disagrees with the OIG report, and I am aware that Members of this committee have asked the GAO to look at many of the same issues. Today, I would like to hear about what steps OAM has taken, if any, to respond to the OIG's recommendations, given the UAS program's significant cost and its purported benefits to border security.

Lastly, I am concerned about use of force issues within CBP generally, and would like to hear today about how these issues are handled within OAM in particular. I am aware that the CBP commissioner has begun implementing new policies and procedures regarding use of force incidents.

Given that in the past few months OAM has been involved in two fatal use of force incidents—one off the California coast and another near the British Virgin Islands—I would like to know more about OAM's use of force protocols and whether they are being modified as a result of the commissioner's recent initiatives. Finally, I hope to hear about what this committee can do to assist the Office of Air and Marine in meeting its mission as effectively and efficiently as possible.

Mrs. MILLER. At this time, again, we are pleased to be joined by our two distinguished witnesses to discuss this very important topic today.

General Randolph Alles is the assistant commissioner for CBP's Office of Air and Marine. It is a position that he has held since January 2003. In this role, the general is charged with overseeing the OAM mission of using aviation and maritime assets to detect, interdict, and prevent acts of terrorism and the unlawful movement of drugs and other contraband from entering the United States. Before joining OAM, he spent 35 years in the United States Marine Corps, retiring in 2011 as a major general.

Mr. John Roth became the inspector general for the Department of Homeland Security in March 2014. He has a long record of public service, which includes time at the Food and Drug Administration, where he served as director of the Office of Criminal Investigations, and the Department of Justice, where among many other positions, he served as the assistant U.S. attorney for the Eastern District of Michigan. Glad to note that as well.

Their full statement, full written statement will appear in the record.

The Chair now recognizes General Alles for his testimony.

STATEMENT OF RANDOLPH D. ALLES, ASSISTANT COMMISSIONER, OFFICE OF AIR AND MARINE, U.S. CUSTOMS AND BORDER PROTECTION, U.S. DEPARTMENT OF HOMELAND SECURITY

Mr. ALLES. Good morning, ma'am, Chairman Miller, and Ranking Member Vela. It is great to appear before you this morning and to see you again, and also the distinguished Members of the committee.

I would like to discuss this morning the role of U.S. Customs and Border Protection's Office of Air and Marine, OAM, as I will abbreviate it during my discussion here, in securing our Nation's maritime border, since that is the focus of our conversation today.

So I realize the intent today is to assess operations and organization of OAM to ensure we are effectively and efficiently serving the American people. I support the committee's effort to do this in its oversight. I appreciate the opportunity to share with you the important mission set and capabilities OAM brings to CBP's border security effort and also the larger homeland security effort.

The threat in the maritime environment is dynamic. Smugglers continually adjust their tactics in order to counter our latest efforts to apprehend them. Increasingly smugglers exploit normal traffic patterns to conceal their intent, often mimicking a legitimate recreational or commercial voyage. Small vessels in particular are ideal conveyances for this tactic, because they operate in a largely unregulated environment, while providing opportunity for concealing people or cargo.

Addressing this dynamic maritime threat requires a specialized, agile, and adaptive law enforcement organization with a cadre of professional agents empowered to investigate complex cases and a unique blend of the authorities and expertise to pursue investigations across multiple environments, the sea, the air, or the land, and jurisdictional boundaries.

So OAM thrives by being adaptive and efficient. Our unique authorities and specialized capabilities enable us to bridge border environments and jurisdictions, providing important continuity to investigations.

OAM's maritime interdiction agents have a singular law enforcement mission. They are empowered to take necessary action, including conducting searches and investigations, obtaining and serving warrants, and making arrests and seizures. Our agents undergo intense training in maritime tactics in order to swiftly and safely interdict smuggling threats and mitigate the dangers of prolonged pursuits. Additionally, they are experts in interview technique and they are well-versed in applicable laws.

Our professional law enforcement agents in their broad investigative authorities are critical to maritime border security efforts. OAM agents, sometimes in plain clothes or undercover, routinely collaborate with investigative partners, some of which you have already mentioned, on covert surveillance and enforcement operations in the maritime domain. This capability is essential in combatting a threat that thrives on concealment in legitimate traffic, which is one of our biggest threats.

OAM's specialized fleet of vessels, particularly our next generation coastal interceptors, are built from the hull up for interdiction.

These high-performance vessels enable our agents to respond quickly and effectively to incursions to our territorial waters.

With limited number of agents and assets, OAM has a substantial impact on efforts to protect our Nation's borders. OAM efforts have resulted in the seizure of significant quantities of contraband and disrupted considerable illicit activity before it reaches our shores. In fiscal year 2014, OAM efforts resulted in nearly 5,000 arrests of suspects, 80,000 apprehensions, the seizure of nearly 800 weapons, \$148 million in currency, and more than 1 million pounds of illegal drugs.

Ultimately, maritime security requires a unity of effort, something already discussed. No single entity has the capability or capacity to address all aspects of maritime security. Information sharing and strong partnerships are critical to understanding and addressing maritime threats.

We frequently participate in joint operations with a variety of Federal partners, including the U.S. Coast Guard, the U.S. Navy; we work closely with multiple investigative components, particularly the U.S. Immigration and Customs Enforcement. We are the leading provider of airborne detection and monitoring to the Joint Interagency Task Force South. There are counternarcotic efforts in the Southeast coastal, and the source and transit zones where maritime radar is necessary to detect threats moving towards the United States.

The recently implemented Southern Border approaches campaign leverages the various roles and responsibilities and capabilities of multiple DHS agencies to comprehensively address border and maritime threats. OAM has been extensively involved in the planning and development of all three of the campaigns' joint task forces. The JTF East deputy commander is actually an OAM employee, Mr. Merton Cox.

So moving forward, we will continue to enhance our detection, investigation, and interdiction capabilities to address emerging threats and adapt to changing conditions in the maritime domain. We will fully network our fleet and operational centers to share critical information in real time. OAM is an integral part of CBP's border security mission. We blend specialized interdiction capabilities, skilled investigators, a modern domain awareness network, and seamlessly apply them all across multiple environments and jurisdictions. In doing so, we add a critical layer of cohesion and coordination to maritime border security that no other agency is providing.

Chairman Miller, Ranking Member Vela, and distinguished Members of the committee, thank you for this opportunity to testify today. I look forward to your questions. Thank you again.

[The prepared statement of Mr. Alles follows:]

PREPARED STATEMENT OF RANDOLPH D. ALLES

JULY 14, 2015

INTRODUCTION

Chairman Miller, Ranking Member Vela, and distinguished Members of the subcommittee, it is a pleasure to appear before you today to discuss U.S. Customs and Border Protection (CBP) Office of Air and Marine (OAM) efforts to secure our Na-

tion's maritime borders. OAM is a Federal law enforcement organization dedicated to serving and protecting the American people.

As America's front-line border agency, CBP is responsible for securing America's borders against threats while facilitating the lawful flow of people and goods entering the United States. OAM is a critical component of CBP's border security mission and the Department of Homeland Security's (DHS) risk-based and multi-layered approach to homeland security. We apply advanced aeronautical and maritime capabilities and employ our unique skill sets to protect our Nation's borders and preserve America's security interests.

OAM's mission falls into four broad categories that reflect our core competencies: Interdiction, Investigation, Domain Awareness, and Contingencies and National Taskings. These competencies are interdependent and complementary and leverage our expertise in the air and maritime environments. We prioritize the development of this organizational expertise throughout our recruitment and training, material acquisitions and program development, and we tailor our law enforcement capabilities and assets to our specialized mission.

A relatively small organization, OAM thrives by being extremely efficient and adaptive. Additionally OAM leverages its capabilities by empowering its operational units to forge crucial partnerships.

In the maritime environment, we operate effectively with a variety of Federal, State, and local partners, including frequent joint operations with the United States Coast Guard (USCG) and the United States Navy. Through our integration with CBP, as well as our legacy history with U.S. Customs, we enjoy a close working relationship with other investigative components within DHS, particularly U.S. Immigration and Customs Enforcement (ICE). These relationships, coupled with our broad authorities, allow OAM to follow cases wherever they lead—from the air, to the sea and on to land, or from an investigative lead to an interdiction at sea. We also frequently cooperate directly with foreign governments. In this way, OAM lends critical capabilities and cohesion to an array of border security and maritime law enforcement efforts.

One example of these efforts is a recent operation conducted by OAM Marine Interdiction Agents (MIAs) based in Fort Lauderdale, Florida. After boarding and searching a sailing vessel arriving from the Bahamas, the team discovered approximately 220 pounds of cocaine concealed in a bilge area. The agents elected to pursue the investigation further, and asked the suspect if he would facilitate a "controlled delivery,"—a ruse whereby a smuggling suspect agrees to deliver the contraband as planned, but under observation by law enforcement. The suspect agreed, and the agents contacted their partners on the local Border Enforcement Security Task Force (BEST) to help coordinate the delivery. OAM and other BEST agents completed the delivery successfully, resulting in the arrests of two suspects and the seizure of the cocaine, one sailboat, one truck, and \$1,650 in cash. The exploitation of the initial seizure was only possible due to the authorities and expertise of the OAM agents, and close working relationships with other investigators.

Our greatest resources are the sound judgment and experience of our agents, who average 17 years of law enforcement experience with OAM. Over 60 percent of these sworn agents are veterans of the Armed Services, and many have prior experience in law enforcement. All agents receive intensive training in applicable law, use of force, investigative techniques, Spanish language, and more upon entrance into service. Soon after, they undergo additional advanced training in tactics and the safe operation of vessels and aircraft. All agents are empowered to apply the full range of their legal authorities when conducting interdictions or investigations, in strict accordance with the law. This high level of training and experience allows us to empower our agents to make critical, real-time decisions on-scene, allowing for an informed, rapid response to exigent scenarios.

OAM is uniquely positioned—organizationally, via broad enforcement authorities and jurisdiction, and with unequaled specialized training, equipment, and domain awareness capability—to protect America's security interests beyond the Nation's border in source and transit zones, between ports of entry, in our coastal waters, and within the Nation's interior.

A SECURE MARITIME BORDER

Thousands of vessels enter or operate in U.S. territorial sea daily. Though the vast majority do so for purposes of recreation or legitimate commerce, a small percentage engage in smuggling and other illegal activity. Apprehending these smugglers can be daunting, as many mimic legitimate traffic while others elude detection altogether.

This challenge is similar to one faced by the United States in the 1970s and 1980s, as air smugglers exploited known gaps in offshore radar coverage to deliver narcotics, often by air-drop or by “popping up” inside U.S. airspace and emulating a domestic flight. The United States response in those situations included increasing air domain awareness by deploying and linking additional air surveillance radars, and increasing its coordinated response capability via air interceptors and other assets. With increased awareness and response, U.S. Customs was able to leverage a highly-regulated air environment to identify evasive or non-compliant aircraft and target them for enforcement. The result was an unprecedented state of air security that persists today, with OAM maintaining air domain awareness via the functionality at the Air and Marine Operations Center (AMOC) and an air intercept capability in its present-day fleet.

A secure maritime border presents additional challenges. Unlike air traffic, small vessels¹ inbound to the United States are generally not required to announce their arrivals in advance, nor are they required to make their initial landing at a designated port of entry. Additionally, small vessels have no requirement to continually broadcast their position via transponder.² Therefore, many of the tools used to sort legitimate air traffic from the illegitimate are not available in the maritime environment. A secure maritime border is one where there is an effective understanding of the maritime domain, with awareness of traffic moving in or toward U.S. waters, and the ability to infer intent and interdict as necessary. Achieving this state requires:

- *Maritime Domain Awareness.*—Detection capability in the form of fixed and mobile sensors, an effective distribution network, and current information that facilitates evaluation and decision making, such as track history and projected movements.
- *Law Enforcement Information.*—Knowledge of criminal intent or practices typically gained through law enforcement activity, such as case information, confidential human sources, undercover work, covert surveillance, classified intelligence, etc.
- *Response Capability and Capacity.*—The ability to interdict quickly and effectively in the maritime domain. This is a function of personnel, equipment, training, and expertise.
- *Unity of Effort.*—The various attributes of maritime security and law enforcement agencies are complimentary by design. No single entity has the capability or capacity to address all aspects of maritime security. Unfettered information sharing is critical to understanding the nature of maritime threats. Effective coordination must occur across organizational and jurisdictional lines.
- *Small Vessel Accountability.*—Increased accountability of small vessel arrivals from foreign countries and transmission of position via beacon or transponder while underway. This will dramatically improve maritime domain awareness and result in non-compliant vessels self-selecting for further investigation.

OAM believes that a secure maritime border is achievable. We are focusing our strategic planning efforts to this end, with emphasis on domain awareness, investigations, enhanced interdiction capabilities and a networked approach to coordination with our partners.

OAM OVERVIEW

Prior to the establishment of DHS, the assets and personnel that comprise OAM were distributed between multiple legacy agencies, including the U.S. Customs Service and the U.S. Border Patrol. Under DHS, these resources were consolidated and integrated into CBP to realize greater operational effectiveness and efficiencies in executing the new homeland security mission. Today, OAM operates in accordance with the Secretary’s Unity of Effort memorandum, with goals aligned to those delineated in the DHS 2014–2018 Strategic Plan, the DHS Southern Border and Approaches Campaign and CBP’s Vision and Strategy 2020.

¹ “Small vessels” are characterized as any watercraft, regardless of method of propulsion, less than 300 gross tons. Small vessels can include commercial fishing vessels, recreational boats and yachts, towing vessels, uninspected passenger vessels, or any other commercial vessels involved in foreign or U.S. voyages. DHS, Small Vessel Security Implementation Plan Report to the Public, January, 2001, page 1. <http://www.dhs.gov/xlibrary/assets/dhs-uscg-small-vessel-security-strategy-report-to-public-012011.pdf>.

² While the Maritime Transportation Security Act of 2002 (MTSA) and the International Convention for the Safety of Life at Sea (SOLAS) require many commercial, passenger, and commercial fishing vessels to operate with an Automatic Identification System (AIS), a tracking system to, among other things, increase maritime awareness, the requirement does not cover many small vessels.

One immediate benefit gained through the merger was consolidated aircraft maintenance. OAM integrated maintenance and logistics for its aircraft under a single contract to provide standard support across locations, improve accountability and aircraft safety, and ensure common configurations.

OAM operations are divided into three regions: The Southwest Region, the Northern Region, and the Southeast Region. Each region is split into Air and Marine Branches, and then further divided into Air and/or Marine Units. OAM also operates two unique operational entities: National Air Security Operations (NASO) and AMOC. NASO, operating out of six centers Nation-wide, coordinates operational activities, long-range planning and project oversight for the P-3 Long Range Tracker aircraft and unmanned aircraft system (UAS) programs. AMOC is a state-of-the-art law enforcement operations coordination and domain awareness center that conducts air and marine surveillance operations and fuses numerous sources of intelligence.

OAM's 1,272 law enforcement personnel operate 257 aircraft, 283 vessels,³ and a sophisticated domain awareness network across the United States. These assets provide critical aerial and maritime surveillance, interdiction, and operational capability in support of OAM's maritime border security mission. OAM continues to modernize its fleet and sensor systems to enhance our operational performance in diverse marine environments and increase our ability to adapt to the challenges of securing the maritime border and approaches to the United States.

OAM LAW ENFORCEMENT AUTHORITIES

An integral part of CBP's border security mission, OAM agents are credentialed law enforcement officers with a broad range of authorities that enable them to transcend land, air, and sea domains and jurisdictions, providing a critical layer of continuity in enforcement efforts. First and foremost, OAM agents are sworn Federal law enforcement agents. They are authorized to carry firearms, obtain and serve warrants, subpoenas and summons, make arrests for any offense committed in their presence and make felony arrests without warrant.⁴

Within the "customs waters"⁵ of the United States, or at any place within the United States, OAM agents may board a vessel for the purpose of enforcing customs law, and to use all necessary force to compel compliance.⁶ Additionally, OAM enforces laws on any American vessel on the high seas,⁷ and vessels subject to U.S. jurisdiction under the Maritime Drug Law Enforcement Act⁸ which concerns the trafficking of controlled substances aboard vessels in extraterritorial waters. These authorities enable OAM to extend our zone of security surrounding our maritime border and littorals of the United States.

In their capacity as CBP law enforcement agents, OAM agents also enforce immigration laws in the territorial sea, on land, and in the air. Agents within OAM have the same broad immigration authority⁹ as the U.S. Border Patrol; however, OAM is in the unique position to enforce this authority in the maritime environment. Similar to other investigative agencies, our agents recruit confidential sources, develop criminal cases, support prosecutors, and testify in court in addition to their enforcement actions in the air, land, and maritime domains.

This combination of authorities enables OAM to conduct successful investigations in the maritime domain.

MARITIME ASSETS AND CAPABILITIES

OAM's unique maritime law enforcement mission requires the use of marine assets and capabilities—including fixed- and rotary-wing aircraft, as well as patrol

³ OAM owns and maintains CBP's 283 vessels, including riverine vessels that are operated by the U.S. Border Patrol.

⁴ See 19 U.S. Code § 1589a.

⁵ See 19 U.S. Code § 1401.

⁶ See 19 U.S. Code § 1581.

⁷ See 19 CFR 162.3.

⁸ See Title 46, 46 U.S. Code § 70501–70502 "vessel subject to the jurisdiction of the United States" includes—a vessel without nationality; a vessel assimilated to a vessel without nationality under paragraph (2) of article 6 of the 1958 Convention on the High Seas; a vessel registered in a foreign nation if that nation has consented or waived objection to the enforcement of United States law by the United States; a vessel in the customs waters of the United States; a vessel in the territorial waters of a foreign nation if the nation consents to the enforcement of United States law by the United States; and a vessel in the contiguous zone of the United States, as defined in Presidential Proclamation 7219 of September 2, 1999 that—is entering the United States; has departed the United States; or is a hovering vessel as defined in section 401 of the Tariff Act of 1930.

⁹ See Title 8, Aliens and Nationality.

and interdiction vessels and a sophisticated domain awareness network across the United States. OAM's maritime assets are tailored to the conditions of the threat environment in which we operate, and equipped with the capabilities required to interdict illicit smuggling attempts of drugs and undocumented aliens.

Often, there is little time to interdict inbound suspect vessels, and OAM has honed its maritime border security response capability around rapid and effective interception, pursuit, and interdiction of these craft. OAM employs high-speed Coastal Interceptor Vessels (CIV) that are specifically designed and engineered with the speed, maneuverability, integrity, and endurance to intercept and engage a variety of suspect non-compliant vessels in offshore waters, as well as the Great Lakes on the Northern Border.

Our vessels are manned by highly-trained and experienced OAM crews authorized to deploy any required use of force, including warning shots and disabling fire to stop fleeing vessels. Over the last decade, OAM has evolved to counter the egregious threat of non-compliant vessels. OAM has developed capabilities to disable non-compliant vessels and to bring dangerous pursuits to a conclusion and prevent these vessels from reaching our shores. Since 2003, OAM has engaged in 123 cases involving marine warning and/or disabling rounds, and three cases involving air to vessel warning and disabling rounds.

OAM often works in partnership with ICE-HSI, the Drug Enforcement Administration (DEA), and the Federal Bureau of Investigation (FBI) conducting covert operations in the maritime border environment; utilizing unmarked and undercover vessels when situations dictate that the surveillance of drug loads or transnational criminal organization (TCO) activity can yield larger seizures as a part of on-going investigations. Some of these covert missions involve OAM agents facilitating controlled deliveries with partner agencies through the utilization of undercover vessels and the incorporation of undercover or plainclothes agents. OAM has a number of unmarked vessels typical to local traffic, which are used for this purpose.

OAM specializes in the installation of covert trackers aboard suspect vessels and often conducts these covert missions under hours of darkness using plainclothes or undercover tactics. Additionally, OAM periodically augments vessel crews from investigative partner agencies when a specific vessel certification coupled with investigative authority and experience is needed when operating these assets. OAM develops and retains confidential human sources in the maritime environment, which have been instrumental in effecting significant seizures.

Although OAM routinely makes seizures through maritime border patrols, the majority of arrests and seizures are the result of actionable information or detection by aircraft. CBP's P-3 Long Range Tracker and Airborne Early Warning aircraft are multi-role high-endurance aircraft capable of performing border security mission sets in the air and maritime environments. Equipped with a multitude of highly sophisticated communications equipment, radar and imagery sensors, operated by highly-trained professional sworn law enforcement agents and officers, the P-3 is accredited with the interdiction of 122,427 pounds of cocaine and 5,918 flight hours within the Western Hemisphere Transit Zones in fiscal year 2014, which equated to 20.7 pounds of narcotics interdicted per flight hour.

The integration of unmanned aircraft systems (UAS) have provided critical enhancements to OAM's air, land, and maritime border domain awareness and capabilities. UAS provide high-endurance intelligence, surveillance, and reconnaissance of land borders, inland waters, littoral waters, and high seas with multiple advanced sensor arrays. The use of UAS in the maritime environment has increased OAM's ability to effectively detect, monitor, and track both personnel and conveyances involved in illegal activity.

Another important maritime security asset is the DHC-8 Maritime Patrol Aircraft (MPA). It is a medium-range airplane that bridges the gap between the strategic P-3 and UAS, and smaller aircraft operating in the littoral waters. It is outfitted specifically for maritime patrol with state-of-the art sensors and systems. The DHC-8 has provided game-changing detection capability in the Caribbean, Florida, and the Gulf of Mexico.

CBP's aerial surveillance capabilities in the maritime environment have been enhanced through recent investments and deployments of a Multi-Role Enforcement Aircraft (MEA). The MEA provides OAM a replacement for several of its older maritime patrol aircraft, enhancing OAM's ability to maintain domain awareness of the U.S. littorals and coastline. Additionally, the multi-role function of the aircraft provides OAM agents the ability to continue investigations seamlessly into the interior of the United States, landing at small remote airports to interdict suspected air

smugglers. OAM's Tethered Aerostat Radar System (TARS)¹⁰ is an effective surveillance asset providing radar detection and monitoring of low-altitude aircraft and surface vessels along the U.S.-Mexico border, the Florida Straits, and a portion of the Caribbean. With eight aerostat sites—six along the Southwest Border, one in the Florida Keys, and one in Puerto Rico—the TARS elevated sensor mitigates the effect of the curvature of the earth and terrain-masking limitations associated with ground-based radars, greatly increasing long-range radar detection capabilities. The eight TARS sites represent approximately 2 percent of the total radars integrated by OAM, yet they account for over 50 percent of all suspect target detections.

Perhaps the most important advancements come in the area of data integration and exploitation. Downlink technology, paired with the BigPipe system, allows OAM to provide video feed and situational awareness in real-time. In addition, the Minotaur mission integration system will allow multiple aircraft and vessels to share networked information, providing a never-before-seen level of air, land, and sea domain awareness.

A vital component of DHS's domain awareness capabilities, the AMOC integrates multiple sensor technologies and sources of information to provide comprehensive domain awareness in support of CBP's border security mission. Utilizing extensive law enforcement and intelligence databases and communication networks, AMOC's operational system, the Air and Marine Operations Surveillance System (AMOSS), provides a single display that is capable of processing up to 700 individual sensor feeds and tracking over 50,000 individual targets simultaneously.

AMOC coordinates with the Department of Defense (DoD), Federal Aviation Administration (FAA), the North American Aerospace Defense Command (NORAD), and international law enforcement partners in the governments of Mexico (GoM), Canada, and the Bahamas, to detect, identify, track, and support interdiction of suspect aviation and maritime activity in the approaches to U.S. borders, at the borders, and within the interior of the United States. This relationship, enhanced through the deployment of shared surveillance technology has allowed GoM to focus aviation and maritime enforcement efforts to better combat transnational criminal organization (TCO) operations in Northern Mexico and the contiguous U.S./Mexico border. For example, this past January, officers working at the AMOC detected a suspicious aircraft travelling north towards the United States. AMOC subsequently alerted GoM, via the AMOSS, of the activity, and both the Mexican Federal Police (PF) and Air Force (SEDENA) responded to investigate. The abandoned aircraft was located by Mexican officials a short time later, where 27 bags containing approximately 389 kilos methamphetamine, 79 kilos of cocaine, 79 kilos of white heroin, and 1.5 kilos of black tar heroin were discovered and seized.

OPERATIONAL COORDINATION

Secretary Johnson's Unity of Effort initiative has put in place new and strengthened management processes to enable more effective DHS component operations. In addition, DHS-wide border and maritime security activities are being strategically guided by the new Southern Border and Approaches Campaign. Aimed at leveraging the range of unique Department roles, responsibilities, and capabilities, the Campaign enhances our operational approach to working together in a more unified way to address comprehensive threat environments. OAM has been extensively involved in the planning and development of all Joint Task Forces, particularly Joint Task Force—East (JTF—E), where OAM holds the Deputy Director position. Working closely with the USCG, ICE and others, we have played a key role in developing the Concept of Operations, the DHS Force Management plan and led the critical Mission Analysis planning efforts, which are all vital to meet the objectives outlined in the SBACP. OAM will continue to invest in and fully support the Joint Task Forces and looks forward to playing a key role in the unity of effort outlined by the Secretary in the SBACP.

In 2011, the CBP commissioner, the USCG commandant and ICE assistant secretary signed the cross-component Maritime Operations Coordination (MOC) plan. The plan addresses the unique nature of the maritime environment and sets forth a layered, DHS-wide approach to homeland security issues within the maritime domain, ensuring integrated planning, information sharing, and increased response capability in each area of responsibility. In accordance with the MOC plan, OAM has been a key stakeholder in the implementation of the Regional Coordinating Mechanism (RECOM). Through this mechanism, OAM coordinates maritime operational

¹⁰CBP assumed responsibility of TARS from the U.S. Air Force in 2013, but the aerostat surveillance system had been used by the Department of Defense since 1978.

activities through integrated planning, information sharing, and intelligence integration.

OAM agents participate in ICE HSI-led BEST task forces across the Nation. This practice has multiple benefits. OAM agents provide maritime law enforcement expertise and ready access to OAM assets and capabilities. In turn, information shared through the BEST refines OAM operations and enables more targeted enforcement. OAM recently became a member of the BEST in San Juan, Puerto Rico. Working in conjunction with the San Juan BEST, OAM operations have yielded 24 arrests, 1,453 pounds of narcotics, and \$948,953 in currency over the current fiscal year.

CBP OAM is the largest aviation contributor to the Joint Interagency Task Force South (JIATF-S), and is an integral part to their aviation capability and success to counter illicit trafficking within the maritime environment. P-3s patrol in a 42-million-square-mile area that includes more than 41 nations, the Pacific and Atlantic Oceans, Gulf of Mexico, Caribbean Sea, and maritime approaches to the United States.

JOINT TECHNOLOGY DEVELOPMENT

OAM has identified Domain Awareness as a core competency and an essential element of a secure border. To that end, we will fully-network our fleet and centers to share critical information in real time. We are pursuing that vision through joint efforts with technological partners.

OAM is engaged with the USCG and DoD to identify and deploy technologies that expand overall maritime domain awareness and integrates information and sensor data throughout DoD and DHS. AMOC has begun to integrate data from airborne DOD assets and seeks to expand further into the maritime domain. With the support of DHS S&T and the USCG Research and Development Center, prototype technologies such as the Integrated Maritime Domain Enterprise have been deployed to the AMOC, USCG Sectors San Diego and Los Angeles/Long Beach, and are currently under evaluation. This network is being developed to manage and coherently integrate maritime sensors and data sources, such as Minotaur and the Coastal Surveillance System, into a user-defined operating picture, which can be then shared between stakeholders.

OAM works closely with the Science & Technology Directorate (S&T) to identify and develop technology to improve our maritime surveillance and detection capabilities, including low-flying aircraft detection and tracking systems and data integration/data fusion capabilities. Currently under development is Coalition Tactical Awareness and Response (CTAR), a space-based system which can be used tactically against maritime threats. OAM is also working with the Domestic Nuclear Detection Office (DNDO) to develop and field radiological and nuclear (R/N) detection and nuclear forensics systems. For example, DNDO and OAM are collaborating in the development of technology to detect R/N threats aboard small vessels.

INDICATORS OF SUCCESS

OAM efforts have resulted in the seizure of significant quantities of contraband, and disrupted considerable illicit activity before it reaches our shores.

In fiscal year 2014, OAM conducted 90,739 flight hours and 42,859 underway hours, resulting in the arrest of 4,725 suspects, the apprehension of more than 79,672 illegal migrants, the seizure of 763 weapons, \$147,805,097 in currency, and the interdiction of more than 1,155,815 pounds of illegal drugs, including 155,143 pounds of cocaine.

OAM recognizes the need for relevant, verifiable performance measures that point towards outcomes as well as output, and has initiated an effort to develop them. This is a new process for us. We have engaged a Federally-funded research and development center to assist in developing metrics particular to domain awareness. We plan to refine a methodology for developing such measures, and apply it to operations across our organization.

CONCLUSION

Chairman Miller, Ranking Member Vela, and Members of the subcommittee, thank you for this opportunity to testify today. OAM is a critical component of CBP's border security mission. Our highly-trained agents, together with our authorities, specialized assets, and tactics comprise a well-rounded, experienced, and established law enforcement organization, fully engaged in protecting the United States' maritime borders from threats to the homeland.

I look forward to answering any questions you may have at this time.

Mrs. MILLER. Thank you very much, General.
The Chair now recognizes Mr. Roth for his testimony as well.

**STATEMENT OF JOHN ROTH, INSPECTOR GENERAL, OFFICE
OF INSPECTOR GENERAL, U.S. DEPARTMENT OF HOMELAND
SECURITY**

Mr. ROTH. Thank you for inviting me here today to discuss our work at the U.S. Customs and Border Protections Office of Air and Marine. We have conducted a number of audits which I believe illustrate several persistent challenges facing the Department of Homeland Security. Specifically, DHS components do not engage in the kinds of basic management practices, such as analyzing mission needs and deciding best how to meet those needs before completing an acquisition that would better ensure the components are able to carry out their missions effectively.

Second, many complicated and expensive programs lack performance measures, which are vital in ensuring the effectiveness of those programs and operations.

Lastly, many programs fail to capitalize on efficiencies by integrating their efforts with other DHS components, thus hindering the Department's mission to achieve unity of effort.

CBP's unmanned aircraft program is an example of the challenges the Department faces. In December 2014, we published an audit report regarding the effectiveness and the cost of the unmanned aircraft program. We found that the aircraft did not fly as much as CBP had anticipated. The unmanned aircraft logged a total of only about 5,100 hours in fiscal 2013. That means each of the 10 aircraft available to CBP flew an average of only 1.4 hours per day.

According to CBP, the aircraft do not fly more primarily because of budget constraints, which prevented them from obtaining the personnel, spare parts, and other infrastructure for operations and maintenance necessary for more flight hours. Other contributing factors included flight restrictions and weather-related cancellations.

Although the program is about 10 years old, CBP has never established formal metrics, which greatly impedes any effort to determine whether the program has been successful. This lack of relevant metrics is a barrier to fully understanding whether the taxpayers' investment is a good one.

Our report did note that according to CBP's own figures, the program was responsible for less than 1 percent of all apprehensions in the sector in which it operated, which is only about 170 miles of the 2,000-mile Southwest Border.

Additionally, at the beginning of the program, CBP expected unmanned aircraft to reduce border surveillance costs by between 25 and 50 percent per mile. However, CBP does not currently track this metric, so we have no way of evaluating whether they have met that. Additionally, by our measures, CBP was not recognizing all the costs of operating the program.

To determine the full costs of the unmanned aircraft program, we took an approach that is standard within Government and private industry, managerial cost accounting, which really requires an-

swering a very simple question: How much does it cost to do something? What is the total cost of ownership of a specific program?

We estimated that in fiscal 2013, it cost at least \$62.5 million to operate the program, or over \$12,000 per flight hour. CBP's estimates of the costs of operating the aircraft were significantly lower, because it did not include the full maintenance costs, depreciation, operation support, base personnel, payment of rented air bases, and the cost of the personnel to operate the program, as well as other costs.

The results for the 2015 audit were very similar to an audit we did on the program 3 years before that. Given the costs of the program as well as its current lack of performance measures, we believe that CBP's decision not to expand the program is a wise one.

Several other audit reports that we have conducted have highlighted the need for renewed focus on management fundamentals. For example, in January 2015, we issued a management advisory describing the deficiencies in OAM's management of its national aviation maintenance contract. Unfortunately, we were unable to complete a detailed review of the contract costs. This is a series of contracts worth in excess of \$930 million. We were unable to complete a detailed review of the contract costs because of inconsistent and unreliable data. This unreliable data precluded further analysis. In essence, the state of the record-keeping within CBP and its contractors made the program unauditible.

Likewise, in 2013, we reported that CBP was unwilling to coordinate with the Coast Guard to upgrade its H-60 helicopters even though both components were converting the same helicopters. As a result, CBP may have missed an opportunity to save significant taxpayer money.

Chairman Miller, this concludes my prepared statement. I welcome any questions that you or other Members of the committee may have.

[The prepared statement of Mr. Roth follows:]

PREPARED STATEMENT OF JOHN ROTH

JULY 14, 2015

Chairman Miller, Ranking Member Vela, and Members of the subcommittee, thank you for inviting me here today to discuss our work at U.S. Customs and Border Protection's (CBP) Office of Air and Marine (OAM).

In my testimony today, I will focus on our recent report on CBP's unmanned aircraft systems, as well as other reports, which I believe illustrate several persistent issues facing the Department of Homeland Security (DHS). Specifically:

- DHS components often do not engage in the kinds of basic management practices—such as analyzing mission needs and deciding how best to meet those needs before completing an acquisition—that would better ensure the components are able to carry out their missions effectively.
- Many complicated and expensive programs lack performance measures, which are vital to ensuring the effectiveness of those programs and operations. Components also continue to use poor business practices that often result in less than ideal stewardship of taxpayer dollars.
- Finally, many programs fail to capitalize on efficiencies that may be gained by integrating their efforts with those of other components, thus hindering the Department's mission to achieve a unity of effort.

UNMANNED AIRCRAFT SYSTEM (UAS)

From fiscal years 2005 to 2013, CBP invested about \$360 million on its Unmanned Aircraft System (i.e., "drone" program), which includes Predator B aircraft,

related equipment such as ground control stations, as well as personnel, maintenance, and support. In 2014, we conducted an audit to determine the effectiveness and cost of the UAS program.

Unfortunately, despite its 8-year effort and significant investment of taxpayer dollars, CBP could not demonstrate how much the program has improved border security, largely because the program lacks performance measures and CBP was unaware of the true cost of the program.

Anticipated usage of the aircraft

When CBP established its UAS Concept of Operations in 2010, it expected that by fiscal year 2013, it would be flying four 16-hour unmanned aircraft patrols every day of the year, or 23,296 total flight hours. However, the unmanned aircraft logged a combined total of 5,102 flight hours, or about 80 percent less than what OAM anticipated. According to OAM, the aircraft did not fly more primarily because of budget constraints, which prevented OAM from obtaining the personnel, spare parts and other infrastructure for operations, and maintenance necessary for more flight hours. Other contributing factors included flight restrictions and weather-related cancellations.

Performance metrics

Although the UAS program is about 10 years old, OAM has never established formal metrics, which greatly impedes any effort to determine whether the program has been successful. OAM's failure to establish relevant metrics is a barrier to fully understanding whether the taxpayers' investment is a good one.

When OAM stood up the program, however, it did establish performance expectations in order to justify the cost of the program. These expectations are contained within the 2007 UAS Mission Need Statement, Concept of Operations, and Acquisition Plan. Government auditing standards permit us to compare such expectations against current performance.¹ The performance expectations included:

- *Increased apprehensions.*—CBP anticipated that UAS support would increase apprehensions. For example, according to the UAS Mission Need Statement, “This investment expects to improve the efficiency, effectiveness, and safety of Border Patrol agents . . . by reducing response to false motion sensor alerts, increasing the number of apprehensions of illegal border crossings, and raising the agent’s situational awareness when moving towards and making arrests.” Although it is not possible to determine whether the specific use of unmanned aircraft increased apprehensions of illegal border crossers, we can compare the United States Border Patrol’s total number of reported apprehensions to the number of apprehensions OAM attributed to the use of unmanned aircraft. For example, in the Tucson and Rio Grande Valley Sectors, where UAS operations were concentrated, the Border Patrol reported 275,392 apprehensions; yet, CBP attributed only 2,272 of those apprehensions, or less than 1 percent, to the UAS program. Moreover, according to Border Patrol Agents and intelligence personnel we interviewed in Arizona, the Border Patrol probably would have detected the same people using ground-based assets, without the assistance of unmanned aircraft.
- *Reducing border surveillance costs.*—According to the UAS Mission Need Statement, OAM expected unmanned aircraft to reduce border surveillance costs by 25 to 50 percent per mile. However, because OAM does not track this metric, it cannot demonstrate that the unmanned aircraft have reduced the cost of border surveillance.
- *Responding to sensor alerts.*—According to the UAS Mission Need Statement, unmanned aircraft would improve the Border Patrol’s efficiency by responding to sensor alerts, allowing the Border Patrol to determine whether any action was necessary before sending an agent to the location. However, we identified only six instances in fiscal year 2013 of unmanned aircraft responding to ground sensor alerts.
- *Border coverage.*—According to DHS’ *Annual Performance Report, Fiscal Years 2012–2014*, the UAS program expanded unmanned aircraft coverage to the entire Southwest Border. However, unmanned aircraft do not currently cover the entire Southwest Border. The Federal Aviation Administration permits OAM to fly its unmanned aircraft over the Southwest Border from California to the Texas Gulf Coast. Yet, of the 1,993-mile Southwest Border, UAS operations focused on only about 100 miles of the Arizona border and 70 miles of the Texas border.

¹ Government Auditing Standards, 2011 Revision, section 6.37.

True cost of the program

By our measure, CBP was not recognizing all operating costs. To determine the full cost of the UAS program, we took an approach that is standard within the Government and private industry: Managerial cost accounting. This requires answering a simple question—how much does it cost to do something? In the case of unmanned aircraft, we wanted to know how much it cost to own, operate, and maintain the aircraft and sensors. Specifically, how much did it cost DHS, and the taxpayer, to provide the capabilities of the Predator B unmanned aircraft?

We estimate that, in fiscal year 2013, it cost at least \$62.5 million to operate the unmanned aircraft system program, or about \$12,255 per flight hour. CBP's estimates of the cost of operating the aircraft were significantly lower because it did not include:

- *Full maintenance costs.*—Our estimate, based on the amount stated in the contract, was that all of the maintenance and support of the aircraft would cost more than \$24 million. OAM's calculation of \$9.4 million did not include the costs paid to the contractor when mechanics were not performing maintenance activities.
- *Depreciation.*—The unmanned aircraft have a 20-year life span, and based on ordinary straight-line depreciation, cost about \$7.6 million per year. OAM's lack of accounting for depreciation is inconsistent with all generally accepted accounting practices, both in the Government and the private sector.
- *Operations support.*—OAM paid a contractor for program management and flight operations support services, including flight operations support at four airbases and an operations center in California, as well as incidental materials, travel, training, and data deliverables. It did not include this in its total cost calculation.
- *Base overhead.*—OAM houses the unmanned aircraft at bases around the country, and pays for services such as rent and utilities, but does not recognize these services as costs of doing business.
- *OAM personnel.*—OAM does not count the cost of the pilot or support personnel in its calculations—more than \$11 million per year—because they are funded through a separate appropriation. However, according to OMB Circular A-126 and General Services Administration requirements, a proper accounting for costs must include these costs, which is why we included them in our report. Specifically, OMB and GSA require that agencies accumulate operations and ownership costs of aircraft programs, as well as account for the cost of acquiring, operating, and supporting their aircraft. In addition, according to the Federal Accounting Standards Advisory Board, “the full cost of a program's output is the total amount of resources used to produce the output . . . regardless of the funding sources.”

Given the cost of the UAS program, as well as its current lack of performance measures, we believe CBP's decision not to expand the program at this time is a wise one. We are concerned about the equivocal nature of their decision, however. Recent OAM documents regarding the UAS program state that there is a \$34 million shortfall in funding and that OAM does not support program expansion without additional funding.

As we said in our report, OAM's comments indicate that if it did receive additional funding, it would support program expansion. We recognize that “at this time” or “currently” OAM does not plan to expand the program. To be clear, our recommendation addresses OAM's long-term plan and requires an independent study to determine whether the \$443 million associated with the long-term plan could be put to better use by investing in the current program or in alternatives. We would encourage CBP to explore investing in alternatives, such as manned aircraft and ground surveillance assets.

We are pleased to report that, as a result of our audit, CBP agreed to establish program goals and performance measures, and the Department agreed to conduct an independent study before acquiring more unmanned aircraft, as well as establish a DHS-wide policy for accumulating all program costs. The Department recently informed us that it expects to complete its study to determine whether additional unmanned aircraft are needed and justified by December 31, 2015. CBP is also in the process of revising the UAS Concept of Operations to ensure it contains attainable goals and verifiable performance measures. Additionally, the Department has established a charter for the Flight Hour Program Working Group, which is committed to transparent cost accounting for all DHS aviation programs. We believe the Department, specifically, the Office of the Chief Readiness Support Officer, was very responsive to the report and is especially committed to addressing two of our recommendations. (*U.S. Customs and Border Protection's Unmanned Aircraft System*

Program Does Not Achieve Intended Results or Recognize All Costs of Operations, OIG-15-17)

The results of our 2015 UAS report—that CBP logged only about 20 percent of its anticipated flight hours, could not demonstrate performance, and had not accounted for all of its costs—were predictable. Three years earlier, we assessed the drone program and found that CBP’s inadequate planning and project management resulted in performance shortfalls. Specifically, in our May 2012 report, *CBP’s Use of Unmanned Aircraft Systems in the Nation’s Border Security*, we reported:

- CBP had not achieved its anticipated number of flight hours. CBP desired 13,328 flight hours; however, staffing and equipment shortages, coupled with FAA and other restrictions, limited actual flight hours to 3,909;
- CBP’s lack of a specific operations and maintenance budget request for the UAS program resulted in a \$25 million budget shortfall. From fiscal years 2006 through 2011, CBP reported it spent \$55.3 million for operations and maintenance, but it had not made a specific operations and maintenance budget request for the UAS program. As a result, CBP needed to transfer about \$25 million from other programs in fiscal year 2010 to address the shortfall; and
- CBP had not adequately planned to fund unmanned aircraft-related equipment, such as ground control stations, cameras, and navigation systems, which resulted in insufficient equipment to perform UAS missions.

OTHER AUDIT WORK

Several other audit reports have highlighted the need for a renewed focus on management fundamentals. Congress and the public must be confident that CBP’s financial practices and operations minimize inefficient and wasteful spending, and that it is making informed decisions to manage its programs and implement its policies.

Insufficient and unreliable data prevents analysis and accountability

Sound financial practices and related management operations are critical to achieving the Department’s mission and to providing reliable, timely information that supports management decision making. However, CBP has not consistently documented the analysis justifying programs or conducted thorough needs assessments before moving forward with acquisitions. In addition, it does not always collect the right information and the data it does collect is too often inconsistent and unreliable.

For example, in January 2015, we issued a management advisory describing deficiencies in OAM’s management of its national aviation maintenance contract. In 2009, CBP awarded a \$938 million contract to Defense Support Services, LLC to maintain about 265 aircraft to fly approximately 100,000 hours per year. Even though the number of CBP aircraft maintained, annual flight hours, and the average age of the aircraft fleet decreased from fiscal years 2010 through 2013, contract costs increased an average of nearly 9 percent per year.

Unfortunately, we were unable to complete a detailed review of the contract costs because of inconsistent and unreliable data. Specifically, we could not verify whether the contractor correctly charged CBP for the maintenance labor hours it completed. The contractor and CBP used two separate data systems for recording maintenance labor hours. We tried to compare CBP’s labor hour data to labor hour data provided by the contractor, but the data was inconsistent and did not match. This unreliable data precluded further analysis. In essence, the state of the record-keeping made the program unauditible. CBP told us that it planned to improve verification and tracking of maintenance labor hours. (*U.S. Customs and Border Protection’s Management of National Aviation Maintenance Activities, Management Advisory*)

Unity of effort and leveraging other Department programs

Likewise, we have observed that, despite similar responsibilities and challenges, DHS components are not always willing to work together to realize economies of scale, which hinders the Department’s overall cost-effectiveness and efficiency. For example, in 2013, we reported that CBP was unwilling to coordinate with the Coast Guard to upgrade its H-60 helicopters, even though both components were converting the same helicopters. In March 2010, DHS’ Acquisition Review Board directed the Coast Guard to collaborate with CBP and present a joint review on possible helicopter program synergies. The Coast Guard hosted CBP officials at its Aviation Logistics Center, but according to Coast Guard and CBP officials, a senior CBP executive canceled any reciprocal visits by Coast Guard officials and instructed CBP staff not to have any further contact with Coast Guard H-60 personnel. Without CBP’s cooperation, the Coast Guard could not complete the joint review, and

neither the Office of Program Accountability and Risk Management nor the Acquisition Review Board followed up.

As a result, CBP may have missed an opportunity to save significant taxpayer money. In fact, we determined that DHS could have saved about \$126 million if the two components had successfully coordinated the conversion of CBP's H-60 helicopters at the Coast Guard's Aviation Logistics Center. Instead, CBP chose to continue its conversion program with the Army. When we contrasted the cost and number of helicopters the Army converted and modified for CBP with Coast Guard's efforts, we found that the Coast Guard was able to convert many more helicopters at less cost and in a shorter period of time:

- Between September 2008 and July 2012, the Army converted and modified two CBP H-60s at an average cost of \$22.3 million each; the conversions took about 3.5 years.
- In contrast, between January 2007 and July 2012, the Coast Guard converted 27 of its H-60s; the last 7 conversions cost about \$5.3 million each and took an average of less than a year to complete. At that time, we estimated that each future CBP conversion would cost about \$18.3 million and would take about 1.7 years to complete.

A subsequent H-60 Business Case Analysis by DHS' Office of Chief Readiness Support Officer, the Aviation Governing Board, the Coast Guard, and CBP confirmed the cost savings of having the Coast Guard convert the helicopters but it was too late.² CBP would not have additional funds for its H-60 efforts until fiscal year 2017 and, based on the condition of its H-60 helicopters, it had to remove many of them from operations. Ultimately, the program simply ran out of money because of mismanagement.

In response to one of our other recommendations, CBP is coordinating with the U.S. Army to trade its older H-60As for newer H-60Ls that the Army is decommissioning. This project is on-going. All aircraft acquisitions and other significant investments must now be submitted through the Department's Joint Requirements Council, which was established to make better-informed investment decisions, particularly as it relates to supporting a unified Department acquisition strategy. One of the Council's emphasis areas is to ensure better integration of aviation assets. We hope that this process, which was created only a year ago, will assist in avoiding future acquisition mismanagement. (*DHS's H-60 Helicopter Programs (Revised)*, OIG-13-89)

CBP's acquisition of an aviation management tracking system provides another example of missed opportunities to improve performance and cut program costs. In August 2012, we reported that despite CBP's and the Coast Guard's joint strategy to unify their aviation logistics and maintenance systems, CBP planned to purchase a new aviation management tracking system that would not be coordinated with the Coast Guard's already operational system. We concluded that if CBP transitioned to the Coast Guard's system instead, it would improve tracking of aviation management and cost less. CBP did not concur with our recommendations, but the former acting CBP Commissioner directed OAM to stop the acquisition of the new system.

Subsequently, OAM directed the development of a new web-based program under the current National Aviation Maintenance contract, which will allow it to continue to use its existing aviation maintenance tracking system. We closed this recommendation because the web-based program, which is expected in March 2016, is not considered a new computer system. Nevertheless, we continue to believe that CBP should migrate to the Coast Guard's aviation management tracking system rather than continuing with their current plan, which should only be considered a stopgap measure. (*CBP Acquisition of Aviation Management Tracking System (Revised)*, OIG-12-104)

In its 2012 report on DHS's Air and Marine Assets, the Government Accountability Office (GAO) reported that DHS could improve certain types of coordination, such as co-locating proximate OAM and Coast Guard units, to better leverage existing resources, eliminate unnecessary duplication, and enhance efficiencies. GAO also reported that OAM had not documented its analyses to support its resource mix and placement decisions for its air and marine assets across all locations. (*Border Security: Opportunities Exist to Ensure More Effective Use of DHS's Air and Marine Assets*, GAO-12-518, March 2012)

²According to the initial *DHS H-60 Helicopter Business Case Analysis* (February 28, 2014), CBP estimated the recapitalization costs at \$25.6 million per aircraft (including modification requirements). This would have equated to a total cost of \$256 million for the remaining 10 CBP H-60As. After further discussions with DHS, we calculated that DHS could save as much as \$132 million to convert and modify the remaining 10 CBP H-60s if done at the Coast Guard's Aviation Logistics Center.

CONCLUSION

The Department, CBP, and OAM have taken steps to implement our recommendations, yet OAM's basic management practices continue to fall short. Sound planning and strategies for efficiently acquiring, using, and maintaining aviation assets that operate at full capacity, for example, would go a long way toward improving overall operations. Additionally, OAM should take advantage of every opportunity to coordinate with the Coast Guard to eliminate duplication and leverage assets. Finally, better performance measures and calculation of costs would help enhance security, as well as safeguard taxpayer dollars.

Chairman Miller, this concludes my prepared statement. I welcome any questions you or other Members of the subcommittee may have.

APPENDIX.—OIG REPORTS REFERENCED IN THIS TESTIMONY

U.S. Customs and Border Protection's Unmanned Aircraft System Program Does Not Achieve Intended Results or Recognize All Costs of Operations, OIG-15-17, December 2014

U.S. Customs and Border Protection's Management of National Aviation Maintenance Activities, CBP Management Advisory, January 2015

DHS' H-60 Helicopter Programs (Revised), OIG-13-89, May 2013

CBP's Use of Unmanned Aircraft Systems in the Nation's Border Security, OIG-12-85, May 2012

CBP Acquisition of Aviation Management Tracking System (Revised), OIG-12-104, August 2012

Mrs. MILLER. Thank you.

General, I am sure you want to respond to that. I had some other questions, but I think I will just start right out after listening to Mr. Roth talk about some of the findings from the—let's start with the UAV program.

Honestly, I can remember about 10 or 11 years ago my first trip to the Southern Border when I came to Congress, and there weren't really UAVs being utilized at that time, and how important everybody determined that it would be to use UAVs as a critical component for border security, surveillance, et cetera. Then the last time I had been down to the Southern Border again was just recently, well, this year, and we looked at a number of the UAVs and the drones, et cetera, and their effectiveness and et cetera, et cetera.

But that being said, what is your response, I guess, to this saying that drones and the resources that you have there only being used 1 hour a day, or 1-point-whatever hours a day out of a 24-hour day, and—

Mr. ALLES. I would address the averaging across 365 days a year for an aircraft fleet when you have limitations in terms of how many hours you can operate on a maintenance contract, how many employees you have, I think, is not a great comparison of the program itself.

The program has delivered good returns for us year over year. I will just mention the year that they did the audit for us, as I have provided these numbers to the staff and also to the Senate staff. The aircraft flew 5,100 flight hours, as Mr. Roth indicates, that year. I would acknowledge the airplane is not flying as many hours as it wanted to. It is never going to fly the 23,000 hours that they put in the report. In fact, it would be irresponsible of me to actually try to do that, as I would wear the airframes out in probably 3 to 5 years. That is about 2,500 hours for airframe per year with the current number of airplanes I am operating, which is 8.

But in that year he talks about, we had substantial contraband seizures in the amount of \$341 million of contraband at street value. That as a return on investment is \$66,000 per flight hour that the UAV flew. That is a pretty good return on investment. Using his numbers of \$12,000 per hour, that gave me an ROI in that year of 444 percent. This year—

Mrs. MILLER. Not to interrupt, but what was it—did you say that it was only 1 percent of the interdictions that were done by UAVs?

Mr. ALLES. Well, he said 1 percent of the apprehensions, which is a true statement, but it also detected 18,000 people moving across the border in that same year, which is 15 percent of the apprehensions made in the Tucson sector. So, I mean, it depends on how you want to work the numbers.

The fact is for a platform using the VADER system that was borrowed from the Army that year, we had one system borrowed from the Army that was able to fly a limited amount of hours per day, no more than 8, it got 18,000 detections of people walking across the border. Those were used to bring Border Patrol agents into apprehensions, I think with substantial results.

So I would say we have to be careful about characterizing the platform, not recognizing how much domain awareness it actually provides us overall. It allows us to see the border in ways we could never see it before with the systems on-board the aircraft, and actually recognize where we don't need technology and personnel, because there is nothing occurring in certain sections of the border.

So it helps us risk reduce and provide an efficiency across CBP and the Department, because I don't waste money in locations that I don't need to put cameras and Border Patrol agents and aircraft, because I can look and see if I have movement across those borders. So that would be how I would respond to it overall, ma'am.

Mrs. MILLER. I appreciate that.

Mr. Roth.

Mr. ROTH. Thank you. A couple things just to make sure we actually understand. The 23,000 hours was not the number that we came up with. That is what CBP Air and Marine in their concept of operations said. They said that they wanted to have four patrols up 16 hours a day 365 days a year. That is the calculation we use. We are not in the business of determining what metrics CBP Air and Marine need to use. We simply took the metrics that they had at the beginning of the program and sort of juxtaposed that against what is currently occurring.

Some of the metrics that have been mentioned here today, I think, are probably pretty good ones, but to have a formal sort-of metric program, you need to sort-of publish those and you need to sort-of state what those metrics are, and more importantly, you need to compare sort-of the metrics for, for example, the unmanned systems against some of your other aircraft.

One of the things that we would be advocating is, No. 1, understand the true cost of ownership, which I know is a different issue that we probably will talk about, but No. 2, compare different kinds of aircraft. So is a drone, an unmanned vehicle, more cost-effective than, say, a long-range fixed-wing aircraft? We don't have the answer to that question, because that calculation has never been done.

So what we advocate in all these is to have transparent sort-of performance measures put upfront, not in response to an audit or any other reason, but to put it upfront so we understand, you know, when you talk about bang for the buck, you need to talk about what the bucks are, so you have to have accurate accounting, and then two, the bang, in other words, what is it that you are trying to do.

But I will have to say that the performance measures, for example, of seized narcotics, I mean, that is one of those things that we can certainly talk about, either using the retail value of those seized narcotics might not be appropriate or it may, depending on sort-of how they decide to sort-of judge effectiveness. But what we did was we simply took what it is that they thought they were going to do and compare it against current performance.

Mrs. MILLER. You know, just following up on that, if I could, and I know the Ranking Member—do you have to go right now?

Mr. VELA. I will wait.

Mrs. MILLER. Okay. All right. Good. I know you got to—

Mr. VELA. I don't want to leave you alone.

Mrs. MILLER. All right.

In regards to the performance metrics, and I guess I would just like you to talk a little bit about that, General, because, as you know, this subcommittee, our full committee actually has passed a border security bill, which unfortunately we have not gotten floor time on yet, but I am hopeful that we will do so sometime during this calendar year, and a very big part of that is accountability, is using metrics so that we can assure, obviously not just the Congress, but the American people that we have operational control of the various sectors of border around our Nation.

I think everyone that is involved in the border security business is going to be—we are going to be looking at everyone to assist us with making sure that we have those kinds of metrics.

So as Mr. Roth is pointing out here, what is your thought about performance metrics and what you might be able to put out there for us?

Mr. ALLES. So I think on the metrics side, that is an area that we have struggled in overall. The Border Patrol is working on new metrics for their organization in terms of how they characterize the border. We are working on metrics, which have never been done before, on how you characterize—how do you characterize air support? So, you know, how do you characterize the effectiveness of an aircraft for surveillances, how do you put a dollar value on it, how do you do that? We don't have good answers for that.

So we currently are engaging one of these Federally-funded research and development organizations to help us try to develop air metrics specifically for our organization, which would hopefully address part of the issues that Mr. Roth is bringing up. I think also we can work better with the IG in terms of staff to staff on trying to figure out what these metrics are.

I would acknowledge that ConOps, you know, lays out a very ambitious and unattainable level of attainment for the UAV, given the frictions of operating that. So I don't want to—I want to be careful here to not say that, you know, that is not in there, because that was in there, but, you know, it is an unrealistic value.

But I think on the metrics, I think we have to acknowledge that we need to do considerable work on that. For me, my part of it is the air piece of this, how I characterize the use of my air assets and how I value those air assets, you know, across CBP, and that is what we are working on currently.

Mrs. MILLER. Right. Obviously as you do those metrics, flying hours are utilizing the resource is going to be an important part of that metrics as well.

Mr. ALLES. Yes, ma'am. We understand what we get. We understand what the apprehensions are, we understand what we see with the aircraft, we understand what the seizures are in terms of cash, drugs, arrests. All those data I have, you know, and we can look at that year over year and see how it has gone up, gone down, and up slightly, and then down again this year. All that information we have. Beyond that, in terms of the information we don't know, the unknown movements, that is our major struggle.

Mrs. MILLER. All right. Thank you very much.

I would ask the Ranking Member to have his questions.

Mr. VELA. Commissioner Alles—are we pronouncing that right?

Mr. ALLES. Yes. Yes, sir.

Mr. VELA. Okay. What can you tell us about the incident in Laredo, and if you could elaborate on the commissioning of the two Blackhawks. I am curious, you know, do you think that is sufficient, and then how is all that working now in light of the episode?

Mr. ALLES. I am not sure I understood the Blackhawk part, sir.

Mr. VELA. Well, after the helicopter incident, two Blackhawks were sent to Laredo, right?

Mr. ALLES. Yes, sir.

Mr. VELA. I am just curious, I would like for you to assess how you think that is working and whether you think that is sufficient.

Mr. ALLES. So in that particular instance there, that was obviously a drug movement that was occurring across the Rio Grande, our helicopter had moved in basically on a call from the local police department that there was an event occurring and they were watching it. As they came in over the top of the smugglers, I think on the second trip they were fired at from the Mexican side of the border by a member that is kind of, I will call him a contractor, I hate to say it that way, but he basically contracts his services out to different cartels at different times.

He fired at the aircraft, we think a number of rounds, probably 10 to 15 rounds, we have never recovered the weapon to this point, but he struck the aircraft twice. We do know that we were able to identify who he was. He has been apprehended at this time by the FBI, so we are confident about that.

But one thing we did want to especially reinforce both on the investigative side and also on the appearances side is we want to make—we don't want to encourage cartel members to be firing at our aircraft. So part of that is making sure that we catch the cartel member and, if necessary, putting equipment down there that is more heavily reinforced.

So a Blackhawk helicopter is obviously a military helicopter. It can be armored. It has a ballistic armor kit that goes on the aircraft. A recent Mexican helicopter, Blackhawk just was shot up, seven bullets hit it, and it flew just fine. So it is a much more sur-

vivable helicopter. We put it down there really to emphasize that, you know, we are serious about doing border security, we don't want our aircraft fired at from the Mexican side.

So we are somewhat trying to send a message to the cartels that this is not a good thing to do. I think it is important for us to reinforce that for the protection of our own people that are operating down on the border.

Mr. VELA. But were those two Blackhawks sent just to the Laredo area or were they sent down to patrol the entire region from—

Mr. ALLES. Primarily the Laredo area. They did do wider patrols, but primarily to the Laredo area where the shooting occurred.

Mr. VELA. Are your personnel that are using helicopters elsewhere, I assume they are not as protected?

Mr. ALLES. I think if your question is—most of my helicopter fleet, light enforcement helicopters cannot be armored. The AS-350, the EC-120 do not have enough lifting capacity to put armor on those aircraft. They just won't operate. So the only aircraft I have that has that kind of capacity is the Blackhawk.

Mr. VELA. When you—

Mr. ALLES. Now—

Mr. VELA. I am sorry. When you say, "armored," you mean defensively armored? Right?

Mr. ALLES. Right. Yes, sir. They can actually put armor—there is an armor kit that actually goes on the Blackhawk helicopter. So the other ones cannot be armored. We traditionally have not had them fired at on the border. I mean, it is a very rare instance.

Mr. VELA. Now, did I hear you say that the FBI captured him? He was captured in Mexico, though, right, by Mexican—

Mr. ALLES. Yeah. My understanding is they were working with Mexican authorities, obviously. I mean, they had to work with Mexican authorities in capturing him.

Mr. VELA. Can you tell us where that is in the adjudicative process?

Mr. ALLES. I do not know, sir. I haven't heard anything. I have not gotten any updates on the investigation here since about a week ago.

Mr. VELA. So just in general, can you tell us why it makes sense to keep the Office of Air and Marine as a distinct entity?

Mr. ALLES. Well, I think it allows the commissioner of CBP to basically enforce customs and immigration law in a holistic way across, you know, the United States. Without that, he would—you know, he would lack enforcement capability both on the air and the marine side to effectively discharge their responsibilities.

I mean, really as you all are aware, it was a 9/11 creation that brought CBP into be a unified border agency. We are frequently visited by other countries to look at the model that was created really by the Congress in forming CBP, because that is not what they have typically in their countries where they have a holistic approach to both customs, immigration, and border protection all in one agency, all with one responsibility.

So from that standpoint, if you start pulling sections out, I mean, it would leave the commissioner unable to really enforce the laws that he has been given responsibility for.

Mr. VELA. How would you distinguish what you do from the Coast Guard?

Mr. ALLES. I think the main ways I would distinguish us from the Coast Guard is really in terms of the types of organizations we are. Now, like in many situations, I mean, things look like they overlap. So you have the Navy operates obviously in the maritime, the Coast Guard operates in the maritime. There are areas where their missions look like—or where they look like they overlap. They both operate down in the transit zone. But we distinctly recognize that between the Navy and the Coast Guard, they have distinct mission sets.

So the Coast Guard really is a military—is a military organization. It is primarily working on the high seas. It uses different equipment and different training from CBP, and it is not focused entirely in the areas that we are. So its mission set is different.

CBP is a law enforcement organization. Each of my agents has on average 17 years of law enforcement experience. So that is the average throughout the agency. We work primarily not on the high seas; we work in U.S. customs water, so within 12 miles of the coast, and we have specifically equipped ourselves to counter the threat that we are going after, which is basically your small boat traffic, not so much your commercial traffic, your go-fast type of vessels, which we have high-speed interceptors to actually interdict those.

We work really in a law enforcement realm. So we are doing unmarked operations, we are doing plain clothes operations. We sometimes work with ICE in undercover operations to do law enforcement work. We are working on investigations. We are performing covert tracking in some cases, you know, via court permission. We will do forensics. We obtain and execute warrants. We are actually arresting U.S. citizens in a law enforcement function.

So there is really a lot of differences between what the Coast Guard is doing and ours. I really don't so much want to speak to the Coast Guard, because I am not—you know, I am kind-of talking out of school when I am talking about their mission set, but as a law enforcement organization, we are structured entirely differently from the Coast Guard, not as a military organization, and our responsibilities and authorities are much different from that regard.

Mr. VELA. Well, I look forward to speaking to you about this in more depth at a future date. I am going to have to ask both of you to excuse me, because I have got another hearing I have got to attend to.

With that, I yield the balance of my time.

Mrs. MILLER. I thank the gentleman very much. I think I am going to pick up a little bit on his question.

Pardon me?

Oh, Mrs. Torres, excuse me. Would you like to take the seat here or—

Mrs. TORRES. Yes.

Mrs. MILLER. Actually, I will yield your time to ask your questions.

Mrs. TORRES. Thank you very much, Chairman Miller.

Mr. Alles? Alles.

Mr. ALLES. Yes, ma'am.

Mrs. TORRES. Fiscal year 2014, the Department of Homeland Security appropriations bill provided the Office of Air and Marine with 55 additional positions. Can you tell me what the status of that is?

Mr. ALLES. So those are to our Air and Marine Operations Center, which is a key part of our domain awareness across the United States. It pulls in all of the FAA radar feeds, all the military radar feeds, all of our TARs radar feeds, and also coordinates all of our Air and Marine activity—

Mrs. TORRES. Out of Riverside, correct?

Mr. ALLES. That is in Riverside, yes, ma'am. Those positions are going to the Air and Marine Ops Center so they can get better coverage. We had a lot of uncovered positions where we were receiving information, and we can't actually—we could not process the information due to lack of personnel.

So those 55 positions have been very beneficial. Currently 45 of those positions have been selected. A high density of veterans have been selected in those positions, so we are well on our way to getting to the 55 number overall. So 45, 55 selected; not actually on-board yet, but they are well into the process of being on-boarded at this time.

Mrs. TORRES. In training, how long before they are actually in the field?

Mr. ALLES. Honest, I will have to check that. I know that a number of them already have radar expertise coming out of the military service, will not require so much training, but I don't have an exact figure on that once they start down that training rack.

Mrs. TORRES. Did the 2014 Border Patrol Pay Reform Bill have any impact on the Office of Air and Marine, and are there any pay challenges within the Office of Air and Marine?

Mr. ALLES. So the Border Patrol Act was, you know, as you are probably aware, for the Border Patrol itself. One of our primary pay challenges inside of Air and Marine is the diverse pay set that we have. So we have members that are working on your normal Federal overtime, FIFA; we have members that are working on law enforcement AUO pay; goodness, also LEAP. I am drawing a blank on what AUO means. Administrative Uncontrollable Law of Overtime, and then the LEAP pay, the Law Enforcement Availability Pay.

We would like to get the—we would like as an efficiency to get all of our agents onto the LEAP statute. That would actually be a budget efficiency for us, it would save us money, it would help correct the very diverse pay sets that we have inside of OAM overall. So I think getting our members onto—the remaining members we have in OAM onto the LEAP statute would be very helpful for us overall and would actually save us some money.

Mrs. TORRES. What does your rank-and-file feel about that?

Mr. ALLES. They are overall are in favor of that. It provides more predictability for them since it is an availability pay and not on overtime pay. So it is more predictable in terms of the pay coming each year than when you are working in the AUO and the AUO area.

Mrs. TORRES. How does that impact their retirement?

Mr. ALLES. It would actually—whether it is AUO or LEAP, I mean, that is all going to factor into their retirement pay. It would really depend on if the LEAP pay was higher than the AUO pay as whether that would make it better or worse for retirement. I think overall it is generally neutral, as I talk to folks about the effect it would have on them.

Mrs. TORRES. Okay. Thank you. I yield back my time.

Mrs. MILLER. I thank the gentlelady very much.

General and Mr. Roth, I am going to go back to what Mr. Vela was talking about in regards to the authorities between the Air and Marine and the Coast Guard, and I want to sort-of follow up on that, because—and I know we always talk about the Southern Border, but on the Northern Border, actually in my district, we have—at Selfridge Air National Guard Base, we have an Air and Marine division there who are very, very effective, I think.

Let me just take this opportunity to thank everybody that works at the Air and Marine, all of your brave men and women that are out on our front lines each and every day. They just do remarkable, remarkable work, and we all have the utmost gratitude and respect for the work that they do.

But at the Air and Marine in our area, you know, they have got obviously all the personnel and then the air assets, the water assets. Air assets, they both have fixed wings and rotor, et cetera. Also on the same Air National Guard base actually as Air and Marine as a tenant, we also have under the Homeland Security umbrella, Coast Guard Air Station Detroit is there.

Then in addition to that, the Border Patrol is actually operating something that we call the Operational Integration Center, which is all the high-tech bells and whistles of really trying to analyze all the information that they are fed from the various stakeholders about assessing the threat, responding to the threat, and so on and so forth.

But I will tell you with all of that, sometimes I am a bit confused myself about the overlap of the Air and Marine and the Coast Guard, and whether or not the missions are so different, and the type of equipment that they need and you need is so different. I will just tell you that because the Coast Guard right now in the Great Lakes doesn't have any ability to have their helicopters with de-icing equipment on it, so they are looking for some Blackhawks also as opposed to the equipment that they have.

But anyway, it just sort-of always leads to conversations about the kind of equipment that Air and Marine has and the kind of equipment that the Coast Guard has, and in the Great Lakes sector and along the Northern Border there, the two of you operating in a similar—in the identical environment, quite frankly.

So if you could, could you just talk a little bit more about your mission being so different that you do have to have specialized equipment different than the Coast Guard, just for my own clarification?

Mr. ALLES. So one thing I should point out is that when it comes to the maritime equipment, there is a Boat Commodities Council inside of DHS that helps us coordinate equipment purchase between ourselves and what the Coast Guard is doing. So in the areas that we can get commonality with the Coast Guard because

the mission set matches closely, we do. For instance, we have received a number of safe boats from the Coast Guard that we are using in our operations on the Riverine that the Coast Guard had accessed that have gone right into our inventory and have performed well for us. So that BCC, as we call it, is actually coordinating these activities.

We do the small engine repair for the Coast Guard down at our National Marine Center in St. Augustine, so we—that, again, is an efficiency that we perform for the Coast Guard. We have to do engine repair ourselves anyways, because we have a lot of small—I would call them small boats. They are fairly large for you know, for pleasure boats, but they are a smaller asset compared to what the Coast Guard operates.

But I would say beyond that, as I think about the Northern Border, the main difference is, as I think about the maritime and Northern Border is, how do you tackle these open spaces? I think the issue for us is that we have to develop information of what I will call law enforcement intelligence, and that really involves case-work with ICE or other Federal and State and local agencies task force that we participate in, that is strictly law enforcement type of work.

It also involves a use of Classified intelligence in some situations, it involves potentially buying criminal sources through the confidential human source program. All these kinds of things along with maritime domain awareness and patrols and the capability to respond are all necessary to actually enforce the laws of the United States in these open areas.

Now, in the areas where we are operating with the Coast Guard, we cooperate in a very high manner. I would say this probably is probably less apparent in the Great Lakes area, we do cooperate with the Coast Guard, but when you start talking about operating on the high seas, I have no capacity to do anything really outside territorial waters. That is not so much of a legal issue, although that is a factor for us, it is really equipment that I am operating.

The Coast Guard operates equipment such as cutters that can do these kinds of interdictions out there, and we are frequently coordinating now through these joint task forces east and west of our operations with the Coast Guard so that we don't have overlap in patrol. When we have detections out there, we are at actually coordinating the response for the local Coast Guard sector or local Coast Guard district if we don't have an asset to respond to it or if it is too far out for us to actually get to.

So I think the degree of cooperation is very impressive from that standpoint. I think there is a good synergy between the two organizations. I don't see it so much as an overlap in missions here. I think there would be substantial problems here if we thought we were going to try to drive this all one direction or the other in terms of how you would actually characterize it, what CBP does as a mission set.

But, again, I think this aspect that we are talking about in terms of our law enforcement kind of primary mission set is important to securing both the maritime and the Northern Border overall, because the areas are so large and there is such a low density overall

of assets, whether it is Coast Guard or Air and Marine, to actually address such a large and open area.

Mrs. MILLER. Mr. Roth, do you have any comment on that?

Mr. ROTH. I think you raise a very good point. I think one of the Secretary's signature efforts in his time in office has been to try to do a unity of effort. Really what that means is that you have to step back from what the roles currently are to understand what problem you are solving and what sort of tools you can bring to that problem.

So as a result of that, I think for the first time in DHS's history, we have a Joint Requirements Council, for example, that drives components into the table, into the sort of bargaining table to understand, okay, Coast Guard, you are doing this, we are going to be doing this. So there has been a lot of coordination that has occurred. One of the terrific developments, I think, in the last year is the fact the Air and Marine program is now part of, for example, an acquisitions review process in which they had never been before. So there was a higher degree of jointness at least in sort of acquisition management.

As far as the mission set, I would agree, you raise a very good question as to if the purpose is to protect the U.S. border, and both components have that mission, is this really the best way to do it? Historically we have grown up with Customs as one single entity and Coast Guard obviously is a separate one in two different cabinet departments. So asking those questions, I think, is fair. I don't have an answer for you, but it is certainly an interesting question to explore.

Mrs. MILLER. Well, you did mention in your report, talking about Coast Guard assets and work that they can do, and perhaps jointness in sharing the taxpayer—with the best bang for the buck for the taxpayers, et cetera, what you mentioned in your opening comments about the Blackhawks and whether or not Air and Marine should have had the Coast Guard refurbish them. Do you want to talk about that?

Mr. ROTH. Sure. That was, I think, a lesson that the Department learned with regard to unity of effort. It happened before any of the efforts that have happened the last year, but, you know, we did an audit that said it was in the neighborhood of hundreds of millions of dollars that could have been saved if CBP had used the Coast Guard Elizabeth City station to do the refurbishing. Likewise, the Office of Management within DHS commissioned an independent study, independent of ours, which basically confirmed what it is that we found.

As a result of those two things, I am gratified to say that these kinds of things are now being forced into the Department for high-level decision making. There is, for example, an aviation governance board that both Coast Guard and CBP participate in to try to hash out these problems. So there is a unity of effort and we can save some money as we go.

Mrs. MILLER. You know, the last question I want to ask here, because, again, not to go into the Northern Border, and I appreciate all the challenges we have at the Southern Border, but because the Northern Border gets, I think, short-changed on resources for the kinds of challenges that we have there. I know that Air and Marine

had done a pilot program on the Great Lakes with using a radar surveillance to a much greater degree. I think you did that in 2013 and then into 2014, actually. I don't know if you are familiar with what I am talking about, but I know our locals were very, very enthusiastic about all of that, not just the local Air and Marine wing or the Coast Guard, but, I mean, our local Marine, sheriff patrols, and everybody else amongst an entire swath of area there.

I am just wondering if you have any comment on that or what your thought was. I think it was a pilot program that—

Mr. ALLES. Right, it was a pilot program, ma'am. It was the sea speed radar that we utilized up there. We did do a demonstration with it last year for air targets. It looked promising in that area. We would like to do another demonstration in the maritime possibly in the San Diego area.

Right now the issue is, you know, most things are, is funding for it. There are a number of unfunded requirements inside CBP. This one did not break high enough to get funding for that demonstration. It does compete with a number of other efforts that we have underway, one being SEATAR, which is a satellite-based, commercial satellite-based system we have been using in the maritime for detection, and then also an effort that was done by Science and Technology called the coastal surveillance system that was also looked at in San Diego.

It is not so much of a radar system like Sea Speed is; it is really a system that integrates existing feeds together and to bring a picture together overall. So that is kind-of where we are in that program there. It just didn't break high enough on the unfunded list to get funding for this next demo phase.

Mrs. MILLER. Okay. I appreciate that.

Well, I want to thank both the witnesses for being here this morning. Mr. Roth, I don't know, did you have any additional comment on that or—

Mr. ROTH. I did not. Thank you.

Mrs. MILLER. Okay. All right. I certainly thank you for being here. As I say, we certainly honor the brave men and women in the Air and Marine. I see them every day back in my district and certainly around the entire Nation.

That being said, I think because of the Department of Homeland Security coming into existence after 9/11 and sort-of cobbling together all of these various agencies, we always want to have the unity of purpose, as the Secretary keeps talking about. So the purpose of this hearing was to look at some of those kinds of things, not in an adversarial way, obviously, but in a way that we are able to always—I always say that the largest room is the room for improvement in any agency.

Another thing with this subcommittee and this committee, we always look for is your suggestions to us, being proactive to this committee on the kinds of things that we need to be doing and to be aware of to make sure that you are resourced properly and then that you are using your resources as we need you to do so.

So we are looking forward to some of those things. As we talked about, the metrics. This border security bill as it is moving through is obviously critically important. We will be looking for everybody in the environment there for assisting us as this border security

bill moves through, everybody that is involved in border security, and metrics, performance metrics, et cetera, so that we are able to satisfy the American public about operational control of all of our borders. So we appreciate that.

Any other questions that any of the other Members may have, we are going to leave the committee record open, and so you may be getting some additional questions, and we will appreciate any answers that you may have to that.

Before I conclude, is there anything else that either of you would like to add or questions that you think we should have asked that we did not? Mr. Roth?

Mr. ROTH. No. Thank you.

Mrs. MILLER. All right.

Mr. ALLES. No, ma'am.

Mrs. MILLER. No?

Mr. ALLES. Just appreciate the opportunity to appear before you all and appreciate the committee's overall support to CBP and Air and Marine has been very helpful to us over the years and has been fundamental in the capabilities we now have.

Mrs. MILLER. Thank you very much. With that, the hearing is adjourned.

[Whereupon, at 10:56 a.m., the subcommittee was adjourned.]

