next year to scale back functions not related to domestic security, such as drug and migrant interdiction, maritime safety and fisheries enforcement.

''We're going to have to put some money where our intention is to make sure this is done right,'' Kramek said, echoing members of Congress who have called for additional funding for the agencies that would be moved into the new department. White House officials have said more money could be added after Congress adopts an initial 2003 budget for the new department.

The hearing yesterday marked the beginning of an intense period of deliberations as Congress tries to create the new department either by the year-end goal set by Bush, or by Sept. 11, as proposed by House Minority Leader Richard Gephardt (D–Mo.).

The hearing's topic—how the new department would affect federal law enforcement—is one of many questions Congress will debate as it decides what agencies should be included and under what conditions.

''There will be a profound impact on federal law-enforcement agencies unrelated to terrorism,'' said Rep. Mark Souder (R–Ind.), chairman of the House criminal justice subcommittee. Congress must ''determine how best to ensure the continuation and preservation of these missions in the new department,'' he added.

Rep. Elijah Cummings (D–Md.) pressed witnesses on whether a heightened government focus on fighting terrorism would signal a lessened emphasis on anti-drug efforts that might embolden local drug dealers who intimidate neighborhoods. ''We're fighting terror every day,'' Cummings said of his inner-city Baltimore neighborhood.

Donnie Marshall, a former Drug Enforcement Administration chief, said authorities need to continue fighting dealers and recognize that terrorists will increasingly look to illegal activities such as drug dealing to finance their operations.

One clear example is the Coast Guard. How does the Coast Guard make a trade-off when their primary mission before had been search and rescue? A sailboat tips over. They are now down watching, say, a midlevel warning, we do not have a hard warning, whether we are going to get attacked on a chemical plant on the water, and for practical purposes these warnings could be any water anywhere in the United States.

But let us say we have a boat that is watching along the Ontario side north of Detroit. A sailboat tips over in Huron, there is only one boat there, where do they go? Do they go for the possibility that somebody may be drowning, versus protecting from a catastrophic terrorism question? If we do not put adequate resources in this Department, this will be the daily trade-off, because we are going from a mission of 2 percent on catastrophic terrorism of the Coast Guard to it now being their primary concern.

What does this mean for drug interdiction, because the primary intercepts in the Caribbean and the Eastern Pacific, the western side of Mexico have been the Coast Guard, but the boats cannot simultaneously be off California and down off Mexico.

Furthermore, what does it mean for fisheries in Alaska? When the salmon circulate through, if you see these 3-mile-long nets and things coming out of Japan or Russians and other groups that are trying to pirate the salmon in the oceans, if we do not have Coast Guard there to protect that, they could capture the salmon, and there will not be any spawning the next year.

Clearly if you have a boat out in the middle of the Pacific Ocean protecting the salmon runs and the salmon's circular patterns, that boat is not off of Washington State.

So there are many trade-offs, and over the next couple days I would like to talk about those. I include my opening statement from June 17 for the RECORD.

Today's hearing is the first we have held since President Bush announced his proposal to create a new cabinet Department of Homeland Security. In that respect, we will be breaking new ground as we begin to consider how best to implement such an ambitious and important reform proposal prior to considering it in the full Government Reform Committee in the coming weeks.

This is not, however, the first time we have considered the important issues of federal law enforcement organization, drug interdiction, border security, or their interrelationship with the increased demands of homeland security. We have held six field hearings on border enforcement along the northern and southern borders of the United States, I have personally visited several other ports of entry, and we have had two Washington hearings on the implications of homeland security requirements on other federal law enforcement activities. This is in addition to our ongoing oversight of America's drug interdiction efforts.

Our work as a Subcommittee has made very clear that the U.S. Customs Service, the Immigration and Naturalization Service, and the U.S. Coast Guard, which are among the most prominent agencies in the proposed reorganization, have critical missions unrelated to terrorism which cannot be allowed to wane and must be fully maintained. The House has to carefully consider the interrelationship of these law enforcement missions with the demands of homeland security.

The Administration has defined the mission of the proposed new Department solely as one of preventing and responding to acts of terrorism. The concept of ''homeland security'' has to be defined more broadly to include the many other diverse threats to our nation which are handled on a daily basis by these agencies, as well as other law enforcement activities. It is clear that there is simply too much else at stake for our nation to define the issues solely as ones of terrorism.

Let me illustrate my point with a brief but very clear example of the risks which could be posed when resources are allocated single-mindedly. This map illustrates the deployment of Coast Guard assets prior to the September 11th attacks. They are balanced and allocated to a number of important missions, such as drug interdiction, illegal migrant interdiction, and fisheries enforcement. I believe it is apparent here that a vigorous forward American presence had been maintained in the Caribbean and Eastern Pacific for counterdrug missions and law enforcement.

A second map shows how the resources were temporarily (and correctly I should emphasize) deployed after the attacks to respond to the terrorist attacks. It is evident here that the enhancement of immediate homeland security had to come at the price of the customary missions of the Coast Guard. The chart also shows the redeployment of our assets from the front lines to a ''goal-line'' defense centered on the east and west coasts of the United States itself. In the critical transit zone of the Eastern Pacific, for example, the deployment went from four cutters and two aircraft to a lone cutter.

This is not a criticism of the tremendous response by the Coast Guard or, by extension, any other agency. Most would agree that the approach taken was wholly appropriate over all the short term, and redeployments have subsequently moved the picture much closer to an equilibrium today. However, I believe that these charts are a clear illustration that an intensive focus on homeland security cannot be maintained over the long run without coming at the expense of other tasks. This lesson is equally applicable to every other mission of every other agency that will potentially be affected by the reorganization plan.

However this reform emerges, it is inevitable that there will be a profound impact on federal law enforcement activities unrelated to terrorism, on our nation's drug interdiction and border control efforts, and on operations at several federal departments within the Subcommittee's jurisdiction. Our challenge as we move through this process will be to determine how best to ensure the continuation and preservation of these missions within the new Department. We also must optimize the organization of other agencies, such as the DEA, the FBI, and law enforcement in the Treasury Department, which share tasks with agencies destined for the new department. And finally, we must consider the many incidental benefits and synergies which will arise from the President's proposal. These include increased operational coordination of narcotics and migrant interdiction efforts among agencies that will now be united, as well as a significantly improved focus on the links between the drug trade and international terrorism.

REFORMING THE ARMY CORPS OF ENGINEERS

The SPEAKER pro tempore (Mr. SCHROCK). Under a previous order of the House, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, my goal in Congress is to assure that the Federal Government is a better partner to State and local communities, especially in developing infrastructure.

Through its construction of water projects, the Army Corps of Engineers has been a major player in this career throughout our Nation's history. Recently some have questioned the Corps' planning and construction process and its ability to economically and environmentally justify its projects.

I have joined with other Members of Congress in calling for reform and modernization of the Corps of Engineers, including updating the principles and guidelines by which it operates, addressing and prioritizing the Corps' enormous project backlog, and developing a system of independent review.

Perhaps most important, I think we need to examine the role that Congress itself plays in pushing through poorly conceived water resources projects.

Last week, the General Accounting Office issued a document which illustrates why Corps reform is urgently needed, especially a new process for independent review of Corps projects.

The GAO report specifically examined the Corps' economic justification for the Delaware River channel deepening project. It found ''miscalculations, invalid assumptions and outdated information'' led the Corps to overestimate the project benefits by over 300 percent. It found that the Corps had violated basic economic principles in its economic feasibility studies, projecting benefits of over $40 million a year, when, in fact, the GAO found the benefits would be approximately one-third of that amount.

According to the GAO, the Corps had ''misapplied commodity growth rate projections, miscalculated trade route distances, and continued to include benefits for some import and export traffic that has declined dramatically over the last decade.''

One of the most egregious examples of bad economics in the report found that the Corps assumed the same one-way distance for each of several trade routes, including the distance from Pennsylvania to Australia, to South America, Europe and the Mediterranean.

The Corps is supposed to have a system of controls in place to catch these errors. Unfortunately, the GAO report concluded that the Corps' quality control system was ''ineffective in identifying significant errors and analytical problems.''

In order to restore the public confidence in the Corps, we need to ensure that other Corps projects around the country do not suffer from the same economic errors. It is clear that the system currently in place is not functioning correctly if it failed to catch such errors as the Delaware project's. That is why I am working with my colleagues in the Corps Reform Caucus to propose a system of independent peer review for Corps projects. Many of the mistakes identified by the GAO report could have been identified and remedied by independent peer review.

This process that my colleagues in the House and the Senate and I are proposing would not lengthen the Corps' investigation and construction process. Indeed, contrary to the claims of some critics, a streamlined review process could be applied to Corps projects around the country that meet certain criteria, actually speeding up the study and construction progress.

Take the Delaware River project, for example. It has been studied for 10 years, since 1992. Now the GAO is recommending after a decade that the Corps prepare a new and comprehensive economic analysis of the project's costs and benefits, address uncertainties, engage an external independent party to review the economic analysis, and then resubmit that to Congress. This extra review could take years to complete and could have been avoided entirely with independent peer review.

The Army Corps of Engineers has made enormous contributions to our Nation's history, to its infrastructure development, and continues to play an essential role in water resources management. However, as the GAO report pointed out, this is one of several incidents that have eroded the public's trust in this planning process.

I look forward to working with my colleagues to make sure that all the Corps projects are economically justified and based on sound environmental science. Currently our Subcommittee on Water Resources of the Committee on Transportation and Infrastructure is working on the reauthorization of the Water Resources Development Act, which directs these Corps operations. This is a timely opportunity to develop legislative language to achieve these reforms.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. WELDON) is recognized for 5 minutes.

(Mr. WELDON of Florida addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ISSUES CONCERNING HOMELAND SECURITY DEPARTMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, I am pleased that the President's homeland security bill was delivered today. I am on two committees that have been considering homeland security, so I particularly welcome the President's work. Some of us have been there for over a year now, even a year before September 11.

All or parts of some agencies are, of course, to go together in a new department. When I say ''all or parts,'' I am indicating simply one of the details to be decided. The devil may be in the details, but so are the angels.

I would like to tease out three issues that I think can be dealt with if we look them squarely in the face and understand they should not be barriers.

First, there is the unfortunate issue of silence or delay on Civil Service protection for the thousands of workers that would be coming. We could begin by, it seems to me, conceding that wholesale denial of Civil Service status would create an unnecessary issue and would be very unfortunate.

We are talking about people who do many different kinds of things, most of them not related to anything that could remotely be considered the Nation's security. The mantra will be, ''Hey, let's decide all of that later.'' That creates needless uncertainty and opposition to this bill. Most of these employees will be doing what they have always been doing. The few who will be handling truly confidential information should be treated accordingly.

We must not let homeland security become like the use of other overbroad terms, like ''executive privilege'' or ''national security.'' There ought to be a presumption in favor of Civil Service status for these employees. If you can overcome it, that is one thing. Let us not begin by saying let us strip these workers of their Civil Service status.

Let me raise two other concerns, District of Columbia concerns. Wisely, the District and the President have understood the District of Columbia is the first responder for the entire Federal presence, the White House, the Congress, many Federal employees, 200,000 of them, all of those facilities.

In one of the bills I was able to place the District at the table so that the District can coordinate all that is necessary in order to be a first responder. In fact, the Justice Department Terrorism Task Force has been working just that closely with the District.

In the President's bill I will seek to insert such an understanding. The President, I think, already understands this. The President has asked our own Mayor, Tony Williams, to be a part of his Homeland Commission that he just formed this week, so I think he understands that the first responder has to be in on the details from the beginning.

Finally, there is the issue of where to locate the Department. The troubling word in the Washington Post today is about the possible location outside the District of Columbia. It was said this was only in the discussion phase. Let it stop there. I bring to the floor not only my own parochial concerns, that this is the Nation's Capital, and this is where important Cabinet agencies should be. There have executive orders for decades now indicating that. But I have a more important reason to offer.

The United States Government owns and controls 180 acres 3 miles from the Capitol with all the possibility for the setbacks. We probably only need 20 or 30 of those acres. It is the old Saint Elizabeth's Hospital campus, with some of the best views in Washington. FEMA is already looking at this land for its new headquarters. It is close in. It would not cost us any money. If you try to go somewhere outside of Washington, you will get wholesale opposition from those communities because they do not want their land off the tax rolls. Ours is already off. The Federal Government already owns it. The District is making use of the east campus for a new public safety communications facility. It makes sense for us to look very closely at the Saint Elizabeth's campus, this huge campus, if we are talking about placing another huge agency under the aegis of our own government.

These are matters that should not become issues. They will require study. They will mean that we have to take our time to get at the details, put them on the table and consider all the options, instead of jumping to conclusions about where to locate the agency or who to strip of his job protection.

Let us not put unnecessary issues on the table. There will be many hard