

DEPARTMENT OF HOMELAND SECURITY  
APPROPRIATIONS FOR 2011

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HEARINGS  
BEFORE A  
SUBCOMMITTEE OF THE  
COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED ELEVENTH CONGRESS  
SECOND SESSION

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**DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR 2011**



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**DEPARTMENT OF HOMELAND SECURITY  
APPROPRIATIONS FOR 2011**

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THURSDAY, FEBRUARY 25, 2010.

**DEPARTMENT OF HOMELAND SECURITY**

WITNESS

**HON. JANET NAPOLITANO, SECRETARY, DEPARTMENT OF HOMELAND  
SECURITY**

OPENING STATEMENT OF CHAIRMAN DAVID PRICE

Mr. PRICE. The subcommittee will come to order.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[The information follows:]



## COMMITTEE ON APPROPRIATIONS

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

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

Media Contact: Andrew High  
202-225-1784

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

###

## OPENING STATEMENT OF RANKING MEMBER ROGERS

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

Secretary NAPOLITANO. Thank you.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Mr. PRICE. Thank you.

Madam Secretary, please proceed.

[The information follows:]

**OPENING STATEMENT**

**CONGRESSMAN**  
**Hal Rogers**



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Somerset, Prestonsburg,  
Hazard

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*Contact: Stefani Zimmerman*  
*202.225.4601*

**Opening Statement**  
**Committee on Appropriations**  
**Subcommittee on Homeland Security**

*FY 2011 Budget*

**Witness:**  
**Secretary Janet Napolitano**

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

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

**INTRODUCTION**

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

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

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

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

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

**FY11 BUDGET**

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

- ⇒ Severely cut our frontline security capabilities;
- ⇒ Grow DHS's administrative offices with double-digit increases;
- ⇒ Delay investments in critical operational assets;
- ⇒ Avoid true, visible budgeting for key programs;
- ⇒ Ignore Congressional mandates and reporting requirements; and
- ⇒ Waste \$200 million on the cost of security for terror trials

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

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

**SPECIFIC CONCERNS**

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

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

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

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

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

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

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

#### **CONCLUSION**

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

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

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

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

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

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

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

Thank you, Mr. Chairman.

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## STATEMENT OF THE HONORABLE JANET NAPOLITANO

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[The information follows:]

**Statement for the Record**

**The Honorable Janet Napolitano**

**Secretary  
United States Department of Homeland Security**

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

**February 25, 2010**

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

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

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

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

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

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

#### **FY 2011 BUDGET REQUEST**

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

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

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

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

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

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

- *Preventing Terrorism and Enhancing Security:* Guarding against terrorism was the founding mission of DHS and remains our top priority today. A key element of preventing terrorism is recognizing the evolving threats posed by violent extremists and taking action to ensure our defenses continue to evolve to deter and defeat them.
- *Securing and Managing Our Borders:* DHS monitors our air, land and sea borders to prevent illegal trafficking that threatens our country, while facilitating lawful travel and trade. We will continue to strengthen security efforts on the southwest border to combat and disrupt cartel violence and provide critical security upgrades—through infrastructure and technology—along the northern border.
- *Enforcing and Administering our Immigration Laws:* DHS is responsible for enforcing the Nation's immigration laws while streamlining and facilitating the legal immigration process. In FY 2011, we will continue to strengthen enforcement activities while targeting criminal aliens who pose a threat to public safety and employers who knowingly violate the law.
- *Safeguarding and Securing Cyberspace:* The Department defends against and responds to attacks on the cyber networks through which Americans communicate with each other, conduct business and manage infrastructure. DHS analyzes and reduces cyber threats and vulnerabilities, distributes threat warnings, coordinates the response to cyber incidents and works with the private sector and our state, local, international and private sector partners to ensure that our computers, networks and cyber systems remain safe.
- *Ensuring Resilience to Disasters:* The Department provides the coordinated, comprehensive federal response in the event of a terrorist attack, natural disaster or other large-scale emergencies while working with federal, state, local and private sector partners to ensure a swift and effective recovery effort. DHS will continue its increased efforts to build a ready and resilient nation by bolstering information sharing, providing grants and training to our homeland security and law enforcement partners and further streamlining rebuilding and recovery along the Gulf Coast.

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

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

The following are highlights of the FY 2011 Budget Request:

#### **PREVENTING TERRORISM AND ENHANCING SECURITY**

- *Advanced Imaging Technology (AIT)*: An increase of \$214.7M is requested to procure and install 500 advanced imaging technology machines at airport checkpoints to detect dangerous materials, including non-metallic materials. This request, combined with units the Transportation Security Administration (TSA) plans to install in 2010, will mean a total of 1,000 AIT scanners are providing AIT coverage at 75 percent of Category X airports and 60 percent of the total lanes at Category X through II airports.
- *Transportation Security Officers (TSOs) to Staff AITs*: An increase of \$218.9M is requested for additional Transportation Security Officers (TSOs), managers and associated support costs to operate additional AITs at airport checkpoints. Passenger screening is critical to detecting and preventing individuals carrying dangerous or deadly objects and materials from boarding planes.
- *Federal Air Marshals (FAMs)*: An increase of \$85M is requested for additional FAMs to increase international flight coverage. FAMs help detect, deter and defeat terrorist and other criminal hostile acts targeting U.S. air carriers, airports, passengers and crew.
- *Portable Explosive Trace Detection (ETD)*: An increase of \$60M is requested to purchase approximately 800 portable ETD machines (\$39M) and associated checkpoint consumables (\$21M).
- *Canine Teams*: An increase of \$71M and 523 positions (262 Full-Time Equivalents, or FTE) is requested to fund an additional 275 proprietary explosives detection canine teams, 112 teams at 28 Category X airports and 163 teams at 56 Category I airports.
- *Behavior Detection Officers (BDOs)*: An increase of \$20M and 350 BDOs (210 FTE) is requested to further enhance TSA's Screening Passengers by Observation Techniques program. The FY 2011 request includes a total of 3,350 officers to enhance coverage at

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<sup>1</sup> Gross Discretionary funding does not include funding such as Coast Guard's retirement pay account and fees paid for immigration benefits

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

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

- *Domestic Nuclear Detection Office Systems Engineering and Architecture:* An increase of \$13.4M is requested to fund systems engineering efforts to address vulnerabilities in the Global Nuclear Detection Architecture, the multi-layered system of detection technologies, programs and guidelines designed to enhance the Nation's ability to detect and prevent a radiological or nuclear attack.
- *Radiological/Nuclear Detection Systems:* An increase of \$41M is requested for the procurement and deployment of radiological and nuclear detection systems and equipment to support efforts across the Department.
- *Law Enforcement Detachment Teams:* An increase of \$3.6M is requested to bring deployable U.S. Coast Guard Law Enforcement Detachment (LEDET) teams to full capacity. LEDETs help prevent terrorism, secure U.S. borders, disrupt criminal organizations and support counter drug missions overseas. In FY 2009, for example, LEDETs aboard U.S. naval and partner nation assets accounted for more than 50 percent of total maritime cocaine removals.
- *2012 Presidential Campaign:* Total funding of \$14M is requested for startup costs associated with the 2012 Presidential Campaign including training for candidate/nominee protective detail personnel. The Secret Service will also begin to procure and pre-position equipment, services and supplies to support candidate/nominee protective operations throughout the country.
- *Secret Service Information Technology:* Total funding of \$36M is requested for the Information Integration and Transformation program. This funding will allow the Secret Service to successfully continue its comprehensive Information Technology (IT) transformation and provide a multi-year, mission-integrated program to engineer a modernized, agile and strengthened IT infrastructure to support all aspects of the Secret Service's mission.

#### **SECURING AND MANAGING OUR BORDERS**

- *Journeyman Pay Increase:* In the spring of 2010, DHS will implement the journeyman pay increase, raising the journeyman grade level for frontline Customs and Border Protection (CBP) Officers (including Border Patrol agents and Agricultural Specialists) from GS-11 level to the GS-12 level. An adjustment to the base of \$310.4M will fund the full-year impact of the salary and benefit requirements associated with this implementation.
- *CBP Officers:* An increase of \$44.8M is requested to fund 318 CBP Officer FTEs within the Office of Field Operations and 71 support FTEs for CBP. The decline in the number of passengers and conveyances entering the United States in FY 2009 resulted in an almost 8 percent decrease in revenues from inspection user fees. CBP, therefore, has fewer resources to maintain critical staffing levels for CBP officers. The proposed funding will

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

- *Border Enforcement Security Task Forces (BESTs):* An additional \$10M is requested to establish BESTs in three additional locations: Massena, NY; San Francisco, CA and Honolulu, HI. These multi-agency teams work to identify, disrupt and dismantle criminal organizations posing significant threats to border security, including terrorist groups, gang members, and criminal aliens.
- *Intellectual Property Rights (IPR) Enforcement:* An increase of \$30M is requested to support CBP and ICE IPR enforcement efforts. This includes information technology systems that support IPR activities and implementation of the 5-year IPR Plan. An increase of \$5M is also requested for the Immigration and Customs Enforcement (ICE)-led National Intellectual Property Rights Coordination Center (IPR Center). The IPR Center brings key U.S. government agencies together to combat IPR violations that threaten our economic stability, restrict the competitiveness of U.S. industry and endanger the public's health and safety. ICE will also use these funds to focus on disrupting criminal organizations through the internet and support for anti-counterfeiting efforts.
- *Intelligence Analysts:* An increase of \$10M is requested to fund 103 Intelligence Analysts for CBP. This staffing increase will support 24/7 operations of CBP Intelligence Watch, Operations Coordination and the Commissioner's Situation Room.
- *Coast Guard Asset Recapitalization:* A total of \$1.4B is requested to continue recapitalization of aging Coast Guard surface and air assets. Included in this request is \$538M for production of the Coast Guard's fifth National Security Cutter to continue replacement of the 378-foot High Endurance Cutters fleet. Also included is \$240M for production of four Fast Response Cutters to continue replacement of the 110-foot Class Patrol Boat fleet. The Fast Response Cutters have enhanced capability, high readiness, speed, and endurance, which will allow them to quickly and effectively respond to emerging threats. Additionally, \$40M is requested to purchase one Maritime Patrol Aircraft (MPA) HC-144A. The HC-144A will address the Coast Guard's MPA flight hour gap by providing 1,200 hours every year per aircraft. Finally, \$13.9M is requested for improvement and acquisition of housing to support military families.

#### **ENFORCING AND ADMINISTERING OUR IMMIGRATION LAWS**

- *E-Verify:* A total of \$103.4M and 338 FTEs is requested for the E-Verify Program. In FY 2011, U.S. Citizenship and Immigration Services (USCIS) will develop and implement an E-Verify portal that will provide a single-user interface for the program's products and services. In addition, USCIS will enhance E-Verify's monitoring and compliance activities through analytical capabilities that will support more robust fraud detection and improved analytic processes and will continue developing system enhancements in response to customer feedback, surveys, mission requirements and capacity needs.
- *Secure Communities:* Total funding of \$146.9M is requested to continue FY 2010 progress toward nationwide implementation of ICE's Secure Communities program—which involves

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

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

#### **SAFEGUARDING AND SECURING CYBERSPACE**

- *National Cyber Security Division (NCSD)*: Total funding of \$379M is requested for the NCSD to support the development of capabilities to prevent, prepare for and respond to incidents that could degrade or overwhelm the Nation's critical information technology infrastructure and key cyber networks. These funds will identify and reduce vulnerabilities, mitigate threats and ensure that cyber intrusions and disruptions cause minimal damage to public and private sector networks.
- *National Cyber Security Center (NCSC)*: A total of \$10M is requested for the NCSC to enhance cyber security coordination capabilities across the Federal Government including mission integration, collaboration and coordination, situational awareness and cyber incident response, analysis and reporting, knowledge management, and technology development and management.

#### **ENSURING RESILIENCE TO DISASTERS**

- *Disaster Relief Fund (DRF)*: The budget seeks funding of \$1.95B, an increase of \$350M for the DRF. The DRF provides a significant portion of the total federal response to victims in declared major disasters and emergencies.
- *Federal Emergency Management Agency (FEMA) Facilities*: An additional \$23.3M is requested to address critical FEMA real estate needs. By FY 2011, the capacity of FEMA facilities will be unable to accommodate key mission responsibilities and staff. FEMA also faces a critical need to maintain and repair aging and deteriorating national facilities. To address these needs, FEMA has developed a 5-year capital plan to begin critical regional facility acquisitions and repairs.
- *Pre-Disaster Mitigation Grants*: Total funding of \$100M is requested to provide program support and technical assistance to state, local and tribal governments to reduce the risks

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

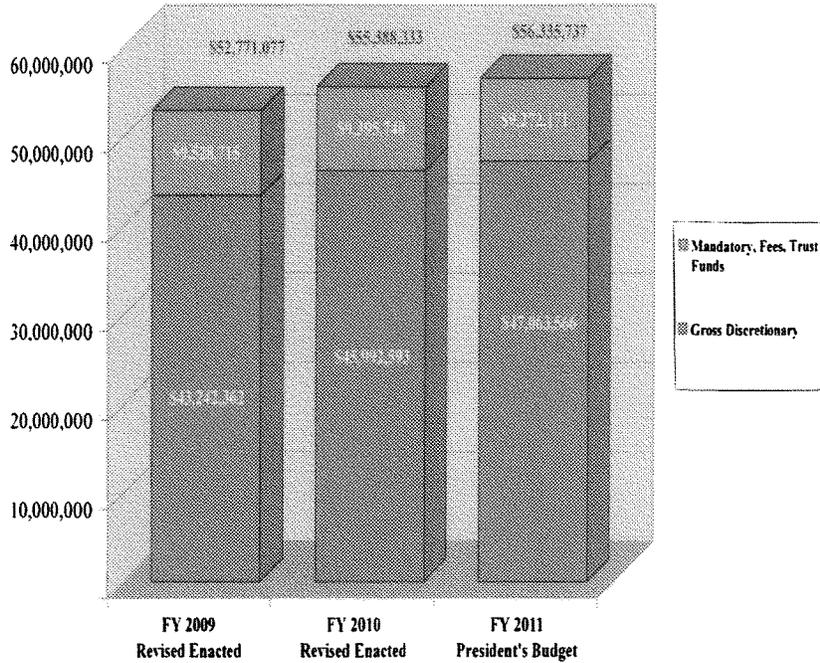
- *Flood Map Modernization:* A total of \$194M is requested to analyze and produce flood hazard data and map products and communicate flood hazard risk. The funding will support the review and update of flood hazard data and maps to accurately reflect flood hazards and monitor the validity of published flood hazard information.
- *Rescue 21:* A total of \$36M is requested for the Rescue 21 system, enabling the U.S. Coast Guard to enhance preparedness, ensure efficient emergency response and rapidly recover from disasters. The Rescue 21 system replaces the U.S. Coast Guard's legacy National Distress and Response System and improves communications and command and control capabilities in the coastal zone. The system is the foundation for coastal Search and Rescue and enhances maritime situational awareness through increased communications ability with mariners and other responders.

#### **MATURING AND STRENGTHENING THE HOMELAND SECURITY ENTERPRISE**

- *St. Elizabeths Headquarters Consolidation:* To streamline the Department's core operations, \$287.8M is requested to consolidate executive leadership, operations coordination and policy and program management functions in a secure setting at St. Elizabeths. The Department's facilities are currently dispersed over more than 40 locations throughout the National Capital Region (NCR). This consolidation at St. Elizabeths will reduce the fragmentation of components and will improve communications, coordination and cooperation across all DHS headquarters organizations.
- *Lease Consolidation – Mission Support:* A total of \$75M is requested to align the Department's real estate portfolio in the NCR to enhance mission performance and increase management efficiency in conjunction with St. Elizabeths Headquarters Consolidation.
- *Data Center Migration:* A total of \$192.2M is requested for the continuation of system and application migration of legacy data centers to two enterprise-wide DHS Data Centers to meet current and anticipated data service requirements. Funding will also be utilized for upgrading infrastructure requirements.
- *Acquisition Workforce:* The FY 2011 request includes an increase of \$24.2M to strengthen the Department's acquisition workforce capacity and capabilities. The increase is requested to mitigate the risks associated with skill gaps of the acquisition workforce, ensure that the Department achieves the best terms possible in major acquisitions and improve the effectiveness of the workforce.
- *Science and Technology (S&T) Safe Container (SAFECON)/Time Recorded Ubiquitous Sensor Technology (TRUST) R&D:* A total of \$8M is requested for the S&T SAFECON and TRUST programs. These initiatives develop high reliability, high-throughput detection technologies to scan cargo containers entering the country for weapons of mass destruction, explosives, contraband and human cargo.

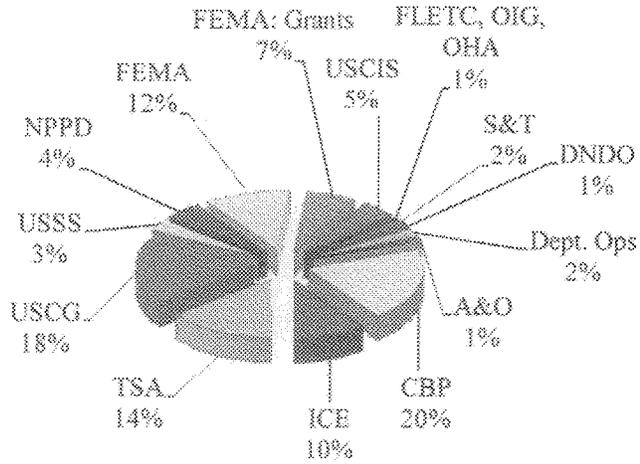
- *Grants:* A total of \$4B is requested for grant programs to support our nation's first responders. This funding assists state and local governments in the prevention of, protection against, response to and recovery from incidents of terrorism and other events.

**TOTAL BUDGET AUTHORITY**  
Dollars in Thousands



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

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



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

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

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

<sup>1</sup> FY 2009 revised enacted reflects:  
 • Net reprogramming/transfer adjustments for OSEM (\$17.4 million), OIG (\$16.0 million), CBP (\$-24.1 million), ICE (\$16.4 million), TSA (\$14.4 million), USCG (\$400 million), USSS (\$2.3 million), NPPD (\$30 million), OHA (\$-430 million), FEMA (\$-39.4 million)  
 • Technical adjustments to revise fiscal year estimates for ICE - Immigration Inspection User Fee (\$7.0 million), ICE - Detention and Removal Examinations Fee (\$1.0 million), ICE - Branch and Border Detection Fund (\$15.0 million), TSA - Transportation Threat and Credentialing - Registered Traveler (\$10.0 million), TSA - Transportation Threat and Credentialing - Transportation Worker Identification Credentials (\$22.7 million), TSA - Transportation Threat and Credentialing - HAZMAT (\$3.0 million), TSA - Transportation Threat and Credentialing - Alien Flight School (\$1.0 million), CIS (\$182.4 million), USCG (\$7.9 million)  
 • Realignment of USCG Operating Expenses funding and Pursuant to P.L. 110-52 reflects TSA realignment of funds for 911 Commission Act implementation (\$1.575 million - Aviation Security, 13.825 million - Surface, 52.0 million - Support)  
 • Scorekeeping adjustment for a recission of prior year unobligated balances from USCG - ACR1 (\$21.0 million)

<sup>2</sup> FY 2010 revised enacted reflects:  
 • Technical adjustments by TSA Aviation Security, Fees of \$124.9 million, USCG Health Care Fund \$5.0 million  
 • Scorekeeping adjustment for a recission of prior year unobligated balances from USCG - ACR1 (\$-5.0 million)  
 • For comparability purposes excludes USCG Overseas Comptroller Operations \$241.5 million and National Science Foundation transfer to USCG of \$54.0 million

<sup>3</sup> Departmental Operations is comprised of the Office of the Secretary & Executive Management, the Office of the Federal Coordinator for Gulf Crisis Relieving, the Office of the Vice-Administrator for Management, the Office of the Chief Financial Officer, the Office of the Chief Information Officer, and the National Special Security Events Fund (NSSE)

<sup>4</sup> Pursuant to P.L. 110-120 reflects FY 2009 recissions of prior year unobligated balances: Analysis and Operations (\$21,373 million), TSA (\$31.0 million), FEMA - Core Grants (\$39.0 million)  
 Pursuant to P.L. 111-83 reflects FY 2010 recissions of prior year unobligated balances: Analysis and Operations (\$2.4 million), TSA (\$54.0 million), Counter-Terrorism Fund (\$5.6 million), FEMA (\$-5.6 million), S&T (\$-6.9 million), DNDO (\$8.0 million)

<sup>5</sup> In order to obtain comparable figures, Net Discretionary and Total Budget Authority excludes:  
 • FY 2009 supplemental funding pursuant to P.L. 110-252 USCG (\$112 million)  
 • FY 2009 supplemental funding pursuant to P.L. 111-5 (ARRA) USM (\$200 million), OIG (\$5 million), CBP (\$100 million), ICE (\$20 million), TSA (\$10 million), USCG (\$30 million), FEMA (\$50 million)  
 • FY 2009 supplemental funding pursuant to P.L. 111-8 USSS (\$180 million)  
 • FY 2009 supplemental funding pursuant to P.L. 111-22, CBP (\$11.7 million), ICE (\$60.4 million), USCG (\$119.4 million), FEMA (\$130 million)  
 • Pursuant to P.L. 111-52 reflects FY 2009 recissions of prior year unobligated balances: FEMA (\$370.0 million)  
 • FY 2010 Overseas Comptroller Operations funding provided in P.L. 111-83 USCG (\$241.5 million)  
 • FY 2010 Supplemental funding pursuant to P.L. 111-117 USCG (\$54.0 million)

**NET DISCRETIONARY AUTHORITY BY ORGANIZATION**  
**Excludes Discretionary Offsetting Fees & Mandatory, Non-Offsetting Fees, & Trust Funds**

	FY 2009 Revised Enacted <sup>1</sup>	FY 2010 Revised Enacted <sup>2</sup>	FY 2011 President's Budget	FY 2011 +/- FY 2010 Enacted	FY 2011 +/- FY 2010 Enacted
	\$000	\$000	\$000	\$000	%
<b>Departmental Operations<sup>3</sup></b>	\$ 659,109	\$ 802,931	\$ 1,270,821	\$ 467,890	58%
<b>Analysis and Operations</b>	327,373	335,030	347,930	12,900	4%
<b>Office of the Inspector General</b>	114,513	113,874	129,806	15,932	14%
<b>U.S. Customs &amp; Border Protection</b>	9,803,667	10,134,554	9,817,117	(317,437)	-3%
<b>U.S. Immigration &amp; Customs Enforcement</b>	5,005,615	5,436,952	5,523,800	86,848	2%
<b>Transportation Security Administration</b>	4,369,358	5,129,505	5,724,000	594,495	12%
<b>U.S. Coast Guard</b>	8,104,707	8,541,749	8,466,537	(75,212)	-1%
<b>U.S. Secret Service</b>	1,415,444	1,482,644	1,571,617	88,973	6%
<b>National Protection and Programs Directorate</b>	1,188,263	1,317,755	1,246,715	(71,040)	-5%
<b>Office of Health Affairs</b>	157,621	139,250	212,734	73,484	53%
<b>Federal Emergency Management Agency</b>	2,777,560	2,963,268	3,292,860	329,592	11%
<b>FEMA: Grant Programs</b>	4,220,858	4,165,200	4,000,590	(164,610)	-4%
<b>U.S. Citizenship &amp; Immigration Services</b>	152,400	224,000	385,800	161,800	72%
<b>Federal Law Enforcement Training Center</b>	332,986	282,812	278,375	(4,437)	-2%
<b>S&amp;T Directorate</b>	932,587	1,006,471	1,018,264	11,793	1%
<b>Domestic Nuclear Detection Office</b>	514,191	383,037	305,820	(77,217)	-20%
<b>TOTAL:</b>	\$ 40,076,342	\$ 42,459,032	\$ 43,592,786	\$ 1,133,754	2.67%
<b>Less Recission of Prior Year Carryover Funds:<sup>4</sup></b>	(61,373)	(40,474)	-	40,474	-100%
<b>Mandatory, Fees, and Trusts</b>	12,694,734	12,929,301	12,742,951		
<b>ADJUSTED TOTAL BUDGET AUTHORITY:</b>	\$ 52,709,703	\$ 55,347,859	\$ 56,335,737	\$ 987,878	2%
<b>SUPPLEMENTAL:<sup>5</sup></b>	\$ 3,354,503	\$ 295,503	\$ -	\$ (295,503)	\$ -
<b>Less Recission of Prior Year Carryover Funds:<sup>5</sup></b>	\$ (100,000)	\$ -	\$ -	\$ -	\$ -

1/ FY 2009 revised enacted reflects:

\* Net reprogramming/transfer adjustments for OSEM (\$17.4 million); OIG (\$16.0 million); CHP (\$-24.1 million); ICE (\$16.4 million); TSA (\$14.4 million); USCG (\$5.400 million); USSS (\$2.5 million); NPPD (\$30 million); OHA (\$5.430 million); FEMA (\$-39.5 million).

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

\* Realignment of USCG Operating Expenses funding and Pursuant to P.L. 110-53 reflects TSA realignment of funds for 911 Commission Act implementation (\$3.673 million - Aviation Security; 13.825 million - Surface; \$2.5 million - Support).

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

2/ FY 2010 revised enacted reflects:

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

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

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

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

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

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

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

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

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

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

\* FY 2009 supplemental funding pursuant to P.L. 111-32: CHP (\$51.2 million); ICE (\$68.8 million); USCG (\$139.5 million); FEMA (\$130.0 million).

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

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

\* FY 2010 Supplemental funding pursuant to P.L. 111-117: USCGI (\$34.0 million).

### **KEY FY 2009 ACCOMPLISHMENTS & REFORMS**

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

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

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

#### **Guarding Against Terrorism and Threats to Cyber Networks and Critical Infrastructure**

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

- Fulfilling a key 9/11 Commission recommendation, TSA began implementing Secure Flight, which prescreens passenger name, date of birth and gender against government watch lists for domestic and international flights.
- TSA achieved the 9/11 Act requirement of screening 50 percent of air cargo transported on domestic passenger aircrafts by February 3, 2009. Currently, 100 percent of cargo is screened on more than 95 percent of flights originating in the United States and 100 percent of all baggage is screened for explosives
- The Domestic Nuclear Detection Office directly trained more than 3,600 federal, state and local officers and first responders in radiological and nuclear detection and began demonstrating the first-of-its-kind Cargo Advanced Automated Radiography System, which aims to detect special nuclear materials and shielding material in cargo at ports of entry.
- DHS opened the new National Cyber Security and Communications Integration Center—a 24-hour, DHS-led coordinated watch and warning center that will improve national efforts to address threats and incidents affecting the Nation's critical IT and cyber infrastructure.
- DHS worked with the Office of Personnel Management to attain new authority to recruit and hire up to 1,000 cyber security professionals across the Department over the next 3 years to

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

- S&T partnered with the U.S. Secret Service, industry and academia to digitize more than 9,000 ink samples to expedite the investigation of criminal and terrorist activities by reducing matching times from days to minutes.
- DHS held the 5-day National Level Exercise 2009—the first national level exercise to focus on terrorism prevention—in conjunction with federal, state, local, tribal, private sector and international partners.
- In accordance with the Chemical Facilities Anti-Terrorism Standards Act (CFATS), which allows DHS to regulate the security measures at high-risk chemical facilities, DHS is working with 2,300 facilities on strengthening security measures. In 2009, DHS received Site Security Plans from over 900 regulated facilities.
- DHS signed agreements to prevent and combat crime with Italy, Greece, Portugal and Spain. These agreements allow for the exchange of biometric and biographic data to bolster counterterrorism and law enforcement efforts while emphasizing privacy protections.
- DHS and Spanish Interior Minister Perez Rubalcaba signed a Declaration of Principles formalizing the Immigration Advisory Program—which identifies high-risk travelers at foreign airports before they board aircraft bound for the United States.
- DHS forged partnerships with Germany and Spain to facilitate scientific research and collaboration to combat transnational threats.
- DHS and Canadian Public Safety Minister Peter Van Loan announced a series of cooperative initiatives between the United States and Canada to address terrorism and organized crime while expediting the lawful flow of travel and trade—including a biometric data sharing initiative also involving Australia, the United Kingdom and, eventually, New Zealand.

#### **Securing our Borders while Facilitating Lawful Travel and Trade**

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

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

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

- DHS implemented the Western Hemisphere Travel Initiative for land and sea travel to the United States, increasing border security while facilitating lawful travel and trade by requiring U.S. and Canadian citizens to present a passport or other approved secure document that denotes identity and citizenship when crossing the border.
- DHS and the Department of Justice joined with the Office of National Drug Control Policy to release the National Southwest Border Counternarcotics Strategy, the Obama administration's strategy to stem the flow of illegal drugs and their illicit proceeds across the southwest border and reduce associated crime and violence.
- The Department announced the expansion of Global Entry—a CBP pilot program that streamlines the screening process at airports for trusted travelers through biometric identification—as a permanent voluntary program at airports across the United States. Global Entry reduces average wait times by more than 70 percent and more than 75 percent of travelers using Global Entry are admitted in less than five minutes.
- DHS launched a joint Coast Guard-CBP effort to use Predator Unmanned Aerial Systems (UAS) to provide improved surveillance of the United States' maritime borders. DHS will conduct the first UAS operations along maritime borders in 2010.
- DHS, the Department of Justice and the Government of Mexico signed a Letter of Intent to develop a coordinated and intelligence-driven response to the threat of cross-border smuggling and trafficking of weapons and ammunition. This first-of-its-kind arrangement leverages the combined investigative capabilities of ICE, the Bureau of Alcohol, Tobacco, Firearms and Explosives and the Attorney General of Mexico to combat violence and criminal activity along the U.S.-Mexico border.
- Through Global Entry, DHS launched a first-of-its-kind initiative with the Netherlands to open membership in U.S. and Dutch expedited air travel programs to citizens of both countries in an effort to streamline entry processes for pre-screened fliers.

#### **Engaging in Smart, Effective Immigration Law Enforcement**

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

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

- DHS is reforming the immigration detention system, enhancing security and efficiency nationwide while prioritizing the health and safety of detainees. New initiatives include creating an Office of Detention Policy and Planning to ensure uniform conditions of confinement, medical care and design; implementing a medical classification system; centralizing all detention facility contracts under ICE headquarters' supervision; developing a plan for alternatives to detention; more than doubling the number of federal personnel providing onsite oversight at the facilities where the majority of detainees are housed; creating two advisory boards comprised of community and immigration advocacy groups; and establishing an independent Office of Detention Oversight reporting directly to the ICE Assistant Secretary.
- DHS expanded the Secure Communities initiative—which uses biometric information to target criminal aliens in U.S. correctional facilities—from 14 to 107 locations in 2009, reflecting an increased emphasis on identifying and removing criminal aliens who pose the greatest threat to public safety. To date, the program has identified more than 111,000 aliens in jails and prisons who have been charged with or convicted of criminal offenses.
- USCIS and the FBI cleared the backlog of a year or more for background checks on people seeking to work and live in the United States or become citizens—reflecting DHS' commitment to quick, thorough and fair adjudication of immigration applications. The vast majority of these checks are now answered within 30 days. At the end of fiscal year 2009, USCIS also reduced the backlog of pending immigration applications and petitions by more than 90 percent and reduced average processing times for naturalization applicants by nearly 5 months as compared to FY 2008.
- USCIS launched a redesigned website—available in English and Spanish—which provides a one-stop location for immigration services and information, including real-time alerts on the status of immigration applications via text message and e-mail.
- USCIS increased employer participation in E-Verify, the nation's preeminent employment eligibility verification system, from 88,000 companies at the end of FY 2008 to more than 177,000 employers today.

#### **Preparing for, Responding to and Recovering from Disasters**

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

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

- Since January 20, 2009, Louisiana and Mississippi have received more than \$2.1 billion in public assistance from DHS, including \$125 million for debris removal and emergency protective measures, \$935.5 million in public works and infrastructure projects, \$258 million for mitigation activities to increase resilience and more than \$542 million for K-12 education. In addition, more than 6,000 displaced households in Louisiana and Mississippi have been transitioned to permanent housing.
- To cut through red tape and streamline and expedite the decision-making process for public assistance for recovery efforts in the Gulf Coast, DHS established two joint public assistance teams and a new arbitration process to resolve longstanding issues over public assistance funding. Over the past 10 months, the Joint Expediting Team and the Unified Public Assistance Project Decision Team have resolved 156 projects, distributing more than \$100 million dollars to support the repair and replacement of fire and police stations, schools like the Southern University of New Orleans and Holy Cross School, libraries and other infrastructure critical to the recovery of Gulf Coast communities.
- FEMA has responded to 47 declared disasters since January 21, 2009, including the Red River flooding in North Dakota and Minnesota, the September flooding in Georgia and the earthquake and tsunami that struck American Samoa.

#### **Unifying and Maturing DHS**

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

- DHS broke ground on its new headquarters at the St. Elizabeths Campus. While DHS currently operates in more than 40 offices around the National Capitol Region, the consolidated headquarters will unify DHS' many components into one cohesive department and is expected to save taxpayers \$163 million over the next 30 years.
- DHS launched the Efficiency Review Initiative to improve efficiency, streamline operations and promote greater accountability, transparency and customer satisfaction through a series of initiatives—including eliminating non-mission critical travel, renegotiating contracts, utilizing government facilities instead of private rentals, reducing printing and postal mail and maximizing the use of web-based communication, training and meetings, implementing energy efficiencies in DHS facilities and maximizing DHS' buying power to receive the lowest price possible when acquiring office supplies and software licenses. These initiatives collectively are expected to lead to hundreds of millions of dollars in cost avoidances. This past year, DHS identified more than \$100 million in cost savings including \$22 million by eliminating non-mission critical travel; \$16 million by utilizing software licensing agreements DHS-wide; \$7 million through the mandatory review of contracts; \$9 million by eliminating redundancy in processing mariner credentials; \$8 million by consolidating the DHS sensitive-but-unclassified portal system; almost \$4 million by posting documents online or using e-mail in lieu of printing and postal mail; \$2 million by streamlining boat maintenance and support schedules; \$2 million by utilizing government facilities instead of

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

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

### **Selected DHS High Priority Performance Goals**

#### **Preventing Terrorism and Enhancing Security**

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

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

#### **Securing and Managing Our Borders**

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

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

#### **Enforcing and Administering Our Immigration Laws**

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

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

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

#### **Ensuring Resilience to Disasters**

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

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

#### **Maturing and Strengthening the Homeland Security Enterprise**

- **Mature and unify the Homeland Security Enterprise through effective information sharing.**
- **Improve acquisition execution across the DHS acquisition portfolio, by ensuring key acquisition expertise resides in major program office and acquisition oversight staffs throughout the Department.**

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

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

#### **CONCLUSION**

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

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

## AVIATION SECURITY

Mr. PRICE. Thank you, Madam Secretary.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[The information follows:]

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

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

## ADVANCED IMAGING TECHNOLOGY

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

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

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

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

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

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

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

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

Mr. PRICE. Thank you.

Mr. Rogers.

## GROWING HEADQUARTERS FUNDING AT EXPENSE OF OPERATIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[The information follows:]

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

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

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

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

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

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

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

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

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

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

Mr. ROGERS. No, you are not.

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

Mr. ROGERS. Yes.

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

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

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

Mr. PRICE. Thank you.

Mr. Ruppertsberger.

#### CYBERSECURITY

Mr. RUPPERSBERGER. Thank you.

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

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

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

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

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

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

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

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

Secretary NAPOLITANO. One of them.

EINSTEIN 3

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

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

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

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

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

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

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

That is a long question but—kind of complicated.

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

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

Mr. RUPPERSBERGER. In coordination.

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

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

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

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

[The information follows:]

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

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

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

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

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

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

Mr. RUPPERSBERGER. Is my time up?

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

Let's turn now to Mr. Carter.

#### ISLAMIC EXTREMISM

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

Madam Secretary, welcome. Good to see you again.

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

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

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

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

Secretary NAPOLITANO. That is all right.

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

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

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

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

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

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

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

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

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

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

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

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

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

Secretary NAPOLITANO. Thank you, sir.

Mr. PRICE. Thank you.

Mr. Mollohan.

#### FUNDING REQUESTS

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

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

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

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

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

Mr. MOLLOHAN. Of Border Patrol agents?

Secretary NAPOLITANO. That is correct.

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

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

Mr. MOLLOHAN. One-time purchase?

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

#### OPERATION STONEGARDEN

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

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

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

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

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

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

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

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

Mr. MOLLOHAN. Thank you, Mr. Chairman.

Mr. PRICE. Thank you. Mr. Calvert.

#### E-VERIFY

Mr. CALVERT. Thank you, Mr. Chairman.

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

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

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

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

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

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

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

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

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

[The information follows:]

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

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

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

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

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

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

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

[The information follows:]

There are no plans to create an AMOC in TX.

#### URBAN SEARCH AND RESCUE

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

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

Do you have any comment on that, Madam Secretary?

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

Mr. PRICE. Thank you. Ms. Lowey.

#### PASSENGER MANIFEST

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

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

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

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

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

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

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

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

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

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

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

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

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

Mrs. LOWEY. It may be 72.

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

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

[The information follows:]

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

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

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

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

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

#### SECURING THE CITIES

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

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

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

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

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

Mr. PRICE. Thank you.

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

[The information follows:]

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

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

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

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

Thank you, Mr. Chairman.

PROJECT SHIELD

Mr. PRICE. Mr. Kirk.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Secretary NAPOLITANO. Sir.

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

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

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

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

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

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

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

[The information follows:]

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

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

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

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

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

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

Mr. PRICE. Ms. Roybal-Allard.

#### DETAINEE TREATMENT

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

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

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

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

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

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

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

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

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

287(g)

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

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

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

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

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

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

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

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

#### GRADUATE PROGRAMS

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

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

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

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

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

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

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

Secretary NAPOLITANO. Yes, sir.

#### GANG VIOLENCE

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

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

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

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

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

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

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

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

Mr. PRICE. Thank you. Mr. Rothman.

Mr. ROTHMAN. Thank you, Mr. Chairman.

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

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

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

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

#### NEWARK AIRPORT SECURITY BREACH

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

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

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

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

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

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

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

Secretary NAPOLITANO. Indeed.

#### NONPROFIT SECURITY GRANTS

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

[The information follows:]

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

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

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

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

Mr. PRICE. Thank you. Mr. Culberson.

## OPERATION STREAMLINE

Mr. CULBERSON. Thank you, Mr. Chairman.

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

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

Secretary NAPOLITANO. I am.

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

## PASSENGER MANIFESTS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Mr. PRICE. Thank you. Mr. Rodriguez.

#### STAFFING

Mr. RODRIGUEZ. Thank you very much.

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

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

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

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

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

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

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

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

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

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

## VACANCIES

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

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

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

Secretary NAPOLITANO. I agree. That is my comment.

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

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

## DEEPWATER IMPLEMENTATION PLAN

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

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

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

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

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

[The information follows:]

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

Secretary NAPOLITANO. Indeed.

#### DISASTER RELIEF FUND

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

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

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

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

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

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

#### SAFER GRANTS

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

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

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

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

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

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

Secretary NAPOLITANO. It is moving out, yeah.

Mr. PRICE. And then moving with 2010.

Secretary NAPOLITANO. Indeed.

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

Secretary NAPOLITANO. Yes.

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

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

Mr. PRICE. All right. Good.

[The information follows:]

**Insert for the Record**

The table is as follows:

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

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

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

Mr. PRICE. Mr. Rogers.

OVERDUE REPORTS AND EXPENDITURE PLANS

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

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

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

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

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

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

REAL ID

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

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

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

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

#### WHITE HOUSE PARTY CRASHERS

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

Secretary NAPOLITANO. Indeed.

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

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

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

#### WORK SITE ENFORCEMENT

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

#### NOMINEES

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

## REAL ID

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

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

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

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

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

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

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

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

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

Secretary NAPOLITANO. Yes.

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

Secretary NAPOLITANO. And we will prioritize those.

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

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

Secretary NAPOLITANO. Message conveyed and message understood.

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

Mr. ROGERS. That is the law.

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

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

Secretary NAPOLITANO. Is there anybody still in the room?

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

Mr. PRICE. Thank you.

Mr. Mollohan.

#### INFRASTRUCTURE PROTECTION

Mr. MOLLOHAN. Thank you, Mr. Chairman.

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

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

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

Secretary NAPOLITANO. Yes.

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

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

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

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

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

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

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

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

Thank you, Mr. Chairman.

Mr. PRICE. Thank you.

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

With that, Ms. Roybal-Allard.

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

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

[The information follows:]

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

ICE has three projects underway:

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

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

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

## IMMIGRATION REFORM

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

[The information follows:]

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

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

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

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

## AVIATION SECURITY

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

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

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

Your second question was—I am sorry, Congresswoman.

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

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

Mr. PRICE. Mr. Farr.

Mr. FARR. Thank you, Mr. Chairman.

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

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

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

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

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

Mr. FARR. Yeah, it has 38 personnel.

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

Mr. FARR. Thank you.

Mr. PRICE. Mr. Rodriguez.

#### AGENT HOUSING

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

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

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

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

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

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

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

[The information follows:]

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

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

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

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

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

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

Mr. RODRIGUEZ. Thank you very much.

Mr. PRICE. Thank you.

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

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

**United States  
House of Representatives  
Committee on Appropriations**

Hearing before the  
House Appropriations  
Subcommittee on Homeland Security

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

Questions for the Record

February 25, 2010

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QUESTIONS FOR THE RECORD SUBMITTED BY

**Chairman David Price**

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

**Firefighter Jobs:**

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

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

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

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

**Haiti Response**

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

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

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

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

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

#### Secure Border Initiative

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

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

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

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

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

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

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

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

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

**ANSWER:** DHS has made significant strides toward defining an effective baseline of our border security efforts. Specifically, DHS recently completed the first Quadrennial Homeland Security Review (QHSR) [http://www.dhs.gov/xabout/gc\\_1208534155450.shtm](http://www.dhs.gov/xabout/gc_1208534155450.shtm), which outlines the strategic framework for homeland security activities across the nation. That framework identifies "Securing and Managing Our Borders" as a core homeland security mission and outlines the specific goals, objectives, and key strategic outcomes we are trying to achieve.

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

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

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

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

#### **International Cargo Security**

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

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

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

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

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

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

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

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

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

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

#### **Secure Communities/Immigration Enforcement**

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

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

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

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

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

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

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

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

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

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

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

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

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

**Intelligence Coordination – Sharing and “Operationalization”**

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

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

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

**Maritime Security**

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

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

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

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

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

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

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

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

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

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

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

#### **Future Budgeting**

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

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

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

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

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

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

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

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

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

#### **Inflationary Increases**

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

**ANSWER:** The responses are detailed by office as follows:

#### **Office of the Secretary**

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

#### **Office of the Deputy Secretary**

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

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

### Human Resources

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

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

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

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

	Appointment Description	Non-SES	SES	Grand Total	Projected FY10	Requested FY11
	Office of the Privacy Officer	15	1	16		
	COMPETITIVE-CAREER-CONDITIONAL	17		17		
	EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	1		1		
	EXCEPTED-PERMANENT, SES-NONCAREER		1	1		
	EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	1		1		
<b>Office of the Secretary and Executive Management Total</b>		<b>601</b>	<b>66</b>	<b>667</b>	<b>657</b>	<b>657</b>
<b>Under Secretary for Management</b>	Business Transformation Office	1		1		
	Chief Financial Officer	111	9	120		
	COMPETITIVE-CAREER-CONDITIONAL	52		52		
	EXCEPTED-CONDITIONAL	13		13		
	EXCEPTED-INDEFINITE, EXCEPTED-LIMITED (MORE THAN 1 YEAR)	1		1		
	EXCEPTED-PERMANENT, SES-NONCAREER	4		4		
	EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	13		13		
	<b>Chief Financial Officer Total</b>	<b>194</b>	<b>9</b>	<b>203</b>	<b>194</b>	<b>228</b>
	Chief Human Capital Officer	89	5	94		
	COMPETITIVE-CAREER-CONDITIONAL	34		34		
	COMPETITIVE-TERM, TAPER, INDEFINITE, SES-MILITARY TERM OR EMERGENCY	2		2		
	EXCEPTED-CONDITIONAL	9		9		
	EXCEPTED-PERMANENT, SES-NONCAREER	4	1	5		
	EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	1	1	2		
	<b>Chief Human Capital Officer Total</b>	<b>139</b>	<b>7</b>	<b>146</b>	<b>237</b>	<b>237</b>
	Chief Information Officer	70	6	76		
	COMPETITIVE-CAREER-CONDITIONAL	79		79		
	COMPETITIVE-TERM, TAPER, INDEFINITE, SES-MILITARY TERM OR EMERGENCY	3		3		
	EXCEPTED-CONDITIONAL	2		2		
	EXCEPTED-PERMANENT, SES-NONCAREER	1	1	2		
	EXCEPTED-TEMPORARY, SES-TIME LIMITED-NONCAREER	5		5		
	<b>Chief Information Officer Total</b>	<b>160</b>	<b>7</b>	<b>167</b>	<b>260</b>	<b>421</b>
	Chief Procurement Officer	249	6	255		
	COMPETITIVE-CAREER-CONDITIONAL	77		77		
	COMPETITIVE-TEMPORARY, SPECIAL NEED, SES-TIME LIMITED/CAREER		1	1		
	COMPETITIVE-TERM, TAPER, INDEFINITE, SES-MILITARY TERM OR EMERGENCY	1		1		
	EXCEPTED-CONDITIONAL	110		110		

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

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

**Answer:** Please see the following tables.

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

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

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

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

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

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

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

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

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

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

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

#### **Bonuses**

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

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

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

**ANSWER:** Please see the following table.

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

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

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

**Answer:** See the following table.

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

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

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

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

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

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

**Answer:** See the following table.

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

**Travel**

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

**ANSWER:** Please see the following table.

Travel Budget Amount in (000s)			
Office	FY10 Enacted	FY11 Request	Delta
Office of the Secretary	2,185	2,185	0
Office of the Deputy Secretary	449	449	0
Chief of Staff	380	380	0

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**ANSWER:** Please see the table on the following pages.

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

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

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

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

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

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

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

SI's trip for this location;

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

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

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

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

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

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

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

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

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

Office	Name	Purpose	Location	Traveling Party	Gov't Aircraft Cost	State Department Fees	Travel Orders
Chief of Staff	Abigail Page	To Advance the Secretary	Prague, Czech Republic		traveler accompanied \$2 on government aircraft.	\$0.00	\$ 2,929.47
Chief of Staff	Abigail Page	To Advance the Secretary	Albuquerque, NM			\$0.00	\$ 509.93
Chief of Staff	Abigail Page	To Advance the Secretary	Miami, FL; Ottawa, Canada			\$0.00	\$ 2,213.99
Chief of Staff	Abigail Page	To Advance the Secretary	Albuquerque, NM			\$0.00	\$ 717.24
Chief of Staff	Abigail Page	To Advance the Secretary	Ft. Lauderdale, FL; London, UK; Charleston, SC			\$0.00	\$ 6,487.00
Chief of Staff	Kinsey Casey	To Advance the Secretary	Port Arthur, TX; San Diego, CA; Laredo, TX			\$0.00	\$3,067.12
Chief of Staff	Kinsey Casey	To Advance the Secretary	Los Angeles, CA; Mexico City, MX		See above SI's trip for this location; traveler accompanied \$1 on government aircraft.	\$0.00	\$3,444.02
Chief of Staff	Kinsey Casey	To Advance the Secretary	Groton, CT; London, UK			\$0.00	\$5,909.50
Chief of Staff	Kinsey Casey	To Advance the Secretary	Oriando, FL; Shannon, Ireland; London, UK; Kuwait City, Kuwait			\$0.00	\$5,189.54
Chief of Staff	Kinsey Casey	To Advance the Secretary	Seattle, WA		See above SI's trip for this location; traveler accompanied \$1 on government aircraft.	\$0.00	\$ 633.21

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

<b>Base Funding for Government Aircraft Reimbursement</b>			
	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
Secretary	\$985,000	\$1,936,000	\$1,936,000
Deputy Secretary	\$155,000	\$349,000	\$349,000

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

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

- funds to reimburse other government entities for the use of aircraft - \$1,936,000;
- reimbursement to the State Department for costs associated with international travel - \$186,000; and
- personnel travel orders - \$63,000.

The relative amount of funds spent between these activities varies based on the mix of foreign versus domestic travel; the more international travel, the higher the reimbursement costs are to the State Department, whereas less foreign travel leaves more funding available for aircraft fees for domestic travel.

The Immediate Office of the Deputy Secretary has \$449,000 in the base for travel in FY 2010 and FY 2011, which represents the following:

- funds to reimburse other government entities for the use of aircraft - \$349,000;
- reimbursement to the State Department for costs associated with international travel - \$60,000; and
- personnel travel orders - \$40,000.

The Deputy Secretary operates under the same circumstances as the Secretary, whereby the amount of funds available for reimbursement for plane costs varies on the amount of international and domestic trips.

**Contracts**

**Question:** Please provide a list of the sole source contracts executed by OSEM, USM, CIO and CFO in 2009. Organize the list by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and reason for issuing a sole-source contract.

**Answer:** See the table on the following page.

CONTRACTOR	PURPOSE	DOLLAR AWARD	FULL PERFORMANCE VALUE	CONTRACT START DATE	CONTRACT END DATE	REASON FOR SOLE-SOURCE
DIGITALIBIZ, INC.	Software and system engineering support for Position Navigation and Timing services for critical infrastructure.	\$314,141.71	\$314,141.71	8/27/2009	8/26/2010	8a Small Business Authorized by Statute
MAPQUEST, INC.	Purchase of MapQuest annual license with extended Geographic coverage license fee.	\$82,500.00	\$82,500.00	12/15/2008	12/15/2009	Only One Source
STRATECON, LLC.	Security, Test & Evaluation services.	\$2,564,246.40	\$2,564,246.40	9/30/2009	9/29/2010	8a Small Business Authorized by Statute

**Question:** Please provide for the record a list of all OSEM, USM, CIO and CFO contracts, grants and other transactions where work is performed outside of the United States. Organize by contractor, purpose, dollar award, full performance value, as well as contract start and end date.

**Answer:** NetCentric Technologies, Inc. is the only contract/grant/other transaction for which work is performed outside the United States in support of OSEM, USM, CIO and CFO program offices.

CONTRACTOR	PURPOSE	DOLLAR AWARD	FULL PERFORMANCE VALUE	CONTRACT START DATE	CONTRACT END DATE	PLACE OF PERFORMANCE COUNTRY
NETCENTRIC TECHNOLOGIES, INC.	Acquisition for software that enables Section 508 accessibility for PDF documents	\$73,940	\$73,940	6/4/2006	6/22/2007	CANADA

#### **Working Capital Fund**

**Question:** Please provide a table that shows all initiatives funded by the Department's working capital fund (WCF) in fiscal years 2008 and 2009, and those that are planned in fiscal years 2010 and 2011.

**ANSWER:** See the following table.

#### **FY 2008-2011 WCF Activities (Dollars in Thousands)**

Activity Name	FY 2008 Actual	FY 2009 Actual	FY 2010 Enacted	FY 2011 Request
<b>Fee for Service Activity</b>				
GSA RENT	40,299	48,422	75,606	94,088
FEDLINK/(Library of Congress)	10,869	10,671	11,203	22,028
Financial Management (Finance & Acctg Shared Services)	29,176	26,413	22,657	31,271
Financial Statement Audit	13,212	13,544	15,552	18,806
Internal Control Audit	1,129	1,447	4,935	1,846
Financial Management	3,338	3,943	4,267	4,140
Bankcard Program	527	215	532	48
TIER	561	666	722	882
NFC Payroll Services & Reporting	30,710	32,344	35,045	38,560
HQ Human Capital	13,915	6,477	14,324	14,619
HCBS/Payroll Service Ops	7,227	6,244	7,809	11,254
Flexible Spending Plan	1,362	1,582	2,128	2,158
DHS Executive Leadership Development/Secretary's Leadership Conference	892	455	973	994
HQ Executive Leadership Development (TEI; SES FORUM and General Workforce Trng)	292	282	306	307
Employee Assistance Program	38	51	61	61
CIO/DHS Infrastructure Transf Pgm	50,455	51,237	52,649	53,422
NCR Infrastructure Operations	93,635	108,725	121,315	123,049
- Software Enterprise Licenses - Microsoft	21,129	51,960	46,474	54,562
Procurement Operations	43,935	44,090	48,131	49,112
Data Center Consolidation			150,000	178,540

Activity Name	FY 2008 Actual	FY 2009 Actual	FY 2010 Enacted	FY 2011 Request
<b>Sub-Total</b>	<b>362,702</b>	<b>408,768</b>	<b>614,689</b>	<b>699,746</b>
<b>Tri-Bureau Service Activity</b>				
Tri-bureau Human Resources Shared Services	22,859	20,730	-	-
IT Services from DOJ	37,119	43,243	37,977	41,024
<b>Sub-Total</b>	<b>59,978</b>	<b>63,973</b>	<b>37,977</b>	<b>41,024</b>
<b>Government-wide Mandated Service Activity</b>				
Interagency Council Funding	555	889	600	608
Recruitment One-Stop	1,101	862	1,191	1,208
e-Training	5,701	6,645	13,721	10,335
Enterprise HR Integration	2,724	3,689	3,763	3,778
Business Gateway	435	-	-	-
e-Rulemaking	735	636	765	357
e-Grants.gov	596	757	620	620
Human Resources Line of Business	261	261	266	267
e-govBenefits	134	139	-	-
Financial Management Line of Business	143	143	286	145
Geospatial Line of Business	-	62	65	63
Budget Formulation and Execution LoB	-	95	97	96
IAE Loans & Grants	190	190	192	190
e-gov.Integrated Acquisition Environment	1,733	2,271	1,680	1,668
e-gov. Disaster Management (DisasterHelp.gov)	12,270	12,270	12,515	12,945
Grants Management LoB	-	59	-	-
<b>Sub-Total</b>	<b>26,578</b>	<b>28,968</b>	<b>35,761</b>	<b>32,279</b>
<b>DHS Cross-Cutting Activity</b>				
Capital Planning and Investment Control (CPIC)	5,193	5,294	7,697	7,774
Ready Campaign (Ready.gov)	619	630	-	-
Strategic Sourcing	2,566	1,445	2,755	2,794
CPO Shared Reporting	4,400	3,999	5,267	5,267
<b>Sub-Total</b>	<b>12,778</b>	<b>11,368</b>	<b>15,719</b>	<b>15,835</b>
Working Capital Fund Operations	901	1,110	1,316	1,600
<b>Sub-Total</b>	<b>901</b>	<b>1,110</b>	<b>1,316</b>	<b>1,600</b>
<b>Grand Totals</b>	<b>462,937</b>	<b>514,187</b>	<b>705,463</b>	<b>790,484</b>

**Question:** Please provide a summary chart identifying each DHS agency and the total amount that each agency will be paying into the WCF in fiscal years 2010 and 2011.

**ANSWER:** See the following table.

FY 2010-2011 Component Assessment		
Component	FY 2010 Enacted	FY 2011 Budget Request
U.S. Customs & Border Protection	\$87,124,348	\$86,254,061
Federal Law Enforcement Training Center	\$3,130,121	\$3,216,991
U.S. Immigration & Customs Enforcement	\$67,546,866	\$58,774,964
Transportation Security Administration	\$60,125,331	\$55,623,761
Federal Emergency Management Agency	\$29,526,513	\$32,630,891

<b>FY 2010-2011 Component Assessment</b>		
<b>Component</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Budget Request</b>
National Protection and Program Directorate	\$63,040,832	\$69,268,819
Office of Health Affairs	\$8,868,378	\$11,125,571
Operations Coordination and Intel & Analysis	\$41,364,932	\$45,635,016
Office of the Inspector General	\$744,224	\$1,748,172
Science & Technology Directorate	\$40,094,577	\$46,947,054
Domestic Nuclear Detection Office	\$15,599,526	\$15,337,319
U.S. Coast Guard	\$28,281,728	\$33,298,154
U.S. Citizenship & Immigration Services	\$49,108,520	\$67,230,536
U.S. Secret Service	\$6,394,058	\$17,683,199
U.S. Visit	\$14,688,694	\$41,958,469
MGT - Office of the Under Secretary for Management	\$48,490,050	\$46,817,795
MGT - Chief Financial Officer	\$6,836,306	\$10,035,209
MGT - Chief Information Officer	\$108,153,809	\$117,456,861
OSEM - Office of the Secretary	\$26,343,754	\$29,441,533
<b>Total Working Capital Fund</b>	<b>\$705,462,568</b>	<b>\$790,484,377</b>

**Reception and Representation**

**Question:** Please provide a summary chart by DHS agency that shows the amount of reception and representation expenses provided in fiscal years 2009 and 2010 and requested in fiscal year 2011.

**ANSWER:** Please see the table on the following page.

Department of Homeland Security Official Reception and Representation Distribution Fiscal Year 2010 As of February 28, 2010									
Component	FY 2009 Appropriated	FY 2009 Actual As of 9/30/2009	FY 2010 Enacted	Current Obligation- To- Date (2/28/10)	Unobligated Authority	Expenditures Year-To- Date (2/28/10)	FY 2011 President's Request		
Office of the Secretary & Executive Management	\$ 60,000	\$ 59,894	\$ 60,000	\$ 10,460	\$ 49,540	\$ 10,445	\$ 60,000		
Office of the Under Secretary for Management	3,000	-	3,000	-	3,000	-	3,000		
Analysis and Operations	5,000	1,374	5,000	-	5,000	-	5,000		
Customs and Border Protection	45,000	44,896	45,000	16,783	28,217	13,802	45,000		
Immigration and Customs Enforcement	15,000	12,316	15,000	6,564	8,436	6,564	15,000		
Transportation Security Administration	10,000	9,533	10,000	1,526	8,474	1,526	10,000		
United States Coast Guard	20,000	20,000	20,000	2,618	17,382	2,618	20,000		
United States Secret Service	25,000	19,123	25,000	12,777	12,223	3,501	25,000		
National Protection and Programs Directorate	5,000	1,161	5,000	2,971	2,029	2,971	5,000		
Office of Health Affairs	3,000	-	3,000	-	3,000	-	3,000		
Federal Emergency Management Agency	3,000	1,000	3,000	300	2,700	-	3,000		
Federal Law Enforcement Training Center	12,000	11,857	12,000	1,265	10,735	841	12,000		
Science and Technology	10,000	9,892	10,000	781	9,219	-	10,000		
Domestic Nuclear Detection Office	3,000	-	3,000	-	3,000	-	3,000		
<b>Total</b>	<b>\$219,000</b>	<b>\$191,045</b>	<b>\$219,000</b>	<b>\$56,045</b>	<b>\$162,955</b>	<b>\$42,269</b>	<b>\$219,000</b>		

**Question:** Please provide a table showing the amount each agency spent in 2009 for reception and representation, and how much funding has been obligated to date in 2010 for reception and representation. Please provide details on each expenditure.

**ANSWER:** Please see the following table.

Component Name	Name of Event(s)	Date of Event	Last Number of Grants/Activities	Purpose of Event	Description of Items Purchased	Obligation/Com of Item(s) purchase	Expenditures As of March 31, 2010	Remaining Budget Authority	FY 2010 Expend
Office of the Secretary & Executive Management (OSEM)	official gifts	0/21/2009	1	official meeting	Gift - Book "Clemens: The Passion & Grace of Baseball's Last Hero"	11	13	59,887	560,002
	official gifts	0/21/2009	1	official meeting	Shipping & Handling	12	12	59,875	
	official gifts	0/21/2009	1	official gifts	Shipping & Handling	12	12	59,863	
	official gifts	0/22/2009	1	official gifts	Gift - Book "Baseball from the Heart"	28	28	59,815	
	official gift supplies	0/28/2009	23	official gifts	Gift wrapping supplies	35	35	59,900	
	official gifts	0/29/2009	2	official gifts	Shipping silver T-clip pens	495	495	59,495	
	official gifts	0/29/2009	2	official gifts	USS Constitution Ball Point Pens	230	230	59,243	
	official meeting	1/12/2009	5	official meeting	coffee service	10	10	59,249	
	S2 official meeting	1/12/2009	3	Breakfast	DHS - 1, Non-DHS - 3				
	S1 official lunch meeting	1/12/2009	3	Lunch	DHS - 8, Non-DHS - 9				
	S1 International Meeting	1/12/2009	1	DHS - 1, Non-DHS - 1	official meeting	18	18	58,961	
	S1 International Meeting	1/12/2009	1	DHS - 5, Non-DHS - 5	official meeting	20	20	58,941	
	official gifts	1/12/2009	1	DHS - 3, Non-DHS - 9	official meeting	24	24	58,917	
	official gifts	1/12/2009	1	DHS - 1, Non-DHS - 1	gifts for official meeting	75	75	58,852	
	official gifts	1/12/2009	5	DHS - 1, Non-DHS - 5	Sullivan Power Recharge Bow (1), Sullivan Power Recharge Bow (2), Sullivan Power Recharge Bow (3), Sullivan Power Recharge Bow (4), Sullivan Power Recharge Bow (5)	415	415	58,407	
	S2 ICG Meeting	1/11/2009	2	DHS - 1, Non-DHS - 18	official meeting	157	157	58,250	
	official gifts	1/12/2009	1	DHS - 1, Non-DHS - 18	official meeting	133	133	58,117	
	S2 ICG Meeting	1/12/2009	1	DHS - 1, Non-DHS - 18	official meeting	159	159	58,009	
	S2 ICG Meeting	1/12/2009	1	DHS - 1, Non-DHS - 18	official meeting	490	490	57,519	
	official meeting supplies	1/12/2009	1	DHS - 1, Non-DHS - 2	official meeting	30	30	57,489	
	S1 ICG Meeting	1/12/2009	1	DHS - 1, Non-DHS - 2	official meeting	22	22	57,467	
	S1 ICG Meeting	1/12/2009	1	DHS - 1, Non-DHS - 2	official meeting	22	22	57,445	
	S1 reception (R) U.K. delegation	1/24/2009	1	DHS - 25, Non-DHS - 30	official meeting	1,838	1,838	55,607	
	S2 reception (R) U.K. delegation	1/24/2009	1	DHS - 1, Non-DHS - 1	official meeting	37	37	55,570	
	official gifts	1/27/2009	0	DHS - 1, Non-DHS - 1	official gifts	870	870	54,700	
official gift supplies	1/27/2009	0	DHS - 1, Non-DHS - 1	official gifts	50	50	54,650		
official gift supplies	1/27/2009	4	DHS - 1, Non-DHS - 1	official gifts	35	35	54,615		
official gifts	1/27/2009	4	DHS - 1, Non-DHS - 1	official gifts	657	657	54,009		
official gifts	1/27/2009	5	DHS - 1, Non-DHS - 1	official gifts	505	505	53,504		
official gifts	1/27/2009	24	DHS - 1, Non-DHS - 1	official gifts	23	23	53,481		
official gifts	1/27/2009	3	DHS - 1, U.K. delegation - 3	official meeting	20	20	53,461		
official gifts	1/27/2009	17	DHS - 5, U.K. delegation - 17	official meeting	10	10	53,451		
S1 ICG Meeting	1/19/2009	1	DHS - 1, U.K. delegation - 1	official meeting	13	13	53,438		
S1 ICG Meeting	1/19/2009	1	DHS - 5, U.K. delegation - 1	official meeting	15	15	53,423		
official gifts	1/20/2009	2	DHS - 1, U.K. delegation - 2	official meeting	15	15	53,408		
official gifts	1/20/2009	2	DHS - 1, U.K. delegation - 2	official gifts	495	495	52,913		
official gifts	1/20/2009	2	DHS - 1, U.K. delegation - 2	official gifts	495	495	52,418		
official gifts	1/20/2009	2	DHS - 1, U.K. delegation - 2	official gifts	490	490	51,923		
official gifts	1/20/2009	2	DHS - 1, U.K. delegation - 2	official gifts	344	344	51,579		
official gifts	1/11/2010	2	DHS - 7, Australian delegation - 2	official gifts	105	105	51,474		





Activity	Date	Category	Personnel	Event/Activity	Food/Beverages	Personnel	Personnel	Personnel	
<b>Transatlantic Security Administration</b> Intl. IPR Concer Ontario Provincial Police Introduce El Shaddadon delegation to ICE Dinner for Law Enforcement Officials Northern Border Panel <b>TOTAL ICE Rep Funds</b>	11/22/2009 12/15/2009 1/11/2010 1/19/2010 2/3/2010	15 DHS-51 Non-DHS 6 DHS-2 Non-DHS 6 DHS-6 Non-DHS 2 DHS-1 Non-DHS 11 DHS-1 Non-DHS	1,200 383 658 433 860 6,564	1,200 383 658 433 860 6,564	Food/Beverages Food/Beverages Food/Beverages Food/Beverages Food/Beverages Food/Beverages	CEO Industry, Luncheon and Corporate Security Meeting Increase law enforcement facilitated by the ICE Attack Outpost Introduce El Shaddadon delegation to ICE rep. To discuss the upcoming test of ICE facility and for removal flight to El Shaddadon Continue a partnership between law enforcement officials in Arizona and the U.S. Coast Guard Brattoned law enforcement meeting but was attended by DHS, CBP, ICE and high level local and foreign dignitaries	\$ \$ \$ \$ \$ \$	\$ \$ \$ \$ \$ \$	\$ \$ \$ \$ \$ \$
<b>United States Coast Guard (USCG)</b> Dignitary Visit Visit by Foreign Dignitary's Visit by Director, Irish Coast Guard Visit by Secretary, Mexican Navy Meeting with IMO Representatives Visit by International Association of Lighthouse Authorities Visit by European Union Representatives <b>TOTAL USCG Rep Funds</b>	11/30/2009 Novem (1 Oct 09 - 31 Dec 09) 10/29/09 11/02/09 11/23/09 11/12/09 11/23/09	1 188 4 DHS 5 Non-DHS 6 Non-DHS 3 DHS 15 Non-DHS 5 DHS 15 Non-DHS 4 DHS 8 Non-DHS	41 436 258 253 819 600 192 2,598	41 436 258 253 819 600 192 2,598	Plaque for Gift Foreign Dignitary Visit Food & refreshments for reception in Commandant's Quarters Food & refreshments for reception in Commandant's Quarters Foreign Dignitary Visit Foreign Dignitary Visit Reception & Lunch at RMO, London, UK Food & refreshments for reception in USCG Flag Officer's Mess Food & refreshments for reception in Commandant's Quarters	Foreign Visit Foreign Dignitary Visit	\$ \$ \$ \$ \$ \$ \$	\$ \$ \$ \$ \$ \$ \$	\$ \$ \$ \$ \$ \$ \$
<b>United States Secret Service (USSS)</b> DHS-EEB & Civil Right Director Meeting Nat'l Security Meeting for Business Exec Nat'l Security Luncheon for Business Exec Canadian Security & Intelligence Liaison Combined Federal Campaign Regs Mtg	10/7/2009 10/20/2009 10/21/2009 10/21/2009 11/04/2009	DHS-10 Non-DHS-10 DHS-4 Non-DHS-10 DHS-1 Non-DHS-1 DHS-2 Non-DHS-2	83 50 361 84 180	83 50 361 84 180	Light Refreshment Light Refreshment Luncheon Luncheon Luncheon	EEO Director Meeting National Security Meeting National Security Luncheon Canadian Security & Intelligence Liaison CFC Regs Luncheon	\$ \$ \$ \$ \$	\$ \$ \$ \$ \$	\$ \$ \$ \$ \$

Activity	Date	Category	Description	81	81	81
CFC Reps Chairs Fair	11/16/2009	DHS-1	Light refreshments			24,162
CFC Reps Kick Off Event	11/16/2009	Non-DHS-2	Light Refreshments	132	132	24,010
Director's Holiday Reception	12/24/2009	Non-DHS-2/6	Refreshments	535	535	21,505
USSS Receiving Meeting	12/24/2009	Non-DHS-10	Lunch	238	238	21,278
Director's Holiday Reception	12/24/2009	Non-DHS-2/6	Refreshments	19	19	21,259
Former PPD and VPD SAC meeting	1/29/2010	Non-DHS-1	Light refreshments	60	60	21,198
Former PPD and VPD SAC luncheon	1/29/2010	Non-DHS-1	Lunch	535	535	21,533
Director's Holiday Reception	1/29/2010	Non-DHS-2/6	Refreshments	9,276	9,276	11,523
McIsaac/Egan Reception	12/12/2009	Non-DHS-45	Light refreshments	71	71	11,226
Protection review Committee meeting	01/26/2010	DHS-5	Light Refreshments	153	153	11,073
Protection review Committee meeting	01/06/2010	Non-DHS-5	Lunch	283	283	12,790
Protection review Committee meeting	01/20/2010	Non-DHS-4	Lunch	145	145	12,645
Protection review Committee meeting	01/29/2010	Non-DHS-2	Lunch	145	145	12,500
Protection review Committee meeting	01/28/2010	Non-DHS-2	Light Refreshments	93	93	12,407
Meeting with Leo of Miami representatives	02/18/2010	Non-DHS-13	Light Refreshments	32	32	12,375
Meeting with Leo of Miami representatives	02/12/2011	DHS-3	Light Refreshments	153	153	12,223
<b>TOTAL USSS Rep Funds</b>				<b>\$ 12,777</b>	<b>\$ 3,491</b>	<b>\$ 12,223</b>
<b>National Protection and Programs Directorate (NPPD)</b>						
Mexican Conference	10/29/2009	DHS-1/8 Non-DHS-47	DHS Sponsored - Facilities information sharing and trust building regarding critical information infrastructure protection (CIIP) among international partners	2,971	2,971	2,929
<b>TOTAL NPPD Rep Funds</b>				<b>\$ 2,971</b>	<b>\$ 2,971</b>	<b>\$ 2,929</b>
<b>Office of Health Affairs (OHA)</b>						
<b>Federal Emergency Management Agency</b>						
Russian Dignitaries Visit	12/11/2009	3 USG Guest, 11 Foreign Dignitaries and 8 FEMA Employees	EMERCOM of Russia Leadership met with FEMA Leadership			
Russian Dignitaries Visit	12/11/2009	Same as above	10 Op - DHS FEMA Agency Color Posa	100	100	2,900
Russian Dignitaries Visit	12/11/2009	Same as above	10 Op - DHS Protection Con Digets	150	150	2,750
Russian Dignitaries Visit	12/11/2009	Same as above	1 Op - DHS Security Guard Staff	25	25	2,725
Russian Dignitaries Visit	12/11/2009	Same as above	Expanding Shipping Cost	25	25	2,700
Geometric Norm Workshop	3/23/2010	Private Participants 4 USG Guest, 7 Foreign Dignitaries and 5 FEMA Employees, Secondary Participants 7 Foreign, 8 FEMA Employees, 7 Federal Government Employees, and 10 support Staff	Emergency Management Workshop with Foreign Agencies	315	315	2,185
<b>TOTAL FEMA Rep Funds</b>				<b>\$ 615</b>	<b>\$ 615</b>	<b>\$ 2,185</b>
<b>TOTAL</b>				<b>\$ 21,777</b>	<b>\$ 3,491</b>	<b>\$ 25,900</b>

Federal Law Enforcement Training Center (FLETC)		Various	Various	Non-DHS - 63	Various	Cafeteria Meal Tickets	\$	424	\$	11,576	\$	12,000
	Law Enforcement Appreciation Breakfast	10/21/2009	Non-DHS - 23	Recognize Outstanding Local Law Enforcement Officials	291	Law Enforcement Appreciation Program	\$	291	\$	11,285		
	Visit of Admiral Allen, Commandant USCG	10/21/2009	DHS - 12	Graduation Guest Speaker: Men with Director	419	Lunchroom	\$	419	\$	10,866		
	Visit of Admiral Allen, Commandant USCG	10/21/2009	DHS - 12	Graduation Guest Speaker: Men with Director	71	Clock	\$	71	\$	10,793		
	Visit of Deputy Secretary Jane Holl Lute	2/23/2010	Non-DHS - 6	Visiting Deputy Secretary, her staff, and Partner Organization representatives	113	Light Refreshments	\$	113	\$	10,682		
							\$	1,218	\$	894		12,000
<b>TOTAL FLETC Rep Funds</b>												
Science and Technology (S&T)												
	Exchange visits for Diplomatic visits and meetings (Grant Program, Kick-Off and Close-Out meetings and other preparatory and follow-on meetings related to bilateral conferences for FY 2010	12/16/2009		Gift exchange for Foreign National leaders participating in bilateral conference and meetings in FY 2010	461	Various Gifts, Insignia Pins	\$	461	\$	9,548		10,009
	Meets for our counterparts in Singapore, Malaysia & Phone Affairs and S&T	1/26/2010	3 Singaporeans and 4 DHS	Gift exchange for Foreign National leaders participating in bilateral conference and meetings in FY 2010	29	Food	\$	29	\$	9,511		
	Meets for the DHS S&T UK home Office	1/27/2010	5 UK and 6 DHS	Gift exchange for Foreign National leaders participating in bilateral conference and meetings in FY 2010	47	Food	\$	47	\$	9,468		
							\$	536	\$	537		10,000
<b>TOTAL S&amp;T Rep Funds</b>												
Domestic Nuclear Detection Office (DNDO)												
							\$	-	\$	-		3,000
<b>TOTAL DNDO Rep Funds</b>												
<b>TOTAL DHS REF FUNDS</b>												
							\$	56,410	\$	43,802		219,000

QUESTIONS FOR THE RECORD SUBMITTED BY

**The Ranking Member Harold Rogers**

**Secretary Napolitano**  
FY2011 Budget

**Staffing for DHS Departmental Management**

**Question:** Please list the title, job description, assigned office/agency, and location for each of the 576 FTE position enhancements funded in FY11, including annualized positions and contractor conversions, above FY10 and detailed by PPA for each appropriation within Departmental Management, including: the Office of the Secretary and Executive Management; Office of the Under Secretary for Management; Office of the Chief Financial Officer; Office of the Chief Information Officer; and DHS HQ Consolidation.

**Answer:** See the table on the following page.

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
USM	CSO	9	23	1	Special Security Officers	Provides Protection of SCI
				1	Procurement Specialist	Processes OS Procurements
				1	Human Capital Specialist	Provides OS Human Capital Services
				2	Security Specialists	Provides OS Asset Management
				5	Security Specialists	Provides Classification Management
				2	Counterintelligence Coordinators	Provides Counterintelligence Services
				4	Security Specialists	Provides Technical Surveillance Counter Measures
				6	Physical Security Specialists	Provides Physical Security Support
		5	18	Security Specialists	Provides Security Adjudications	Provides Security Adjudications
				5	Security Assistants	Provides Security Adjudication Support
				5	Security Specialists	Provides Access Control Support
	CPO	2			Program Managers Supervisory Branch Chiefs	Serves as acquisition technical experts to the assistant Director/Director APMD, USM, CPO and other Headquarters staff, DHS activities relative to the implementation, management and operation of the DHS acquisition system.
		4			Program Managers	Provides oversight of individual acquisition programs at all levels within DHS
		1			Systems Engineer	Provides advice and assistance on the system engineering (SE) aspects of acquisition at DHS.
		1			Logistician	Provides advice and guidance on undefined issues and elements relating to logistical acquisition initiatives critical to the DHS mission.
		1			Management Analyst	Performs office management duties such as action item tracking, COIR, and personnel administration.
		1			Correspondence Manager	Provides routing and retrieval direction and structure for all incoming and

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
		3			Contracting Officer	outgoing correspondence. Section Heads and Supervisory Contracting Officers for the Cyber Security Program (2) and a remote location (1); Responsible for all contracting activity within their sections and all personnel actions for their subordinates.
		1			Cost Analyst	Cost Analyst to support all programs supported by OSA, including Life Cycle Costing, Proposal Review, and EVM.
		4			Contract Specialists/Officers	Contracting support to DNDO (2), I&A (1) and a remote location (1). Individuals plan, develop and establish contractual strategy for contracting activities; determine the types of contracts to be used, and develop the terms and conditions of the solicitation.
		2			Contract Specialist	Contract Specialists to support remote location. Individuals plan, develop and establish contractual strategy for contracting activities; determine the types of contracts to be used, and develop the terms and conditions of the solicitation.
		1			Administrative Specialist	Administrative and Procurement support to the OSA HCA and all OSA contracting personnel. Provides routing and retrieval direction and structure, contract distribution and contract file maintenance.
		1			Contracting Specialist	Contract Specialist to support Cyber Security Program. Individuals plan, develop and establish contractual strategy for contracting activities;

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
		18			Contract Specialists	determine the types of contracts to be used, and develop the terms and conditions of the solicitation. Performs developmental assignments involving the planning, negotiation, award and administration of contract actions.
		18			Program Managers	Provides oversight of individual acquisition programs; analyzes program performance and trends.
		6			System Engineers	Analyzes, evaluates, and advises regarding systems engineering requirements of acquisition programs; performs requirements analyses; identifies functional requirements.
		2			Logistician	Develops and implements integrated logistics support plans for acquisition programs; conducts research and studies that involve design influence, maintenance planning, technical data, and support equipment.
		3			IT Specialist	Provides advice and recommendations regarding technical requirements for major IT acquisitions; provides recommendations to accomplish IT objectives.
		3			Business Cost Estimator	Performs cost analysis of acquisition systems; performs cost sensitivity and cost benefit analyses.
			*75		Note* A CPO-led staffing analysis of the major program offices & contracting activities will determine the placement of these positions. Contract Specialists	These are not intended to be HQ positions. We expect to identify program mgmt, logistics, system engineering & other acquisition disciplinary functions to be filled by these FTEs. Performs developmental assignments involving the planning, negotiation, award
				16		

Approps	Office	FTE Enhancements		DHS Balanced Workforce	Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements			
				18	Program Manager	and administration of contract actions. Performs developmental assignments in support of acquisition programs to include the analysis and evaluation of cost, schedule, and performance objectives to ensure achievement of acquisition goals.
				8	Systems Engineer	Performs developmental systems engineering assignments in support of acquisition programs for new, fielded or modified acquisition systems.
				2	Logistician	Performs developmental assignments such as maintenance planning and evaluation of technical data requirements in support of acquisition programs.
				3	Information Technology Specialist	Performs developmental assignments, such as requirements analysis and alternatives analysis in support of major IT acquisitions.
				3	Business Cost Estimator	Performs development assignments to include cost analysis of systems/subsystems and development of cost estimates in support of acquisition programs.
	CHCO	1			Program Analyst (Budget)	Duties: formulation and execution activities to include development of budget narrative, certification of funds, monthly reconciliations, and developing periodic budget reports to support all OCHCO program requirements
		1			HR Specialist (Accountability)	Duties: Assess Department-wide HC Programs for effectiveness, efficiency, and compliance with merit system principles, laws, and regulations.
		1			HR Specialist (Policy)	Duties: Develop, implement, and

Approps	Office	FTE Enhancements		Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements		
					evaluate corporate policy for: (1) Classification; (2) Staffing; (3) Compensation; and (4) Benefits.
		1		HR Specialist (Diversity)	Duties: Develop, implement, and evaluate policy; recruitment and outreach activities; develop and deploy department-wide training for managers and supervisors
			12	Program/Management Analyst	Duties: Functional and Technical Analysis, Enterprise Reporting
			6	Program/Management Analyst	Duties: Project Management, Risk Management, Strategic Planning
			1	Program/Management Analyst	Duties: Business Management (Acquisition Management, Capital Planning and Investment, Financial Analysis)
			2	Program/Management Analyst	Duties: Training Technical Support
			4	Program Specialist	Duties: Systems Design, Testing and Certification
			1	Program Analyst	Duties: Integration and special projects lead; oversee the development of communications and products; develop, draft and implement protocols and policies for OCHCO and Department-wide; lead Webmaster for OCHO
			1	Program Analyst	Duties: Assess and evaluate the effectiveness of OCHCO communication strategies, programs, materials, distribution and feedback channels; develop, design and review human capital communication plans, products and tools; develop, format, and review internal communications, including internal website; special projects
			1	HR Specialist (Leadership and	Duties: Oversees the SES GDP Program,

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
					Succession Programs)	the DHS Fellows Program, and the National Security Professional Development Program, as well as other leadership development programs.
				1	Program Manager (Training)	Duties: Oversees all leadership training for DHS Headquarters and other special training programs as requested.
				1	HR Specialist (Policy, Plans and Outreach)	Duties: Serves as the POC for all academic outreach programs including those at the Senior Service Schools and works on training and development-related policy and planning initiatives.
				1	Instructional Systems Designer	Duties: Designs curricula, conducts assessments and evaluations on training, and participates in Human Resources Operations Audits.
				1	HR Specialist (Training)	Duties: Works on developing training related to the National Security Professional Development Program.
				1	HR Specialist (Training)	Duties: Under the guidance of the Instructional Systems Designer, provides support for designing curricula, conducting assessments and evaluations on training, and fulfilling requirements associated with Human Resources Operations Audits.
				2	HR Specialist (Performance Management)	Duties: Assist with formulation and/or maintenance of DHS employee performance management and recognition policy and programs.
				1	HR Specialist (Workforce Planning/Analysis)	Duties: Conduct competency assessments; provides strategic organizational planning advice to components; analyze and integrate the HR information required by staff into

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
				1	Program Analyst	retrieval capabilities of automated data systems. Duties: Research good practices. Develop reporting requirements and formats; synthesize results for review. Develop and analyze data requests and basic statistics.
				1	HR Specialist (Policy)	Duties: develop, implement, and evaluate corporate policy for: (1) Classification; (2) Staffing; (3) Compensation; and (4) Benefits; provide technical advice in these areas.
				1	HR Specialists (Accountability)	Duties: Assess Department-wide HC Programs for effectiveness, efficiency, and compliance with merit system principles, laws, and regulations; and, provide analyses and integration of HR information required for Department-wide reporting.
				1	HR Specialists (Accountability)	Duties: Assess Department-wide HC Programs for effectiveness, efficiency, and compliance with merit system principles, laws, and regulations; and, provide analyses and integration of HR information required for Department-wide reporting.
	CAO	1			Security Manager	Physical Security
		1			Management/Program Analyst	Electronic records analyst and/or advisor to management for records systems
		5			Physical Security Specialists	Physical security of facilities, personnel, and property
CFO	Budget	3.5			Budget Analyst	Provide budget execution and formulation support for all phases of the budget cycle.
				3	Program & Management Analyst	Serve as a senior analyst/advisor to

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
	& Evaluation					management concerning complex management and program processes and systems.
	Office of Financial Management	3.5		13	Staff Accountant	Serve as an expert on complex issues related to the financial management operations as well as the development of related policies and financial management program goals
	Resource Management & Transformation Office			6	Program Analyst	Serve as a senior analyst/advisor to management concerning complex management and program processes and systems.
CIO	Salaries and Expenses			33	IT Specialist	Serve as technical experts for the development, implementation, management, and support of IT systems and networks
				11	Mgmt and Program Analyst	Analyze and propose ways to improve the organization's structure, efficiency, and productivity in a variety of disciplines such as human resources, budget, administration, or procurement.
				5	Program Manager	Accountable for the leadership, planning, education, staffing, measurement, communication, and coordination related to all functions of the program.
				6	Program Specialist	Develop and implement programs and interpret the program's policies and procedures
	Information Technology Services			23	IT Specialist	Serve as technical experts for the development, implementation, management, and support of IT systems and networks
				8	Mgmt and Program Analyst	Analyze and propose ways to improve the organization's structure, efficiency, and productivity in a variety of disciplines

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
						such as human resources, budget, administration, or procurement.
				4	Program Manager	Accountable for the leadership, planning, education, staffing, measurement, communication, and coordination related to all functions of the program.
				4	Program Specialist	Develop and implement programs and interpret the program's policies and procedures
	Infrastructure and Security Activities			6	IT Specialist	Serve as technical experts for the development, implementation, management, and support of IT systems and networks
				1	Mgmt and Program Analyst	Analyze and propose ways to improve the organization's structure, efficiency, and productivity in a variety of disciplines such as human resources, budget, administration, or procurement.
				2	Program Manager	Accountable for the leadership, planning, education, staffing, measurement, communication, and coordination related to all functions of the program
				2	Program Specialist	Develop and implement programs and interpret the program's policies and procedures
	National Security Systems			1	Mgmt and Program Analyst	Analyze and propose ways to improve the organization's structure, efficiency, and productivity in a variety of disciplines such as human resources, budget, administration, or procurement.

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
OSEM	Office of Policy	1			Business Information Manager	The incumbent will serve as the Office of Policy's Business Information Manager, responsible for the performance, integrity and security of the Office of Policy information management program to include, databases and web content. Develops the procurement, supply and distribution of information for the Office of Policy in support of its needs and objectives. Services provided include internal and external electronic information, especially online databases and internet resources, as well as traditional library materials. Regularly reviews and updates digital information of various media types for Policy's various pages on the intranet (the new Connect), internet (dhs.gov), related extranet sites (HSIN, Continuity of Operations (COOP)), cross-agency sites and social media platforms.
		1			Supervisory Policy Analyst	The incumbent is responsible for conducting complex analysis and measurement of policies and programs to determine their effectiveness and impact on the Department's strategic objectives and mission accomplishment including the Quadrennial Homeland Security Review, and outlining long-term (ten to twenty year) objectives and challenges facing the changing homeland security environment.
		2			Policy Analyst	The incumbent conducts strategic planning, special initiatives, and policy analyses and development to enhance Federal preparedness programs and to strengthen national preparedness. This is a developmental position established to assist senior analysts in any of the Office of Policy subordinate organizations by performing research and analysis of homeland policy issues involved in policy development, strategic planning, international affairs or

Approps	Office	FTE Enhancements		Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements DHS Balanced Workforce		
					other assigned programs areas.
		1		Correspondence Analyst	The incumbent is responsible for planning, and carrying out daily responsibilities; addressing backlogs; resolving all but the most difficult problems, coordinating work with others as necessary, and interpreting policies on own initiative. The incumbent keeps the Supervisory Correspondence Analyst informed of potentially controversial matters/ or other types of problems and offers constructive solutions to problems that surface within the incumbent's area of responsibility.
	Office for Civil Rights and Civil Liberties	1		Supervisory Final Agency Decision Analyst	Provides complaint adjudication guidance and leadership to analyst
		1		Senior Equal Employment Opportunity Manager	Responsible for managing the Department-wide model Equal Employment Opportunity program
		2		Equal Employment Opportunity Alternative Dispute Resolution (ADR) Analyst	Coordinates and reports on activities of component Equal Employment Opportunity Alternative Dispute Resolution Managers
		1		Freedom Of Info Act Specialist	Handle all Freedom of Info Act requests
		1		Office Manager	Responsible for maintaining day to day operations of the office.
		1		Program Specialist - Equal Employment Opportunity	Provide program support to the Civil Rights and Civil Liberties' Equal Employment Opportunity and Diversity Unit
		1		Program Specialist - Programs & Compliance	Provide program support to the CRCL Program and Compliance Unit

Approps	Office	FTE Enhancements		Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements		
				Policy Advisor - Review & Compliance	Focus on traveler screening and passenger redress issues
		1		Supervisory Management and Program Analyst - Civil Liberties Impact Assessment	Acting as team lead for the development of Civil Liberties Impact Assessments
		2		Policy Advisor - Immigration	Advise the Department and Civil Rights and Civil Liberties on Immigration matters
		2		Program Analyst - Civil Liberties Institute	Provides Civil Rights and Civil Liberties advise and training
			2	Intelligence Analyst	Total assist with the review of intelligence products
			4	Program Analyst - Civil Liberties Institute	Program Training Support for the Civil Rights and Civil Liberties' Civil Liberties Institute
	Office of the Executive Secretary		2	Program Manager	Manage all aspects of the execution of the Department-wide Efficiency Review program, including design, development, and implementation of the Department's efficiency initiatives through coordination with representatives and leadership of all DHS components. Monitor ongoing initiatives, identify and resolve problems, and report progress to senior DHS leadership.
			0.5	Program Support Specialist	Provide administrative and analytical support for the execution of Department-wide efficiency initiatives.
	Office of Intergovernmental Affairs		1	Chief of Staff	With IGA growing in FY2011 and onboarding an additional 10 FTEs a Chief of Staff will be essential in IGA's daily office operations. The Chief of Staff will be responsible for managing IGA's budget, human capital needs (hiring, performance evaluations, etc.), facilities, and will be responsible for providing support to the Assistant Secretary and Deputy Assistant Secretary with daily operations and needs of an office expecting to grow to 27 FTEs.

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
			1		Executive Secretariat	With IGA being placed in the Secretary's Office in FY2010 IGA has had an increase in tasking requirements from within DHS, other federal agencies, Congress, and external entities. The Executive Secretariat will manage, consolidate, and track all correspondence and tasking response for IGA. This position requires knowledge and expertise on DHS state, local, tribal, and territorial activities within DHS.
			1		State and Local Coordinator	The State Coordinator will be responsible for working with 4-5 states and working with the State Homeland Security Advisor, the Governor's Office, and other State homeland security officials. Additionally, the coordinator will be assigned 2-3 DHS components to liaison with and ensure coordination with any state, local, tribal or territorial efforts within those components are made transparent and with these constituents in mind.
			2		Two Local Affairs Coordinator	The Local Coordinators will be with the major urban areas and their elected and appointed officials on homeland security issues. The Coordinators will be responsible for knowing the major homeland security issues to their areas of responsibility and also understanding the political issues that are at the forefront of those geographical areas.
			2		Tribal Coordinators	There are 564 federally recognized tribes within the United States. The two tribal coordinators will report to the IGA Tribal Liaison and will work with all federally recognized tribes on homeland security issues. Additionally, the tribal coordinators will be responsible for working with the IGA coordinators and the DHS components Tribal points of contact to ensure tribal issues are being addressed in DHS policy making and implementation and that tribal needs are

Approps	Office	FTE Enhancements			Job Title	Job Description
		FY10 Annualizations	FY11 Enhancements	DHS Balanced Workforce		
			1		Public Engagement Assistant	This position will support the Public Engagement Director and help to ensure consistent messaging to State, local, tribal, and territorial issues on Department policies and initiatives. Additionally, this person will assist in managing IGA's external and internal website to ensure up-to-date information is being placed on the website as well as contact database. This position will also assist with compiling IGA's weekly report to the Secretary and establishing an IGA newsletter to its stakeholders.
			2		Administrative Support Personnel	These positions will support IGA leadership and staff on general administrative tasks, travel, purchase orders and other administrative office functions.
	Privacy Office		2		Privacy Program Analyst/Training	Provide training in support of Fusion Centers for Intelligence and Analysis employees and support the efforts of Fusion Centers to provide training to state and local employees; and continue to provide privacy education and outreach across the Department.
			2		Privacy Program Analyst	Provide high-level review of all Office of Intelligence and Analysis intelligence products that contain personally identifiable information of U.S. Persons or individuals in the United States, in accordance with the Secretary's instructions in 2009.
	<b>Total</b>	126	97.5	287		

\* The Office of the Chief Procurement Officer revised the anticipated number of FTE onboarding in FY2011 from 150 FTE to 75 FTE. This accounts for the difference between the 586 requested in the FY2011 Congressional Justification, and the 511 detailed in the table above.

**Clear Funding for Unbudgeted Items**

**Question:** Please specifically explain where funds (estimated at \$15.5 million) will be taken from to support the costs of the 181 Border Patrol agents proposed to be eliminated/reduced in the original FY11 budget request. Also, please specifically explain where funds to support the FY11 costs of the NBAF (estimated at \$40 million) will be taken. The answers to both of these questions should be specific and should not allude to some future, undefined reprogramming.

**Answer:** CBP will realign travel funding from across CBP to restore the \$15.5 million needed to fund the 181 Border Patrol agents. This table represents the travel funding attributed to each PPA.

PPA	[\$000s]
Headquarters Management and Administration at the Ports of Entry	(959)
Headquarters Management and Administration between the Ports of Entry	(959)
Inspections, Trade, and Travel Facilitation at the Ports of Entry	(2,306)
International Cargo Screening	(1,007)
Other International Programs	(61)
C-TPAT	(1,102)
Trusted Traveler Program	(22)
Inspections and Detection Technology	(60)
Systems for Targeting	(83)
National Targeting Center	(138)
Training at the Ports of Entry	(820)
Border Security and Control between the Ports of Entry	(6,898)
Training Between the Ports of Entry	(930)
Air and Marine Operations Salaries	(178)
<b>Total</b>	<b>(15,523)</b>

With regards to NBAF: The Science and Technology Directorate (S&T) plans to submit a reprogramming for an estimated \$40 million dollars in FY 2011 for construction of the central utility plant for the National Bio and Agro-Defense Facility. This reprogramming will come from S&T's prior year unobligated balances. The tables below show the balance of S&T's prior year unobligated funds as of February 18, 2010. The reprogramming will most likely come from the FY 2007 through 2009 balances not currently committed to a contracting action. The Department will determine the exact distribution at the time of the reprogramming.

Summary of S&T Unobligated Prior Year Balances As of February 18, 2010			
	Unobligated		Total
	Commitments	Uncommitted	Unobligated
FY 2003	0	1,409,687	1,409,687
FY 2004	186,998	1,490,044	1,677,042
FY 2005	799,342	5,359,983	6,159,324
FY 2006	809,706	6,058,582	6,868,289
<b>Total FY 2003-2006</b>	<b>1,796,046</b>	<b>14,318,296</b>	<b>16,114,343</b>
Prior Year Funding for Contract Closeout**			-8,000,000
Rescission of prior year funds from FY 2010 Approps			-6,944,000
Remaining			1,170,343

\*\*Less than .2% of total prior year obligations to cover unexpected costs/expenditures from contract closeout (a little in each year based on outstanding contracts)

## Science and Technology Directorate Projected Obligations

	Enacted	Unobligated		Total	Percent
		Commitments	Uncommitted	Unobligated	Obligated
<b>FY 2007</b>					
Borders and Maritime	33,436,000	0	22,650	22,650	99.9%
Chemical and Biological	312,851,416	2,361,482	2,602,840	4,964,322	98.4%
Command, Control & Interoperability	62,617,585	0	407,893	407,893	99.3%
Explosives	110,338,224	114,757	1,562,113	1,676,870	98.5%
Human Factors	6,800,501	0	63,121	63,121	99.1%
Infrastructure and Geophysical	74,781,213	0	663,573	663,573	99.1%
Innovation	38,000,000	0	309,168	309,168	99.2%
Laboratory Facilities	105,935,537	77,523	1,728,716	1,806,239	98.3%
T&E/Standards	25,431,868	0	9,041	9,041	100.0%
Transition	24,039,516	0	532,172	532,172	97.8%
University Programs	48,575,000	0	745,939	745,939	98.5%
<b>Overall Total</b>	<b>842,806,860</b>	<b>2,553,762</b>	<b>8,647,226</b>	<b>11,200,989</b>	<b>98.7%</b>

	Enacted	Unobligated		Total	Percent
		Commitments	Uncommitted	Unobligated	Obligated
<b>FY 2008</b>					
Borders and Maritime	25,478,998	0	15,499	15,499	99.9%
Chemical and Biological	208,019,996	140,354	663,849	804,203	99.6%
Command, Control & Interoperability	56,979,996	37,280	181,423	218,703	99.6%
Explosives	77,653,998	941,173	1,879,300	2,820,473	96.4%
Human Factors	14,206,001	0	42,968	42,968	99.7%
Infrastructure and Geophysical	64,500,069	246,626	556,528	803,154	98.8%
Innovation	33,000,000	49,526	0	49,526	99.8%
Laboratory Facilities	103,484,905	6,350,150	4,389,110	10,739,260	89.6%
T&E/Standards	28,519,999	2,000	141,425	143,425	99.5%
Transition	30,264,995	1,003,652	1,247,118	2,250,770	92.6%
University Programs	49,296,748	2,500,000	1,702,074	4,202,074	91.5%
<b>Overall Total</b>	<b>691,405,705</b>	<b>11,270,762</b>	<b>10,819,294</b>	<b>22,090,055</b>	<b>96.8%</b>

	Enacted	Unobligated		Total	Percent
		Commitments	Uncommitted	Unobligated	Obligated
<b>FY 2009</b>					
Borders and Maritime	33,049,999	125,942	83,625	209,568	99.4%
Chemical and Biological	200,379,390	16,674,042	11,392,812	28,066,854	86.0%
Command, Control & Interoperability	74,889,820	650,181	87,899	738,080	99.0%
Explosives	96,149,148	6,926,851	3,964,409	10,891,260	88.7%
Human Factors	12,459,999	564,000	189,165	753,165	94.0%
Infrastructure and Geophysical	75,816,500	5,784,911	3,343,070	9,127,981	88.0%
Innovation	33,000,001	544,399	416,404	960,803	97.1%
Laboratory Facilities	161,896,247	2,136,769	7,267,293	9,404,062	94.2%
T&E/Standards	28,674,001	314,432	339,440	653,872	97.7%
Transition	28,831,130	2,921,255	9,271,766	12,193,021	57.7%
University Programs	50,270,000	7,425,047	1,888,904	9,313,951	81.5%
Homeland Security Institute	5,000,000	0	0	0	100.0%
<b>Overall Total</b>	<b>800,416,235</b>	<b>44,067,830</b>	<b>38,244,788</b>	<b>82,312,618</b>	<b>89.7%</b>

	Enacted	Unobligated		Total	Percent
		Commitments	Uncommitted	Unobligated	Obligated
<b>FY 2007-2009</b>					
Borders and Maritime	91,964,997	125,942	121,774	247,717	99.7%
Chemical and Biological	721,250,802	19,175,878	14,659,502	33,835,380	95.3%
Command, Control & Interoperability	194,487,401	687,461	677,215	1,364,676	99.3%
Explosives	284,141,370	7,982,781	7,405,822	15,388,603	94.6%
Human Factors	33,466,501	564,000	295,254	859,254	97.4%
Infrastructure and Geophysical	215,097,782	6,031,537	4,563,171	10,594,708	95.1%
Innovation	104,000,001	593,925	725,572	1,319,497	98.7%
Laboratory Facilities	371,316,689	8,564,442	13,385,118	21,949,561	94.1%
T&E/Standards	82,625,868	316,432	489,906	806,338	99.0%
Transition	83,135,641	3,924,908	11,051,056	14,975,964	82.0%
University Programs	148,141,748	9,925,047	4,336,918	14,261,965	90.4%
Homeland Security Institute	5,000,000	0	0	0	100.0%
<b>Overall Total</b>	<b>2,334,628,800</b>	<b>57,892,354</b>	<b>57,711,308</b>	<b>115,603,662</b>	<b>95.0%</b>

QUESTIONS FOR THE RECORD SUBMITTED BY

**THE HONORABLE** *Ciro D. Rodriguez*

**Secretary Janet Napolitano**  
Budget Hearing  
2/25/2010

**Funding for additional CBPOs**

**Question:** I applaud your request for increases for journeyman pay and you emphasis on Cyber security among other aspects of your request. However, your budget asks for only 318 additional Customs and Border Protection Officers and 71 support positions. Your own data tells us that only 28 percent of "major violators" attempting to enter the U.S. at the ports of entry are detected and apprehended. We rely on the CBP Officers to use their skills and instincts to identify the bad guys. You are routinely working them on double shifts, which naturally can dull their instincts and produce fewer results.

Studies done by the Texas Border Coalition, the Government Accountability Office (GAO), the National Treasury Employees and others, show that we need about 5,000 more CPBOs to properly staff the land ports of entry, not just the 300 you propose. We just opened a new port of entry at Anzalduas and we have others in Donna and El Paso county coming on line in the next few years. As the rate in your budget, we won't be properly staffed until 2028.

The Department along with this subcommittee has done a good job staffing the Border Patrol at 20,000 officers. When does the department plan to demonstrate similar resolve for staffing the ports of entry -- where the cartels are targeting their attack on the United States?

**ANSWER:** Since FY 2006, CBP has increased Customs and Border Protection Officer (CBPO) staffing by 19 percent -- from 17,859 CBPOs in FY 2006 to 21,294 CBPOs in FY 2009. Along the southwest border, where the drug cartels are most active, CBP has also increased Officer staffing levels by 19 percent -- from 4,760 CBPOs in FY 2006 to 5,660 CBPOs in FY 2009.

**Housing for Agents**

**Question:** Madame Secretary, like you know very well that the majority of our borders are rural and remote, both in the southern and northern borders. I have nearly 800 miles of border with Mexico with a significant CBP footprint: 3 border patrol sectors, 17 stations, and 7 ports/crossings. Many of the 20,000 border agents we hired are deployed into my district. For example, the tiny community of Sanderson, TX just a few years ago had a small 2 room station that housed 5 agents. Now, the Sanderson station boasts a \$5 million, 16,000 sq ft station that houses about 30 agents. That's the case in many small border communities.

With this tremendous growth of agents; where are they all going to live? I was going through Sanderson and stopped to meet with constituents at a little café. The café owner told me she had 2 border patrol families living in her home (agent, wife and kids), because there is no housing in Sanderson. Most agents have several hour commutes to and from the station because of lack of adequate housing in these rural areas. And just like most rural and remote regions, you have to often drive a couple hours to see a doctor, or to go to the supermarket.

My question is: what is the Departments plan to ensure that there is adequate housing for its agents and officers in order to ensure a solid quality of life for agents and their families.

**ANSWER:** CBP is committed to providing adequate housing for agents, officers and their families through the CBP Housing Program.

The FY 2008 and FY 2009 Construction Appropriations provided approximately \$40 million for CBP Housing, which will be utilized for the construction of 118 new, replacement, and emergency relief housing units.

The CBP Housing Program's current construction initiatives are as follows:

- Ajo, Arizona: Provide 24 new housing units to accommodate current and additional OBP and OFO personnel.
- Piegan, Montana: Provide 16 new housing units to accommodate additional OBP and OFO personnel.
- Presidio, Texas: Provide 26 new housing units and 44 mobile homes to accommodate current and additional OBP and OFO personnel.
- Big Bend, Texas: Provide 8 new housing units to accommodate Border Patrol agents who will staff the joint centralized law enforcement center at Big Bend National Park.

CBP selected these 118 projects for near-term execution because the operational staffing requirements at their sites have resulted in the most critical housing shortfalls.

#### **Termination of FLAP**

**Question:** Since its implementation in 1997, the Foreign Language Awards Program (FLAP) has been instrumental in identifying and utilizing Customs and Border Protection (CBP) employees who are proficient in a foreign language, a skill especially important in their role of dealing directly with foreign travelers and trade. Under the program, which incorporates more than two dozen languages, CBP Officers and Agriculture Specialists who qualify after language proficiency testing can earn awards of between 1 and 5 percent of their pay if they use a language other than English for more than 10 percent of the time during their daily duties. Thousands of frontline CBP employees use their language skills in this way every day.

CBP employees' foreign language skills enhance the agency's important homeland security and trade-related missions. Rewarding employees for using their language skills to protect our country, facilitate the lawful movement of people and cargo across our borders, and collect revenue that our government needs makes sense. Congress agreed that employees should be encouraged to develop their language skills by authoring FLAP. Not only does it improve efficiency of operations, it makes the U.S. a more welcoming place when foreign travelers find CBP Officers can communicate in their language.

At CBP, this program has been an unqualified success, and not just for employees but for the travelers who are aided by having someone at a port of entry who speaks their language, for the smooth functioning of the agency's security mission. For these reasons I am quite concerned that the FY 2011 DHS budget proposed to eliminate this Congressionally-authorized program, and was further surprised to learn that, on February 4, 2010, CBP notified its employees that it was immediately suspending this program citing lack of FY 2010 funding.

- Why was this program immediately suspended? Has not foreign language proficiency by CBP frontline employees benefited the traveling public and enhanced CBP's security mission? What budget planning went into this decision to immediately suspend and eliminate FLAP at CBP?
- FLAP has a dedicated funding source—customs user fees collected from the traveling public and the trade community. How will customs user fees that formerly funded FLAP now be

distributed? For what programs will these user fees be used? And is this customs user fee diversion supported by statute?

**Answer:** CBP Officers and Agriculture Specialists hired since June 2004 and initially assigned to the southern border, Puerto Rico and Miami have a mandatory Spanish proficiency requirement as a condition of employment and are expected to utilize that skill, as needed, in the performance of their duties. Officers and Agriculture Specialist lacking sufficient proficiency in Spanish are provided five additional weeks of language training. Managers will continue to encourage all employees to utilize their language skills to accomplish the CBP's mission, and will use other traditional awards to appropriately recognize and reward employees.

With regards to how those customs user fees are distributed: FLAP awards are funded through customs, immigration, and agriculture user fees. Due to a substantial reduction of airline travel and commercial conveyances entering the United States in recent years, there has been a substantial decline in fee revenues. The customs user fees currently support approximately \$10.2 million of the FLAP program. This funding will be redirected towards other requirements and will allow CBP to more fully fund overtime and premium pay.

QUESTIONS FOR THE RECORD SUBMITTED BY

**THE HONORABLE ALAN B. MOLLOHAN**

**DHS Secretary Janet Napolitano  
DHS FY2011 BUDGET REQUEST**

**Interagency Coordination**

**Question:** The actions of DHS can often initiate a domino effect of government agency actions. How is DHS working with the Department of Justice (DOJ) to coordinate budget requests—understanding that the more effectively DHS agencies do their job, the greater the budgetary impact on DOJ and its components?

**ANSWER:** ICE management coordinates with DOJ from both civil and criminal perspectives. Regarding civil enforcement, ICE provided DOJ's Executive Office for Immigration Review (EOIR) with projections of increased criminal alien cases resulting from new ICE initiatives, which EOIR was able to use as part of its Fiscal Year (FY) 2010 budget proposals for an increase in the number of immigration judges. ICE is already taking steps to coordinate its future forecasts of workflow with EOIR. To formalize the ongoing partnership, ICE established an Interagency Working Group (IWG) in the summer of 2009 encompassing the entire life cycle from the Notice to Appear stage to the Final Order stage. The IWG monitors and provides interagency coordination for the following initiatives:

- Optimization of Alternatives to Detention (ATD)
- Use of stipulated removals and deferred enforcement
- Alignment of funding between DOJ and DHS
- Collaboration between USCIS and EOIR
- Efforts to enhance EOIR docket efficiency

The IWG is reviewing goals and objectives related to each initiative cited above and ensures consensus in terms of roles and responsibilities, resolution and documentation of any issues, and collaborative decision-making and communication. An executive committee, consisting of principals from DOJ, ICE and CIS will be convened as needed to facilitate approvals or achieve consensus.

The IWG was established as a result of the interagency sessions held in July 2009. The IWG charter is currently being reviewed by the participating agencies with an expected 'stand-up' date of early 2010.

Regarding criminal enforcement, ICE recommends that we and our DOJ partners continue to examine all of our enforcement-related activities in a way that accounts for resources such as Agents, Inspectors, Officers, professional support staff, Assistant U.S. attorneys, and Deputy U.S. Marshals in addition to the facilities and infrastructure needed to support them.

**National Protection and Programs Directorate and the Office of Infrastructure Protection**

**Question:** The President's FY2011 Budget proposes a significant reduction in funding to the National Protection and Programs Directorate (NPPD) and the Office of Infrastructure Protection (OIP).

Explain in detail the Department's reasons for proposing to cut funding to these important programs.

**ANSWER:** The National Protection and Programs Directorate (NPPD) FY 2011 request is over \$2.3 billion. Funding decreases were proposed to remove the earmarks from the FY 2010 enacted budget; eliminate one-time data-center migration costs; realize program efficiencies gained through contractor conversions and contracting actions; and shift funding to higher priority programs.

The Infrastructure Protection (IP) budget request proposed reductions to the National Infrastructure Protection Plan (NIPP) because, as the critical infrastructure and key resources sectors have matured, they have completed plan development. Moreover, despite modest proposed reductions, the FY 2011 request supports the sustainment of the current sector partnerships and information sharing processes, and IP will continue to perform vulnerability assessments in FY 2011 based on the highest-priority requirements.

#### **Vulnerability Assessments**

**Question:** As our nation is continually confronted with advanced and ever-evolving threats, it is imperative that our state and local governments, as well as the private sector are trained in risk reduction and mitigation. The vulnerability assessments completed by the Office of Infrastructure Protection help to contribute to state and local training efforts. The President's FY2011 Budget proposes to eliminate 175 vulnerability assessments.

Explain in detail the Department's reasons for proposing to eliminate 175 vulnerability assessments.

**ANSWER:** The Department of Homeland Security (DHS) is requesting \$22.763 million in FY 2011 to support vulnerability assessment activities, which support the continuation of approximately 275 nationally significant assessments. Of the proposed funding reduction, \$1.2 million is attributable to efficiencies realized by the discontinuation of the Argonne National Laboratory's Linking Encrypted Network System (LENS), predicated on the creation of the Joint Technology Laboratory that will manage and store the data currently in LENS.

#### **Office of Bombing Prevention**

**Question:** According to the recent testimony of our Nation's most senior intelligence experts, the U.S. is facing an almost certain threat of terrorist activity within the next 6 months. Given that improvised explosive devices (IED) are one of the most common instruments used by terrorists to carry out an attack, why has DHS requested to decrease funding for the Office of Bombing Prevention – the DHS office charged with deterring, detecting, preventing, and responding to terrorist improvised explosive device (IED) threats?

In light of this decrease in funding, how can we be assured that the OBP is getting all the support it needs to do its job and keep our nation safe?

What is DHS doing to support the work of this Office?

**ANSWER:** The FY 2011 Budget Request for Bombing Prevention is \$14.636 million dollars. While this is represents a modest reduction of \$132,000 from the FY 2010 enacted funding, the funding requested supports the Office's core homeland security responsibilities, including strategic coordination, capabilities analysis, and information sharing.

With regards to the assurance that OBP is getting the support it needs: Under the FY 2011 request, the Office for Bombing Prevention (OBP) will be able to perform its core mission and carry out the actions assigned to OBP in the Homeland Security Presidential Directive 19 Implementation Plan.

DHS fully appreciates the importance of the OBP and will continue to ensure it has adequate financial resources to conduct its mission activities to detect, prevent, protect and respond to the terrorist use of explosives.

**Homeland Security Presidential Directive 19**

**Question:** Homeland Security Presidential Directive 19 mandated the development of a national strategy and implementation plan, on preventing, detecting and responding to the terrorist use of explosives in the United States.

Provide an update of DHS's work in this area. Explain how DHS coordinates with the Department of Justice in this area?

**ANSWER:** Homeland Security Presidential Directive (HSPD) 19 established a national policy and called for the development of a comprehensive report assessing the nation's capabilities to deter, prevent, detect, protect against and respond to the threat of terrorist use of explosives in the United States.

HSPD-19 required the Department of Justice (DOJ) to lead the development of this report to the President. The Office for Bombing Prevention (OBP), serving as the DHS lead, worked closely with DOJ to draft the report to the President, which outlines 35 recommendations, developed with interagency concurrence, to execute the National Strategy to Combat Terrorist Use of Explosives in the United States.

HSPD-19 also required the Attorney General to develop a plan to implement the report's recommendations. The Federal Bureau of Investigation as lead, and OBP as co-lead, worked with Homeland Security Council staff and other interagency partners to draft the HSPD-19 Implementation Plan, which outlines the specific tasks and actions required to execute the recommendations in the report. These tasks and actions fill identified priority gaps to improve overall capabilities, especially for state and local partners, in the domestic counter-Improvised Explosive Device (C-IED) mission. The Implementation Plan was signed by the Attorney General and provided to the Homeland Security Council on January 16, 2009.

DOJ stood up the Joint Program Office for Combating Terrorist Use of Explosives (JPO), which includes the participation of DHS' OBP, National Protection and Programs Directorate, Transportation Security Administration, and Science and Technology Directorate, in April 2009. As called for in the HSPD-19 Implementation Plan, the JPO tracks HSPD-19 implementation and serves as a source of expertise and coordination on explosives-related policy and programs in the United States. OBP leads departmental efforts in the JPO and provides the Deputy Director position.

QUESTIONS FOR THE RECORD SUBMITTED BY

**THE HONORABLE NITA M. LOWEY**

**Secretary Janet Napolitano**  
FY11 Budget for DHS

**Interoperability Grants**

**Question:** Congress provided \$50 million in FY10 for Interoperable Emergency Communications Grants. Given its importance to our first responders, why does the FY11 request zero out funding for this program?

**ANSWER:** In the FY 2011 Budget Request, FEMA rolled the funding for Interoperable Emergency Communications Grants projects (IECGP) into the Urban Area Security Initiative (UASI) and State Homeland Security Program (SHSP) in order to realize administrative efficiencies and to provide maximum flexibility for grantees. The authorizing language for UASI and SHSP provides that grant funds may be used for interoperable emergency communications. There are significant costs associated with the administration of multiple grant programs, at the federal level as well as the state and local level. By consolidating programs, grantees can fund larger initiatives, shift funds to meet current priorities, and reduce application and grant reporting burdens.

**Stimulus Spending/Advanced Imaging Technology**

**Question:** Politico recently reported that not one of the AIT devices purchased utilizing ARRA funding has yet to be deployed. What is the timeframe for deploying this technology at our busiest airports, including Kennedy and LaGuardia in New York?

Given the apparent struggle to spend \$25 million in ARRA funds for AIT devices, what assurances can you give this Committee that you can quickly and effectively spend the increased funding level being proposed by the President to deploy nearly 1,000 AIT machines across the country?

**ANSWER:** American Recovery and Reinvestment Act (ARRA)-funded Advanced Imaging Technology (AIT) units were installed the first week of March at Boston Logan International and Chicago O'Hare International airports. Based on security and operational needs, the Transportation Security Administration (TSA) plans to deploy additional ARRA-funded AIT units to the following airports by summer 2010:

Fort Lauderdale-Hollywood International (FLL)  
Cincinnati/Northern Kentucky International (CVG)  
Mineta San José International (SJC)  
Los Angeles International (LAX)  
Port Columbus International (CMH)  
Oakland International (OAK)  
San Diego International (SAN)  
Kansas City International (MCI)  
Charlotte Douglas International (CLT)

In total, TSA plans to deploy 490 AIT units in 2010 to airports across the country, including John F. Kennedy International Airport and LaGuardia Airport.

With regards to the assurance DHS can give that we can quickly and effectively spend the increased funding level: Following the attempted terrorist attack on Northwest Flight 253 on December 25, 2009, DHS accelerated the deployment of Advanced Imaging Technology (AIT) units to airports across the country. On March 5<sup>th</sup>, I announced the first 11 airports to receive AIT units purchased with ARRA funds – listed above – and committed to deploying all of these units by this summer. TSA plans to deploy a total of 490 AIT units in 2010 and has requested funding for an additional 500 units in the Administration's FY 2011 Budget. Production, procurement, testing and implementation schedules are being closely monitored to ensure that AIT project deployment targets are achieved for both FY 2010 and FY 2011.

While we are deploying these units as quickly as possible, we are also bound by the physical footprints at our Nation's airports. Before AIT units can be deployed, TSA has to consider critical factors such as airport readiness, checkpoint infrastructure and privacy protections, including the construction of a separate, remotely-located room for viewing to ensure passenger privacy.

#### **Coast Guard**

**Question:** Given the constant threat faced in the New York region and the presence of numerous waterways and water-accessible landmarks, how can you justify eliminating the key Maritime Safety and Security units currently based in the New York City region?

**ANSWER:** The New York Coast Guard Sector has one of the largest concentrations of Coast Guard units, boats, and people in the country with more than 700 personnel and 35 vessels, and is well equipped and prepared to protect the state's waterways and maritime borders. In fact, during 2009, the New York Maritime Safety and Security Team (MSST) spent a significant portion of its time deployed in other locations around the country. Accordingly, to make the most of current operating capabilities, the FY 2011 Budget Request transitions the MSSTs to a regional model, enabling the Coast Guard to rapidly deploy teams of skilled professionals to ports and operating areas across the country based on risk and threats as needed.

#### **Intelligence Sharing and Coordination**

**Question:** I am deeply concerned about the breakdown in intelligence sharing during the attempted Christmas Day attack and appalled the counter terrorism community failed to piece together the various intelligence in U.S. agencies that would have allowed Mr. Abdulmutallab to be watchlisted. How are DHS, the State Department, and the Intelligence Community coordinating? What is being done to fill the gaps and prevent another attack from happening again?

**ANSWER:** DHS, the Department of State (DOS), and other members of the Intelligence Community (IC) are coordinating closely on national security issues. DHS and DOS meet frequently and have established robust information sharing mechanisms, such as the placement of U.S. Immigration and Customs Enforcement Visa Security Program operations at 14 diplomatic posts in 12 countries. Additionally, DHS Office of Intelligence and Analysis (I&A) analysts – in partnership with the National Counterterrorism Center (NCTC), the Federal Bureau of Investigation, and DOS – regularly collaborate to address threats to the homeland. I&A works regularly with DHS components and IC partners to ensure that national-level intelligence information and current threat streams are shared and that DHS components can adjust operations to respond to evolving threats.

With regards to what is being done to fill the gaps: DHS is working with its interagency partners to bolster aviation security. DHS continues to support the Intelligence Community's (IC) efforts to re-evaluate and modify the criteria and processes used to create watch lists and improve information sharing. At the same time, DHS is improving its own coordination with the intelligence community to ensure we're providing frontline law enforcement personnel with the information they need to prevent and mitigate threats. I&A works closely with the NCTC, and DHS components work with and through I&A to ensure close coordination with the IC.

Shortly after the attempted attack on December 25, 2009, I&A institutionalized a distinct contingent of I&A analysts and DHS operational component representatives to address emerging homeland threats and support investigations. This contingent facilitates DHS analysis in identifying and assessing homeland security threats; informs DHS leadership decision making; and ensures that intelligence supports and informs component operations in the field.

#### **Haiti**

**Question:** DHS has been playing a critical role in the relief effort in Haiti, and I commend the immediate action you took to grant humanitarian parole to Haitian orphans and those needing critical medical care and granting temporary protected status (TPS) to Haitians in the U.S.

What is DHS doing to ensure visa processing for Haitians who have applied for legal permanent residency and already in the system? Will there be an expedited process?

**ANSWER:** The visa petitions that are approved are sent to the National Visa Center at DOS to determine visa availability and, if applicable, for further processing. We respectfully refer you to DOS for information on their efforts with respect to Haitian Visa processing.

USCIS is doing everything it can to adjudicate pending Haitian-related applications as quickly as possible.

#### **Nonprofit Security Grant Program**

**Question:** In FY10, \$19 million was provided through the Urban Area Security Initiative (UASI) for the Nonprofit Security Grant Program for target hardening at nonprofit locations. This is particularly important in as diverse an area as New York, where numerous synagogues, churches and mosques are located throughout the region. In fact, in May 2009, 4 men were arrested for a plot to bomb two synagogues in Riverdale, NY, just outside of my district.

In light of the proposed funding cut to this program, what additional steps is the Department taking to assist nonprofits and religious institutions across the New York area and the nation that face the constant threat of terrorism or hate-related activity aimed at their institutions.

**ANSWER:** The FY 2011 Budget Request seeks to consolidate a number of grant programs, so that states, territories, and metropolitan areas have added flexibility to better establish their own priorities and apply DHS grant funding to areas where it addresses the most significant risks. All of the activities allowed under the Nonprofit Security Grant Program continue to be allowable under both SHSP and UASI. FEMA and DHS provide ongoing outreach to stakeholders (including nonprofits) throughout the year to ensure that they are familiar with the application process.

QUESTIONS FOR THE RECORD SUBMITTED BY

**THE HONORABLE SAM FARR**

**Secretary Janet Napolitano**

**Hometown Security and Gang Violence**

**Question:**

While all Americans are affected by a terrorist incident, DHS touches the day to day lives of more Americans because of the frequency of natural disasters. My district has been the site of 7 presidentially declared natural disasters. The largest wildfires in CA in 2008 occurred in my district. Last year there were 29 gang related homicides in my district. My district would like assistance from DHS to address the horrific gang violence problem.

How can local law enforcement officers in Monterey County get access to DHS intelligence resources and assets, like but not limited to Fusion Centers, to assist them in addressing the gang violence issue?

**ANSWER:** DHS and the FBI jointly recognize six fusion centers in California: California State Terrorism Threat Assessment Center (Mather, California), Central California Intelligence Center (McClellan, California), Joint Regional Intelligence Center (Los Angeles, California), Orange County Intelligence Assessment Center, Northern California Regional Intelligence Center (San Francisco, California), and the San Diego Law Enforcement Coordination Center.

Monterey County falls within the Area of Responsibility for the Northern California Regional Intelligence Center (NCRIC). The NCRIC has designated a Terrorism Liaison Officer assigned to Monterey County who serves as a liaison to the fusion center. NCRIC Director Ron Brooks is committed to supporting Monterey County in efforts to address the issue of gang violence and has offered the use of NCRIC analytic personnel to assist, as necessary, with gang violence in Salinas.

**Center for Homeland Defense and Security**

**Question:**

I am pleased that your FY11 budget recognizes the tremendous value the Center for Homeland Defense and Security provides to our nation's first responders and governors and mayors. Thank you for continuing your support of this important and innovative program.

The Center has just exceeded 500 alumni between its Masters and Executive Leaders programs. These are the professional "practioner-scholars" and leaders who serve in all homeland security disciplines at all levels of government. When you were Governor of Arizona, officials in your state were frequent participants in CHDS programs.

I believe that the Department has already and will continue to benefit from tapping into this incredible network of knowledge and practice.

- Please tell me how CHDS can have a greater impact on national Homeland Security issues?
- To leverage even more the investment DHS is making in CHDS, I request you task you staff to develop a process for incorporating the cutting edge research undertaken by these Masters' students into the Homeland Security Institute.

**ANSWER:** CHDS demonstrates the extraordinary level of research and analysis occurring in the homeland security arena, and CHDS' valuable output can be further leveraged to drive departmental policies.

With regards to your request: As the primary research and development arm of the Department, the Science and Technology Directorate is the clear choice to lead this process.

#### Cybersecurity

**Question:**

I have a unique team of DoD academic, operational and scientific agencies in my district, collectively called Team Monterey, that are successfully performing classified cybersecurity missions such as:

1. Supporting secure identity management for single agency use and for shared enterprise missions
2. Advising and assist on cyber policy, information security, and high assurance network matters
3. Testing and developing cybersecurity technologies and checklists
4. Providing means to guard against insider threats
5. Maintaining records of designated cybersecurity personnel
6. Identifying knowledge and skill requirements for cybersecurity personnel.

These Team Monterey entities have a Secure Operations Center and can leverage their respective information technology and business efficiency teams to address DHS cybersecurity needs.

- I request that you task staff to determine how these Team Monterey cybersecurity assets can further the cybersecurity mission of DHS.

**ANSWER:** The Department's Office of Cybersecurity and Communications regularly leverages its public, private, and academic sector partnerships to approach its cybersecurity mission in an efficient manner. As DHS further explores and expands its relationship with the Naval Postgraduate School and other academic institutions, there may emerge significant opportunities to build partnerships with Department of Defense assets – especially in the areas of secure identity management, information security and high-assurance network matters.

#### Southwest Border

**Question:** I know that through the Border Enforcement Security Task Forces program and others, DHS has developed good working relationships with other federal agencies like ATF and DEA, as well as with the Mexican government, and I am pleased to see your plans to continue these inter-agency cooperative efforts. However, I remain concerned that we are not doing enough to stem the violence on the Southwest Border. Your testimony mentions strengthening security efforts though infrastructure and technology on the Southwest Border, but does not provide specific examples.

Can you tell me more about DHS's plans disrupt cartel violence along the border?

How will DHS use these increased resources prevent the southbound flow of weapons and money?

How will DHS measure the success or failure of these new efforts?

**ANSWER:** The security of our southwest border remains a key priority for the Department, and the FY 2011 Budget Request strengthens investments in smart and effective border security initiatives. In the past year, DHS increased resources through additional law enforcement and technology along the border, and took a more collaborative and intelligence-based approach to combat smuggling.

As part of the Administration's Southwest Border Initiative, launched in 2009, DHS doubled assignments to Border Enforcement Security Task Forces, tripled the number of intelligence analysts, and quadrupled the number of Border Liaison Officers working at the border. Additionally, DHS started screening 100 percent of southbound rail shipments for illegal weapons and cash – for the first time ever. We have also increased resources at ports of entry, deploying additional Border Patrol agents to augment outbound inspections, technology to help identify anomalies in passenger vehicles, and cross-trained canine teams to detect both weapons and currency.

The Border Patrol is better staffed today than at any time in its 85-year history, having nearly doubled the number of agents from approximately 10,000 in 2004 to more than 20,000 in 2009. DHS has completed 643 miles of fencing of a planned 652 miles – including 344 miles of pedestrian fencing and 299 miles of vehicle fencing. As a result of these efforts, seizures of contraband – guns, drugs and cash- have increased across the board and illegal crossings continue to decline. Additionally, for the first time, DHS began screening 100% of southbound rail shipments for illegal weapons, drugs, and cash.

We also continue to leverage our partnerships with local, state, federal and tribal law enforcement agencies, as well as our counterparts in Mexico to mutually address threats and combat cartel violence. CBP is expanding cooperative law enforcement efforts along the border with Mexico to include sharing basic seizure and license plate reader information relevant to law enforcement, expanding joint bi-national operations and supporting Mexico's law enforcement capacity via the Merida initiative.

With regards to how will DHS use these increased resources: In 2008, ICE initiated Operation Armas Cruzadas – a comprehensive, collaborative, intelligence-driven and systematic partnership with the Government of Mexico to identify, disrupt and dismantle the criminal networks that illicitly transport arms across the border into Mexico. As part of this operation, DHS initiated a surge operation along the southwest border in an effort to identify, interdict and investigate weapons trafficking organizations. Additionally, in 2009, DHS began screening 100% of southbound rail shipments for illegal weapons, drugs and cash – for the first time.

Increased resources will also directly support CBP's outbound efforts by ensuring that trained CBP Officers and Border Patrol Agents are available to conduct outbound operations; that CBP possesses adequate outbound facilities, equipment and technology to conduct these operations; and that CBP Officers and Border Patrol Agents have the automated targeting assistance they need to identify violators.

In order to address the escalating violence in Mexico and to increase outbound operations throughout the United States, CBP created the Outbound Programs Division within the Office of Field Operations in March 2009. The Outbound Program works to stem the illegal flow of firearms and currency out of the United States; increase the interdictions of stolen vehicles and fugitives who are attempting to flee the country; and augment compliance with the Nation's export laws.

The deployment of outbound teams is both random and based on intelligence, which maximizes the impact of our resources. In FY 2011, CBP will continue to build on the current cooperative efforts with federal, state, local and tribal law enforcement agencies. This strategy, further supported by the development of port infrastructure, equipment and technology, will greatly enhance CBP's ability to target and interdict illicit currency and smuggled firearms.

Additionally, ICE is utilizing \$100 million in FY 2010 appropriations to augment existing capabilities and take on additional tasks in order to confront a surge in illegal activities on the southwest border. This funding allows ICE to deploy additional staff to provide a greater level of investigative activity.

With regards to how will DHS measure the success or failure of these new efforts: In 2009, CBP launched new initiatives and strengthened existing ones to meet our key responsibilities: securing our borders against terrorists and weapons of terror, stemming the flow of illegal immigrants, and encouraging the flow of lawful trade and travel. Part of our mission focus has been to increase cooperation, capabilities and information sharing among federal, state, tribal and local partners, as well as with our international partners.

In 2009, as a result of our heightened outbound security operations, seizures of contraband increased across the board; for example, CBP seized more than \$39.2 million in southbound currency – an increase of more than \$29.4 million compared to 2008.

#### Secure Communities

**Question:** This committee knows that I have been a strong advocate for DHS making the removal of criminal aliens a priority, and I am pleased to see that in the Secure Communities program, DHS has found a way to coordinate with state and local law enforcement without shifting the burden of enforcing federal immigration law.

How is DHS exercising effective oversight of the Secure Communities program to ensure there is no possibility for “over active” local law enforcement to abuse the program?

**ANSWER:** There are several inherent characteristics within ICE’s Secure Communities that limit the possibility of abuse by “over active” local law enforcement. First and foremost, the biometric identification technology is installed at booking locations, and used only after a person has been arrested for a crime. Local law enforcement agencies arrest and book individuals in compliance with state and local laws and statutes.

The Memorandum of Agreement between ICE and the states clearly states that “[u]se of IDENT/IAFIS for the purposes of racial and/or ethnic profiling or other activity in violation of the Fourth Amendment of the United States Constitution is not permitted and may result in the suspension of the local jurisdiction engaged in the improper activity. ICE reserves the right to take appropriate remedial action if necessary.” Additionally, prior to the deployment of biometric identification technology, ICE provides a briefing to state and local officials explaining ICE’s prioritized approach to criminal alien enforcement and its commitment to identify and remove the most dangerous criminal aliens from the community first.

Further, Secure Communities program management office looks for patterns that may indicate use of the biometric identification technology that is inconsistent with ICE policies. Moreover, Secure Communities has coordinated with the Department of Homeland Security (DHS) Office for Civil Rights and Civil Liberties (CRCL) to expand their existing complaint process to include Secure Communities and implement a mechanism where Secure Communities will be notified of complaints. Specifically, Secure Communities website at [http://www.ice.gov/secure\\_communities/complaint\\_process.htm](http://www.ice.gov/secure_communities/complaint_process.htm) announces as follows:

ICE is committed to ensuring that the biometric identification technology capability, known as IDENT/IAFIS Interoperability, is used appropriately to identify and remove dangerous criminal aliens. ICE encourages reporting of any allegations of racial profiling, due process violations, or other violations of civil rights or civil liberties related to the use of IDENT/IAFIS Interoperability. All complaints should be filed with the DHS CRCL, on the CRCL complaint intake website.

**Terrorism and Gang Violence**

**Question:** We can, and should invest in programs that “disrupt dismantle and defeat terrorist networks”, but I am not convinced this is as comprehensive an objective as we need to win because it doesn't include how we deal with the root societal and psychological causes of terrorism.

Does the FY11 budget request invest in programs that try to understand and address what motivates human beings to become members of violent groups whether they are terrorists or gang members?

I'm interested in this issue because Salinas, a small, rural city of 150,000 in my district, has a horrific gang violence problem – 29 gang related homicides last year. Military students at the Naval Postgraduate School who have come back from Iraq and Afghanistan are determining if any “lessons learned” from terrorist incidents can be applied to hometown security, in this case gang violence.

Their research may show profound similarities – gang recruitment might be more similar to how Al-Qaeda recruits than we realize. Are there similar feelings of alienation that drive both gang members and terrorists to join violent groups? Does poverty play a role? Are there cultural factors that “pre-dispose” more violent societies? Does martyrdom represent the same thing for both gangs and terrorists?

**ANSWER:** Yes, street gangs target youths from impoverished neighborhoods from vulnerable broken family structure. These recruiting organizations are effective because they attract susceptible youths by offering protection, acceptance and respect.

Yes, poverty plays a role. Gang recruitment offers protection, acceptance, and respect; these are attractive alternatives to susceptible youths from poverty stricken neighborhoods, many of whom also experience the additional vulnerability of growing up in a broken family structure.

No, there are not cultural factors that predispose more violent societies but law enforcement intelligence indicates that war torn nations with unstable government structures, such as El Salvador, have fostered environments where youths are conditioned and desensitized to violence in their daily lives.

No, martyrdom does not represent the same thing, but similar to terrorist organizations, street gangs delude their members with the ideology that their activities are done in the name of their organizations (gangs) and are accomplished for a higher purpose. For example, a gang member's prestige is heightened the more violence that they commit. Furthermore, gang members are persuaded that dying for the gang is the ultimate sacrifice.

QUESTIONS FOR THE RECORD SUBMITTED BY

**THE HONORABLE Ken Calvert**

**Secretary Janet Napolitano**  
FY11 Department of Homeland Security Budget

**Air and Marine Operations Center**

**Question:** My work as a Co-Chair of the Congressional Caucus to Fight and Control Methamphetamine has made me keenly aware of the constant threat Drug Trafficking Organizations pose on our southern border. I've recently learned that the commanders of SOUTHCOM and NORTHCOM have proposed to Secretary Gates the creation of a National Task Force in the Arrival Zone for interdiction. From my understanding the proposed National Task Force enterprise would be an actual, physical National Interdiction Center that focuses on the unique aspects of illicit trafficking that affects the arrival zone – our national borders.

What role do you see the Air and Marine Operations Center playing in that National Task Force as they are designated by the National Interdiction Command and Control Plan as the Homeland Security interdiction center focused on the Arrival Zone?

**ANSWER:** The Air and Marine Operations Center (AMOC) continues to play a critical role as a primary national law enforcement operations center responsible for detecting, tracking, and coordinating the interdiction of transnational threats entering or transiting the United States via general aviation. It is the only operations center in the country where approximately 450 FAA and DOD radar feeds come together to provide a unique capability to monitor air space along the Nation's borders. The Department does not see any change in the mission of the AMOC based on national interdiction command and control discussions held to date.

**Question:**

I have heard that there may be some interest by some of my colleagues from Texas for the creation of another "AMOC-like" center to be built in El Paso and run by the El Paso Intelligence Center.

Has the agency been involved in any planning of this kind? How would this center differ from what AMOC does and what value will it bring that cannot already be leveraged by AMOC?

**ANSWER:** The AMOC continues to play a critical role as a primary national law enforcement operations center responsible for detecting, tracking, and coordinating the interdiction of transnational threats entering or transiting the United States via general aviation. It is the only operations center in the country where approximately 450 FAA and DOD radar feeds come together to provide a unique capability to monitor air space along the nation's borders. The Department does not see any change in the mission of the AMOC based on national interdiction command and control discussions held to date.

With regards to if CBP has been involved in any planning of this kind: No, there are currently no plans to establish an "AMOC-like" center in El Paso.

TUESDAY, MARCH 2, 2010.

## MAJOR SYSTEMS ACQUISITION

### WITNESSES

JANE HOLL LUTE, DEPUTY SECRETARY

ELAINE DUKE, UNDERSECRETARY FOR MANAGEMENT

#### OPENING STATEMENT BY CHAIRMAN DAVID PRICE

Mr. PRICE. The Subcommittee will come to order.

Good afternoon, everyone.

We are pleased to welcome Deputy Secretary Jane Holl Lute before this Subcommittee to discuss how the Department is managing its major systems acquisitions.

This is her first appearance before us. It is somewhat like learning to swim by being thrown into the deep end of the pool, I guess, with all the details we are going to be getting into pretty quickly about these major acquisitions, but we are sure you are up to the task, and we look forward to hearing from you.

We also want to thank Under Secretary for Management Elaine Duke for being on hand as well to answer any questions that we may have on specific items.

Thanks to the both of you for being here.

Deputy Secretary Lute brings to the Department a formidable resume from her career in the U.S. Army, as a member of the National Security Council staff, as U.N. Assistant Secretary General and in the private sector. Her broad experience as a leader in organizing responses to international crises, military intervention, and peacekeeping operations will come in handy as she helps manage a sometimes unwieldy department.

Among the major tasks she faces is putting DHS major systems acquisitions on track and keeping them there.

The Department has struggled from its inception to manage major acquisition projects effectively. Congress chose to construct a large bureaucracy from scratch to manage and operate components that had been relocated from other departments at a time when securing the homeland had to be done both right and right away. It was inevitable that not everything would work smoothly in the beginning, but that was 7 years ago. Americans expect that a maturing agency should have addressed these issues, to ensure the taxpayers' dollars are well spent; that planning, design, procurement and deployment of systems directly supports the Department's mission priorities; and that deliverables arrive on time and on budget.

To be blunt, there has been great dismay at how some of the Department's major acquisition programs have been handled. While sometimes we can say enough is enough and pull the plug on projects that go off course, such as the Coast Guard's original com-

posite-hulled Fast Response Cutter or its Vertical Unmanned Aerial System, we often do not have that luxury.

Today we focus on four acquisition programs: an experimental border security system for Customs and Border Protection; a major capital asset for the Coast Guard; a consolidated financial management system for the entire Department; and a long-running project to modernize trade and customs processes. All of these programs have drawn public criticism for various failings, whether they have been for cost growth or charges of unfair contracting, delays, failure to define requirements or objectives, or simply not meeting agency needs.

What we hope to learn today is how the Department is repairing the acquisition processes for these major systems and to assess whether, despite initial problems, these acquisitions are now on track.

The Secure Border Initiative was launched in 2005 to leverage technology to expand our capacity to monitor and protect our borders, making our fencing and Border Patrol agents more effective. Four years ago, DHS held an industry day to show how our first case study, the Secure Border Initiative Network, would, “integrate multiple state-of-the-art systems and traditional security infrastructure into a single comprehensive border security suite for the Department.”

It has been a bumpy road for SBInet. Initial plans deferred technology investment in favor of placing tactical fencing on 670 miles of Southwest border. The initial 28-mile pilot project was late and failed to live up to its billing. Finally, original SBInet plans, which called for technology to be deployed in Tucson and Yuma sectors by the end of fiscal year 2008 and to the entire Southwest border by fiscal year 2011, have been significantly delayed.

Block 1, the first operational deployment of SBInet, will not be formally tested until later this year, with completion in 2013, and no decisions for deployment beyond Tucson until the 2011 Acquisition Review Board meeting. No funding is requested for deployment beyond Tucson or Yuma or for block 2, the next SBI deployment.

Therefore, with only deployment to about 50 miles of the border scheduled, it appears that SBINet deployment will take many more years.

Our second case study, the Coast Guard’s National Security Cutter, was a component of Deepwater, the much maligned recapitalization initiative for the Coast Guard. The goal of the National Security Cutter was to provide a more capable replacement for the aging fleet of High-Endurance Cutters, one that could operate in conjunction with Navy surface ships, provide command-and-control capabilities, and even serve as a mother ship for unmanned reconnaissance drones.

The Coast Guard now has two of these vessels, but problems were identified with the design that would shorten the service life of these ships. Costs have escalated significantly, and the production time table has slipped.

While supporters of the program say the vessels are extremely capable, critics have charged that the Deepwater acquisition process was more focused on the contractors designing a profitable ship

instead of giving the Coast Guard what it needed to accomplish its mission. The budget request before this Subcommittee requests \$538 million for the fifth in this line of ships, which, if approved, will bring the total investment of the program to nearly \$3 billion.

The Transformation and Systems Consolidation Project, or TASC for short, is our third case study, an ambitious project aimed at providing unified financial and asset management for the Department of Homeland Security. From its inception, the Department has struggled to demonstrate transparency and offer timely reporting on its finances. At OMB's direction, DHS attempted to develop an in-house financial management system called eMerge2. This was beyond the Department's capabilities, so they scrapped the program and sought the commercially available solution to their problem.

The contracting process has resulted in lawsuits charging a lack of fair competition, followed by changes in further lawsuits. The challenge of getting the right system to implement across the entire Department with its unique mix of old and new agencies would be difficult enough without such obstacles.

While the contract has not been awarded yet to begin this work, TASC is currently estimated to cost \$450 million with lifecycle costs of over \$1 billion.

Last but not least on today's list is ACE, the Automated Commercial Environment. ACE has been on the drawing board for Customs and now CBP for over a decade. When I sat on the former Treasury Appropriations Subcommittee, ACE was touted as the way to move Customs past its paper-bound, 19th century procedures and 1970s vintage computer systems and to implement the 1994 Customs Modernization Act. It was to be the platform for automating all major agency functions, to include import and export systems, finances, personnel, enforcement systems and procurement.

Over the past decade, Congress has appropriated \$2.9 billion to develop and deploy ACE, including \$123 million for the related International Trade Data System, an initiative to consolidate various Federal trade data reporting and statistical requirements into one virtual window. Congress has required expenditure plans for the project along the way to ensure that best practices were followed in designing and procuring the system.

There have been numerous GAO studies on the management of ACE, and OMB reviewed the program in 2006. It awarded it three stars, its highest score, for program performance and effectiveness.

Given that the initiative has been studied and restudied time and time again and that there are still major functions yet to be delivered by the program, I am eager to understand why the budget seeks to scale the program back in 2011. To put it another way, it appears that you would like to halt the development of new products, take a step back and substantially redefine the requirements and timeline of the Automated Commercial Environment.

We thought this type of review had been completed long ago, so we anticipate learning about your plan for getting ACE and ITDS back on track. I certainly approach this issue with an open mind, so I am seeking your assistance in determining the most prudent course to take.

So, Madam Deputy Secretary, we look forward to hearing from you, receiving your perspective on the problems I have outlined. Your full statement, of course, will be entered into the record, so I ask you to limit your oral remarks to a 5-minute presentation, after which, we will have questions.

Before we begin, let me recognize our distinguished ranking minority member, Hal Rogers, for any comments he wishes to make.  
[The information follows:]



## COMMITTEE ON APPROPRIATIONS

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

EMBARGOED UNTIL DELIVERY (Approx. 2:10 PM)  
Tuesday, March 2, 2010

Media Contact: Andrew High  
202-225-1784

### OPENING STATEMENT OF CHAIRMAN DAVID PRICE *Oversight Hearing: Major Systems Acquisition* March 2, 2010 / 2:00 pm

We are pleased to welcome Deputy Secretary Jane Holl Lute before this Subcommittee to discuss how the Department is managing its major systems acquisitions. This is her first appearance before us, so it is somewhat like learning to swim by being thrown into the deep end of the pool, but we are sure she is up to the task.

Deputy Secretary Lute brings to the Department a formidable resume from her career in the U.S. Army, as a member of the National Security Council staff, as UN Assistant Secretary-General, and in the private sector. Her broad experience as a leader in organizing responses to international crises, military intervention and peacekeeping operations will come in handy as she helps manage a sometimes unwieldy Department. Among the major tests she faces is putting DHS major systems acquisitions on track and keeping them there.

The Department of Homeland Security has struggled from its inception to manage major acquisition projects effectively. Congress chose to construct a large bureaucracy from scratch to manage and operate components that have been relocated from other Departments, at a time when securing the homeland had to be done both right, and right away. It was inevitable that not everything would work smoothly in the beginning. But that was seven years ago. Americans expect that a maturing agency should have addressed these issues -- to ensure that taxpayer dollars are well spent; that planning, design, procurement and deployment of systems directly supports the Department's mission priorities; and that deliverables arrive on time and on budget.

To be blunt, there has been great dismay at how some of the Department's major acquisition programs have been handled. While sometimes we can say "enough is enough" and pull the plug on projects that go off course -- such as the Coast Guard's original composite-hulled fast-response cutter, or its Vertical Unmanned Aerial System -- we often do not have that luxury.

Today we focus on four major acquisition programs: an experimental border security system for Customs and Border Protection; a major capital asset for the Coast Guard; a consolidated financial management system for the entire Department; and a long-running project to modernize trade and customs processes. All of these programs have drawn public criticism for various failings, whether they have been cost growth, charges of unfair contracting, delays, failure to define requirements or objectives, or simply not meeting agency needs.

What I hope to do today is learn how the Department is repairing the acquisition processes for these major systems, and to assess whether, despite initial problems, these acquisitions are now on track.

The Secure Border Initiative was launched in 2005 to leverage technology to expand our capacity to monitor and protect our borders, making our fencing and Border Patrol agents more effective. Four years ago DHS held an "industry day" to show how our first case study, the Secure Border Initiative network, would "integrate multiple state of the art systems and traditional security infrastructure into a single comprehensive border security suite for the department."

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budget request before this Subcommittee requests \$538 million for the fifth in this line of ships, which if approved, will bring the total investment in the program to nearly \$3 billion.

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Over the past decade Congress appropriated \$2.9 billion to develop and deploy ACE, including \$123 million for the related International Trade Data System (ITDS), an initiative to consolidate numerous federal trade data reporting and statistical requirements into one virtual "window." Congress has required expenditure plans for the project along the way to ensure that "best practices" were followed in designing and procuring the system.

There have been numerous GAO studies on the management of ACE. And OMB reviewed the program in 2006 and awarded it three stars, its highest score, for program performance and effectiveness. Given that this initiative has been studied and restudied time and time again, and that there are still major functions yet to be delivered by the program, I am eager to understand why the budget seeks to scale the program back in 2011. To put it another way, it appears that you would like to halt the development of new products, take a step back, and substantially re-define the requirements and timeline of the Automated Commercial Environment. We thought this type of review had been completed long ago, so we anticipate learning about your plan for getting

ACE and ITDS back on track. I approach this issue with an open mind, so I'm seeking your assistance in determining the most prudent course to take.

Deputy Secretary Lute, we look forward to hearing from you, and receiving your perspective on the problems I have outlined. Your full written statement will be entered into the record, so I ask you to limit your oral remarks to a five minute presentation. Before we begin, let me recognize the distinguished Ranking Member, Hal Rogers, for any comments he may wish to make.

###

## OPENING STATEMENT BY RANKING MEMBER HAROLD ROGERS

Mr. ROGERS. Thank you, Mr. Chairman.

Welcome to both of you to the table.

Madam Secretary, this is your first visit with us, and we hope it is a good one for you and us.

We are pleased that Elaine Duke is with us today, undersecretary for management. I understand she is due to retire next month after 28 years of government service.

You do not look that old.

Ms. DUKE. Thank you, thank you, Mr. Rogers.

Mr. ROGERS. But thank you for your service to your country.

Madam Secretary, while your years of military and legal experience have surely prepared you for your duties as DHS's deputy secretary, it is your expertise in peacekeeping and conflict resolution that perhaps makes you ideally suited for overseeing the challenge of managing DHS's major acquisitions. From Deepwater to SBInet to the multitude of IT systems across the Department, acquisition programs at DHS have unfortunately encountered more setbacks than success.

However, what gets lost in all the GAO and IG reports on cost and schedule overruns is the fact that these acquisition programs serve the vital purpose of equipping and supporting our brave security professionals in the field who are charged with keeping us safe and secure. In short, these acquisitions programs matter. We simply cannot achieve lasting success in Homeland Security without modern tools.

But that fact does not eliminate the need for stewardship of the taxpayers' precious dollars.

In my view, we should spend every dollar that is necessary on Homeland Security, but not a penny more. So we must get our major acquisitions right. We must find a way to expeditiously obtain and deploy the tools needed to meet our security requirements without breaking the bank or breaching the public's trust.

But as I look at DHS's fiscal year 2011 budget request, I see less traction toward this goal and more glaring questions and inconsistencies. First, the budget claims the substantial cuts to Coast Guard operations are necessary to "make room" for investments in new acquisitions, but the budget pushes many critical investments to future years, while also decreasing Coast Guard acquisitions by \$155 million, 10 percent.

What this means in real terms for fiscal year 2011 and perhaps a few years following is that fewer drugs will be seized; fewer drug smugglers will be interdicted; fewer migrants will be saved; fewer ports and miles of coast line will be protected.

Secondly, on SBInet, the budget proposes a massive cut of \$225 million, 28 percent plus below fiscal year 2010. Now I know this program has a history of failures and delays, but SBInet's operation was supposed to coincide with the deployment of 20,000 Border Patrol agents and robust air support. Sadly, the budget is proposing to cut all elements of border security operations at a time when a murderous drug war is raging along that border.

These proposed reductions to Deepwater and SBInet might make sense if we had the expenditure plans as required by law. But we do not have those plans, and they are well overdue.

And the record will show that, in the past, when we have been denied those expenditure plans, we simply do not appropriate, or cut them severely pending the presentation to us of the plans for expenditures. We have to have that; that is what we do for a living, if you will.

And so due to this failure to comply with the law, and this requirement is in the law; it is in the bill language for the last 4 years. So due to the failure to comply with the law, I do not see how the Subcommittee can make informed decisions on these proposed cuts or the direction of these critical programs.

Finally, the budget request is proposing a sizable \$24 million initiative to hire an additional 150 acquisition professionals. It is unclear what outcomes this costly initiative will actually achieve other than to simply hire more bureaucrats in the Department's administrative offices. And this proposal seems to overlook the fact that this Subcommittee has consistently and rather responsibly increased acquisition management staffing at DHS as needed over the past few years.

Madam Secretary, in the wake of a terrorist attack, with mounting threats at every turn and when fiscal discipline is so badly needed, how can Congress even contemplate sweeping bureaucratic increases, prolonged delivery schedules and severe cuts to frontline operations? Furthermore, how can you expect the Subcommittee to accept the budget's far-fetched claims when the administration has so badly failed to comply with mandated planning and oversight requirements?

Mr. Chairman, from where I sit, questionable cuts to essential security operations, vague promises for the future, and the failure to plan and comply with the law do not meet this Subcommittee's standards for adequate budgeting. So to say I have a few questions on how the Department is approaching its major acquisitions is a gross understatement.

Secretary Lute, it is my understanding that you are taking a very deliberate and aggressive stance toward the management of the Department's major systems acquisitions, so I sincerely hope you can help us make sense of the budget's questionable proposals. As you well know, far too much is at stake for us to fail.

Thank you, Mr. Chairman.

[The information follows:]

**OPENING STATEMENT**

**CONGRESSMAN**  
**Hal Rogers**

FIFTH DISTRICT • KENTUCKY

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

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*Contact: Stefani Zimmerman*  
*202.225.4601*

**Opening Statement**

**Committee on Appropriations**  
**Subcommittee on Homeland Security**

*Major Systems Acquisition at DHS*

**Witness:**

**Deputy Secretary Jane Holl Lute**

**2:00 PM | Tuesday | March 2, 2010 | 2359**

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Thank you, Mr. Chairman.

Welcome to Deputy Secretary Lute for what marks your first appearance before the Subcommittee.

While your years of military and legal experience have surely prepared you for your duties as DHS's Deputy Secretary; it is your expertise in peacekeeping and conflict resolution that perhaps makes you ideally suited for overseeing the challenge of managing DHS's major acquisitions.

From Deepwater to SBInet to the multitude of IT systems across the Department, acquisition programs at DHS have unfortunately encountered more setbacks than successes.

However, what gets lost in all the GAO and IG reports on cost and schedule overruns, is the fact that these acquisition programs serve the vital purpose of equipping and supporting our brave security professionals in the field who are charged with keeping us safe and secure.

In short, these acquisition programs matter – we simply cannot achieve lasting success in homeland security without modern tools.

But, that fact does not eliminate the need for stewardship of the taxpayers' precious dollars. In my view, we should spend every dollar that is necessary on homeland security – but not a penny more.

So, we must get our major acquisitions right. We must find a way to expeditiously obtain and deploy the tools needed to meet our security requirements without breaking the bank or breaching the public's trust.

But, as I look at DHS's FY11 budget request, I see less traction towards this goal and more glaring questions and inconsistencies.

First, the FY11 budget claims the substantial cuts to Coast Guard operations are necessary to "make room" for investments in new acquisitions.

- ⇒ But, the budget pushes many critical investments to future years while also decreasing Coast Guard Acquisitions by \$155 million or 10%;
- ⇒ What this means, in real terms for FY11 and perhaps a few years following, is that fewer drugs will be seized, fewer drug smugglers will be interdicted, fewer migrants will be saved, and fewer ports and miles of coastline will be protected.

Secondly, on SBInet, the budget proposes a massive cut of \$225 million, or 28.2%, below FY10. Now, I know this program has a history of failures and delays; but, SBInet's operation was supposed to coincide with the deployment of 20,000 Border Patrol agents and robust air support.

- ⇒ Sadly, the FY11 budget is proposing to cut all elements of border security operations at a time when a murderous drug war is raging along our border.

These proposed reductions to Deepwater and SBInet might make sense if we had the expenditure plans – as required by law – for these acquisitions; but, unfortunately we don't.

- ⇒ So, due to this failure to comply with the law, I don't see how this Subcommittee can make informed decisions on these proposed cuts or the direction of these critical programs.

Finally, the FY11 budget is proposing a sizable \$24.2 million initiative to hire an additional 150 acquisition professionals.

⇒ But, it is unclear what outcomes this costly initiative will actually achieve other than simply hiring more bureaucrats in the Department's administrative offices; and

⇒ This proposal seems to overlook the fact that this Subcommittee has consistently – and, rather responsibly – increased acquisition management staffing at DHS as needed over the past few years.

Madam Secretary, in the wake of a terrorist attack; with mounting threats at every turn; and when fiscal discipline is so badly needed; how can Congress even contemplate sweeping bureaucratic increases, prolonged delivery schedules, and severe cuts to frontline operations?

Furthermore, how can you expect the Subcommittee to accept the budget's far-fetched claims when the Administration has so badly failed to comply with mandated planning and oversight requirements?

⇒ Mr. Chairman, from where I sit, questionable cuts to essential security operations; vague promises for the future; and the failure to plan and comply with the law do not meet this Subcommittee's standards for adequate budgeting.

So, to say I have a few questions on how the Department is approaching its major acquisitions is a gross understatement.

Secretary Lute, it's my understanding that you are taking a very deliberate and aggressive stance towards the management of the Department's major systems acquisitions. So, I sincerely hope you can help us make sense of the FY11 budget's questionable proposals. As you well know, far too much is at stake to fail.

Thank you, Mr. Chairman. I look forward to today's discussion.

###

Mr. PRICE. Thank you.  
Madam Secretary, please proceed.

STATEMENT BY DEPUTY SECRETARY JANE HOLL LUTE

Ms. LUTE. Mr. Chairman, Ranking Member Rogers, thank you and the other members of the Subcommittee very much for this opportunity to appear before you, particularly to appear with my colleague Elaine Duke, who is retiring and in whom we have placed enormous trust and learned a great deal during the past year. She is much admired by her colleagues in the Department and is a mainstay of our operations across the board. Thank you for this opportunity to recognize her.

It is my hope to provide you today with some insight into how the Secretary and I are thinking about implementing procedural and systemic reforms and oversight in the acquisition process.

Mr. Chairman, you mentioned that I was thrown into the deep end of the pool. In many ways, I was born in the deep end of the pool. I am the middle of seven kids, God rest my parents' souls, and was born with very much a sense of responsibility and a commitment to public service. And from my time in peacekeeping, from my time in the United States Army and from my time in Homeland Security, people tell me I am developing a bit of a specialty in large, far-flung struggling bureaucracies. And it is a privilege to be in the Department today.

As this Subcommittee knows well, the Department's major program portfolio encompasses 67 programs with an aggregate cost of \$232 billion. By any measure, this is a lot of money. The Secretary and I take our responsibility to ensure proper execution of this portfolio very seriously. When you speak to the Secretary, you get a view of the Department's work, perhaps from the flagpole. When you speak to me, you will get a view of the Department's work from the motor pool. And when you speak to Elaine Duke, you will get a view of the Department's work from the wash rack. We will give you a very fulsome understanding of how the Department is trying to live up to the responsibilities that have been entrusted to it by the American people.

Allow me please to say just a few words about the essential elements of our acquisition process; that is to say, the policies, the procedures and the people that we have in place to ensure that the operators of this Department have what they need and have what they need when they need it because this is, as Ranking Member Rogers has said, an operating department. And it is an operation that we take very seriously.

And as you know, if you are an operator, and I am one, that the most important operating factors you have are your people and, for us in acquisition, recognizing the importance of getting the right people, as this Committee not only knows but has helped us work through over the years. It is important that we establish a core of acquisition experts at every key position within the Department of Homeland Security. These professionals, both at headquarters and in the components, provide valuable improvements in program oversight, in-place expert support and other key aspects of logistics, engineering, testing and evaluation for the Department's programs.

But we also recognize that we still have a shortage of acquisition professionals within the Department, and so we have developed and implemented an Acquisition Professional Career Program, which has drawn in 109 new entry level acquisition positions. We are on track to grow this program to 300 by the end of Fiscal Year 2011.

Additionally, we have established a formal acquisition certification program for contracting and program management and have created a partnership agreement with the Department of Defense (DOD) to allow our workforce to take advantage of existing DOD best practice and training programs and developing opportunities as well.

Extending beyond our people, we have been looking intensively at our policies and our processes. Why is this important? As this Committee well knows, we need to have solid policies and processes in place for two key reasons. The first key reason is that we can replicate success of a reliable way, and the second is that we can avoid encountering every problem as if for the first time.

One of the very first steps we took in establishing a robust oversight organization was to expand the competencies and capabilities of our Procurement Office in the Department, moving it from procurement-focused, emphasizing contracting and the contracting discipline, to an acquisition orientation and acquisition focus that emphasizes the synergies among multiple disciplines. Again, this is essential for an operating organization because, whether you are in the field or anywhere else, it is impossible to operate if you do not have what you need or if you do not have what you need when you need it. And it is for this purpose that an acquisition process is designed and built.

We established the Acquisition and Program Management Division to develop, implement and oversee an acquisition governance process. And we have established the Cost Analysis Division to provide independent assessments of life-cycle cost estimates for level 1 programs at major decision points, in part because we know that the acquisition process covers the entire life-cycle of a commodity, program or service. We established the Office of Test and Evaluation to provide independent assessments of program testing evaluation plans and of actual test results.

And finally, I would note that, in our effort to improve departmental oversight, we have completed a comprehensive revision of our Acquisition Review Process. The previous department acquisition governance process was modeled after the DoD, but our acquisitions are generally focused on service and information technologies, not entirely on development of hardware efforts. This revised Acquisition Review Process is tailored to match our actual situation.

Looking forward, Mr. Chairman, several steps are highlighted in my written testimony. However, I think it is important to note that these reforms and improvements, while important, are really in alignment with the broader strategy and undertaking we have in the Department of Homeland Security.

At the instruction of Congress, we have produced and recently released the Quadrennial Homeland Security Review (QHSR). This document represents the first strategic look at the enterprise of

Homeland Security because it does take an enterprise to keep this homeland secure. It articulates a vision for Homeland Security, that is to say, a safe, secure and resilient place where the American way of life can thrive and we can live our lives protected from terrorist threats or any others who would do us harm.

In the service of this vision, we have articulated five mission area sets: preventing terrorist attacks; securing our borders; enforcing our immigration rules; ensuring resilience and the ability to respond quickly from disasters; and establishing a new mission in the area of cyber security. For each of these missions, the QHSR lays out an approach, goals and objectives to achieve the goals that we know will help ensure that these missions are achieved and that this vision of a secure homeland is itself achieved as well.

Following up the QHSR, we are working on a bottom-up review of the Department to look comprehensively at how we are organized, whether we are organized optimally and effectively, not only with respect to personnel but also with respect to policy and processes as well.

So I do not view reform of our acquisition process as purely a management problem or a problem that happens outside the broader context of the purpose and function of the Department of Homeland Security.

Secretary Napolitano and I recognize that improving our acquisition process is, as you say, Mr. Chairman, and as the ranking member has said, fundamental to our Department's ability to make progress on the strategic goals that we have articulated in the QHSR. Our work on acquisition reform is appropriately viewed as part of this overall effort to mature the strategic orientation of the Department of Homeland Security.

I thank you, Mr. Chairman, for your interest in and the continued support of this Committee for the acquisition program and for this opportunity to appear before you today.

At this point, I stand ready, with the help of Under Secretary Duke, to answer any questions you may have.

[The information follows:]

**TESTIMONY OF JANE HOLL LUTE  
DEPUTY SECRETARY  
DEPARTMENT OF HOMELAND SECURITY**

**BEFORE THE  
SUBCOMMITTEE ON HOMELAND SECURITY  
COMMITTEE ON APPROPRIATIONS**

**UNITED STATES HOUSE OF REPRESENTATIVES  
March 2, 2010**

Chairman Price, Ranking Member Rogers, and members of the subcommittee, thank you for this opportunity to appear before you to discuss the Department of Homeland Security (DHS) acquisition program.

As this Subcommittee knows, the Department's major program portfolio encompasses 67 programs with an aggregate cost of \$232 billion. This Subcommittee is also aware that in the first year of this Administration, the Secretary, myself, and the Under Secretary for Management have devoted a great deal of time and attention to bringing smart reform and oversight to the acquisition process at DHS—to ensure that we have the right people, the right policies, and the proper systems to ensure that we purchase the right things at the best value for the American taxpayers. We take this responsibility very seriously and are grateful for the support this Subcommittee has provided throughout this process.

### **People**

The Department of Homeland Security relies on the professionalism of its staff in every aspect of our mission. Acquisition is no different. As this Subcommittee knows, successful acquisition requires having a combination of people expert in various disciplines, including program management, policy, contracting, engineering, logistics, business and financial management, cost estimating, and testing. Upon arrival at the Department, it was clear that the Department needed to work on building a cadre of acquisition professionals. Under Secretary Napolitano's leadership, we have put key initiatives in place to get the right people in place within the Department to do just that.

We have now established and are continuing to build a core group of acquisition experts at key positions within the Department. These professionals, both at the headquarters and at the components, have provided valuable improvements in program oversight and expert support for the Department's programs.

We have developed and implemented the DHS Acquisition Professional Career Program (APCP) to continue to build and strengthen our acquisition personnel. Since its January 2008 inception, APCP has grown to 109 new entry-level positions in the acquisition field. From the initial Contracting career field, we are expanding this program to other acquisition career fields to include Program Management, Logistics, Systems Engineering, Industrial Engineering and Information Technology Acquisition. We are on track to grow the program to 300 positions by the end of fiscal year 2011.

We have also established formal DHS acquisition certification programs for contracting and program management. Through this effort, we ensure that our acquisition professionals have the education, experience, and training to perform their mission. We have also created a partnership agreement with the Under Secretary of Defense (Acquisition, Technology and Logistics) and the President of the Defense Acquisition University to leverage existing Department of Defense training and development opportunities and help develop our workforce on a long-term partnership basis.

After developing a certification program for program managers, we have worked diligently to ensure a properly certified program manager is running each major acquisition program. The percentage of properly certified program managers running the 42 largest (Level 1) programs has significantly increased since the start of this certification program. Additionally, DHS is committed to ensuring every Level 1 program is run by a properly certified program manager by the end of this calendar year.

### **Policy/Processes**

One of the first steps we took to establish a robust oversight organization was to expand our Department's Chief Procurement Office from a procurement-focused organization emphasizing contracting discipline to an acquisition-focused organization that emphasizes synergy between multiple disciplines. This is not just a matter of semantics. This change requires the addition of systems engineering, logistics, testing and evaluation, and cost estimating skills to our contracting and program management knowledge base to achieve holistic, critical thinking at each step of the acquisition lifecycle.

The Acquisition and Program Management Division was established to develop, implement, and oversee an acquisition governance process. Part of maturing our acquisition process was the development and implementation of Acquisition Directive 102-01, which establishes the policy for governance for all DHS acquisition programs. This directive sets forth the roles and responsibilities of headquarters and component personnel. It integrates the planning, requirements, budgeting, and acquisition processes. It also defines the three levels of programs, when a program needs to be reviewed, and the decision authorities for the respective program levels.

We established the Cost Analysis Division to provide independent assessments of lifecycle cost estimates for Level 1 programs at major decision points. Sound lifecycle cost estimates, based on defined and documented requirements, are crucial to measuring programs for cost performance. In the early years of DHS, programs often underestimated the total cost of program execution; this division is helping improve our program cost estimates.

Finally, we established the Office of Test and Evaluation to provide independent assessments of program test and evaluation plans and actual test results. A program must address its testing plan during our acquisition reviews and satisfy an independent testing authority from our Science and Technology Directorate.

In our effort to improve Departmental oversight, we also completed a comprehensive revision of our acquisition review process. The previous DHS acquisition governance process was modeled after the Department of Defense policy and targeted developmental, hardware acquisition programs. However, as DHS acquisition is generally focused on service and information technology programs, we revised the acquisition review process to match our needs, effectively queuing programs for leadership review and decision based on milestones and risk management. This review process provides a clear insight

into each program's overall performance and controls related to cost, schedule and contract performance. It allows us to make a risk assessment for each major program and then take appropriate actions to mitigate risk and align our resources.

Since the new review process was implemented, there have been more than 50 Acquisition Review Boards (ARBs) held either by me or the Under Secretary for Management. During an ARB, we discuss program status, progress against the current program plan, and current risks and other program issues. The ARB, comprised of key executive stakeholders from across the Department, assesses the program's progress, establishes criteria for further execution, and documents the findings, decisions, and actions in an Acquisition Decision Memorandum.

To complement the ARB process, we also implemented Component Portfolio Reviews. This process, jointly executed by the component and the Department, supports management of the component's acquisition portfolio and strengthens Departmental governance and oversight. These reviews also provide insight as to systemic acquisition risks across the Department.

We have conducted seven Independent Expert Program Reviews on programs of senior leadership interest. These reviews provide an independent, in-depth assessment of the program to inform the Department's acquisition governance leadership on program status and risks. They also recommend appropriate actions to improve program execution.

DHS also has designated six Component Acquisition Executives (CAEs) who are responsible for program execution at their respective components. The CAE is a dedicated governance and oversight entity within the component to help resolve issues and reduce risk.

### **Systems**

Visibility and transparency into programs performance requires technology that will support our needs. We have therefore developed and implemented the next generation Periodic Reporting System, which provides information to acquisition leadership on the cost, schedule, and performance of the Department's acquisition programs.

### **Next steps**

One of the early benefits of the new acquisition review process has been the improved communication between the acquisition and program review board (PRB) processes. We will continue to increase the integration between our acquisition governance and our resource allocation processes. The results of acquisition reviews and decisions are being used to influence Resource Allocation Decisions.

We have also initiated a department-wide strategic requirements process to complement the Department's acquisition and resource allocation processes. This requirements process brings together interagency and departmental operational and business owners'

perspectives to set measurable targets that flow from goals and objectives identified in the Quadrennial Homeland Security Review. It also identifies critical capability gaps and recommends how departmental programs can best address those gaps.

We are investigating methods to improve governance of IT programs, particularly focusing on enterprise-wide efficiencies. As a first step, the new DHS Chief Information Officer is conducting comprehensive IT reviews on all of our key programs. We want to explore reviewing programs from a functional portfolio perspective to identify opportunities for reuse and to focus our limited resources on critical gaps.

Finally, we are initiating a study of acquisition program staffing focused on the key disciplines needed to successfully execute a program. We want to understand if our major acquisition programs have the necessary key personnel in program management, system engineering, information technology, logistics, cost estimation, and test & evaluation, and develop concepts to rapidly fill identified gaps. The President's Budget requests additional resources to allow the department to fill these gaps and improve the capability and capacity of the department's entire acquisition workforce.

#### **Summary**

While we have strengthened many aspects of our acquisition program, we will continue to seek improvements in our processes and provide our acquisition professionals the tools they need to both meet our missions and achieve acquisition excellence.

Thank you, Mr. Chairman for your interest in, and continued support of the DHS Acquisition Program, and for the opportunity to testify before the Subcommittee about the DHS acquisition program. I am happy to answer any questions you or the members of the Subcommittee may have for me.



## Homeland Security Deputy Secretary: Jane Holl Lute



Deputy Secretary Jane Holl Lute has over thirty years of military and senior executive experience in the United States government and at the heart of efforts to prevent and resolve international crises.

Ms. Lute served as Assistant Secretary-General of the United Nations, responsible for support to peacekeeping operations. In this capacity, Ms. Lute managed operational support for the second-largest deployed military presence in the world. At the United Nations, Ms. Lute led rapid-response support to a wide variety of operations and crises in some of the most remote, austere, and dangerous environments in the world. She also effectively directed the growth of United Nations Peacekeeping support from a \$1.8 billion to nearly \$8 billion operation. Most recently, Ms. Lute led the United Nations initiative designed to coordinate efforts to build sustainable peace in countries emerging from violent conflict.

Prior to joining the United Nations, Ms. Lute served on the National Security Council staff under both President George H.W. Bush and President William Jefferson Clinton.

Ms. Lute was Executive Vice-President and Chief Operating Officer of the United Nations Foundation and the Better World Fund, the entities established to administer Ted Turner's \$1 billion contribution to support the goals of the United Nations. She also headed the Carnegie Commission on Preventing Deadly Conflict and was a senior public policy fellow at the Woodrow Wilson International Center for Scholars.

Ms. Lute had a distinguished career in the United States Army, including service in the Gulf during Operation Desert Storm.

Ms. Lute has a Ph.D. in political science from Stanford University, and a J.D. from Georgetown University.

## CHANGES TO ACQUISITION REVIEW PROCESS

Mr. PRICE. All right, thank you very much. We will proceed with questions.

Let me begin with one that takes as its point of departure your comments on the second page of your written testimony, your indication that comprehensive review of the Acquisition Review Process has taken place. The changes that resulted from this review geared the process, to use your terms, for acquisition of service and information technology programs rather than developmental hardware acquisition programs.

Can you provide more detail on how the process has changed, how the new process differs from the old one? And in orienting the processes, you said, more towards supporting services and IT acquisition programs, what do these changes mean for major capital acquisitions, like the National Security Cutter, or the Deepwater programs and for developmental efforts, like the SBInet and ACE?

Ms. LUTE. Thank you, Mr. Chairman.

The reform of the acquisition process began before January of last year. A number of elements were being put in place to establish the kind of competent control over the acquisition process the Department needed.

When you are in a standup of a relatively new department, as we are, you live in your past, your present and your future all at the same time. You have to overcome the legacy tendencies of the past. You have to operate in the current environment, and you have to plan for the future.

The comprehensive review was designed to look at every aspect of the programs that we had underway, all of our level 1 programs, equally our level 2 and level 3. This resulted in a policy directive being signed in January of this year that established, for the first time in the Department, a standardized acquisition life-cycle process where needs requirements were articulated and defined. Solution sets were analyzed and selected, where we went through the process of procuring or obtaining the solution that was selected. And we followed through with the deployment of the support onward to disposition. We had not had that before.

We have laid out overall management policies regarding every step of this process, generating a better handle on the programs' overall performance and flow. And we have introduced senior decision-making at key points at each step along the way of the acquisition process.

I, along with Under Secretary Duke, have—I think “aggressive” was the term that Ranking Member Rogers used—I have been aggressive in establishing senior leader accountability and responsibility for every step in the acquisition process. I have myself 18 Acquisition Review Boards. Under Secretary Duke has 19 in just about a year's worth of time on station. And we have linked these processes as well to the program review boards and then the resource allocation decisions.

As we have said, in the Department, we recognize that service and IT acquisitions are major dollar investments that we have to get a better handle on. We do have major capital programs, as you mentioned, like SBInet and like the National Security Cutter.

Those programs are in train and underway. And we believe that this system, resulting from the review, will serve those as well because those programs will take their place in this schema of the acquisition life-cycle that I mentioned.

Mr. PRICE. All right, you are getting at what I was trying to understand more fully. You suggest in your testimony that the previous acquisition governance process was modeled on DOD, on the Defense Department, and targeted developmental hardware acquisition programs. But you are suggesting that, because DHS acquisition is generally focused on service and information technology, you have now undertaken these revisions. I gather this is an adaptation, in other words, to the bulk of the acquisition efforts that DHS has underway and is a departure from an earlier modeling on DOD that you concluded was not entirely appropriate. I want to really understand what you are saying here, though, and what the thrust of it is for these major programs.

Ms. LUTE. Essentially, Mr. Chairman, the DOD approach, as I have come to understand it, and the Department of Homeland Security and the developmental approach to acquisition is to identify requirements that need to be filled—operational requirements in the field—and then to work with industry to develop a technological solution. This very often requires a large capital investment over many years, novel to the solution of those requirements that exist in the field. Working interactively in that developmental process is a major function of the acquisition that we are doing.

The Department has done some of that. We will continue to do some of that. But our entire acquisition process is focused more on identifying the requirements and needs that we have for systems and services support, and for the IT systems that undergird those as well, and less on novel technological solutions requiring major capital investments to secure over time.

Mr. PRICE. Thank you.

We will return to some of the specifics of these four cases, but let me ask Mr. Rogers for his questions.

#### COAST GUARD BUDGET CUTS

Mr. ROGERS. Thank you, Mr. Chairman.

Talking about the Coast Guard, the budget is proposing to cut 1,112 military billets and decommissioning key assets, including four of the 12 High-Endurance Cutters; four fixed-wing aircraft; five H-65 helicopters; five of the 13 Maritime Safety and Security Teams, including those in New York, New Orleans, and Anchorage, and so forth. And you claim that these cuts to Coast Guard's operational expenses and decommissioning of assets will "make room for acquisitions in the future."

But in Congressional Quarterly yesterday, the Commandant of the Coast Guard, Admiral Allen, says these cuts will have a real impact, making the Coast Guard less capable in fiscal year 2011 than it has been in fiscal year 2010, and disagreeing with the Secretary on how important these cuts are.

Your budget claims that you are cutting Coast Guard operations and acquisitions to make room for acquisitions in the future. Well, I assume you are talking about the National Security Cutter, the

Maritime Patrol Aircraft, and the unmanned aerial system and H-65 helicopters.

However, that does not stand up to logic, because in the budget for the National Security Cutter, for example, you include money only for NSC number five. Unlike previous years, the budget does not include funding for the long-lead materials for the following NSC cutter number six. And I want to recollect that eight NSC cutters are planned to replace the 12 378-foot High-Endurance Cutters. And since these long-lead materials can take up to a year to obtain, the planned delivery schedule of one cutter per year is unlikely to stay on track.

Probable consequence of the budget proposal is the elongation of the delivery reschedule for number six, seven and eight of the NSCs, which will create that huge mission gap for the Coast Guard surface fleet over the next several years.

Maritime Patrol Aircraft, you include \$40 million for only one aircraft, no funding for spare parts. And by budgeting for only one Maritime Patrol Aircraft, the Guard is likely to pay a higher unit cost, since previous budgets have included funding for two to four MPAs as well as funds for spare parts. So the mission gap will grow there as well.

Unmanned aerial systems and the H-65 helicopters: no funding for a cutter-based UAS; that is an essential and plan component of the National Security Cutter; and includes the unplanned deactivation of five of the H-65 helicopters.

The bottom line claims that cuts to the Guard's budget are to allow for funding to be put toward acquisitions are simply unfounded, since the funding for the NSC, the aircraft and the unmanned aerial systems are either prolonged, diminished or non-existent. In the meantime, the Coast Guard is crippled and at a time when we cannot afford it.

What do you think?

Ms. LUTE. Congressman Rogers, what I would say is that the Coast Guard is ready and prepared to execute its missions.

The Secretary and the Commandant have said publicly that the readiness of the Coast Guard is essential to the security of this homeland and to the other missions that it is asked to perform on behalf of the Nation.

We are, in fact, undergoing the recapitalization and indeed a reprofiling of the Coast Guard fleet, and we are doing that systematically and comprehensively as well.

There are a number of specific issues that we can address in detail. For example, there has been a change in policy with respect to splitting the long lead-time requests and the requests for builds. We are combining those, and so number six will have that come together.

With the unmanned aerial vehicle (UAV), a seaborne aerial system, we are conducting joint testing with the Navy.

But part of what you raise is an issue of great concern to me and one that I have been focused on and looking at very hard for the past year. And that is, how to get a solid multiyear commitment for recapitalization investments that can be sustained over time like DOD has? Part of that requires that we get our internal

plumbing and wiring in the Department cleaned up and put together.

It is not possible right now to speak about budget comparability; we do not have common budget alignment. It is not possible to speak about capability reinforcement; we do not have performance indicators and metrics that allow us to compare assets across the entire Department.

Mr. ROGERS. Let me interrupt you. It is fairly simple what I am asking; your budget says that you want to, you are making these cuts, substantial cuts, in both equipment and manpower, in order to fund investments in the new equipment that is coming on board, and yet, you do not include money for the new equipment coming on board. In the meantime, the Coast Guard is hurting for certain now on interdicting drugs, smugglers, the drug war on the border, the violence and not to mention the seagoing difficulties.

Do you not agree that the cuts are now, but the investments are not there for the future in this budget request?

Ms. LUTE. What I would say to you is that I believe that the Coast Guard is ready and able to perform its missions and that the budget takes a realistic view of the asset requirements that currently exist and are projected in Fiscal Year 2011.

Mr. PRICE. Mr. Farr.

Mr. ROGERS. Mr. Chairman, is my time up?

Mr. PRICE. Yes.

I am sorry, we will have a second and possibly a third round.

Mr. Farr.

#### REDUCING RELIANCE ON CONTRACTORS

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

I am rather new to this Committee, and I am just amazed at some of the things I have learned preparing for this hearing. One is that the acquisition budget for the Department is \$332 billion and that you have supervision over 67 major acquisition programs in the Department, but that the number of employees, the Department has 188,000 Federal employees, but you employ 200,000 contractors, more than all the Federal force that works for the DHS, and that you're in the process of developing a professional career program, the APCP, that you have 190 entry positions now, and you want to grow to 9,300, is that correct? Is that math right? By the end of 2011.

How much does that program cost to train the new acquisition professionals?

Ms. LUTE. We have asked for \$24 million for acquisition professionals.

Mr. FARR. And who provides the curriculum, is that a contracted-out curriculum, or do you do that in house?

Ms. LUTE. We are also working with the Department of Defense Acquisition University to leverage the university's expertise in training opportunities.

Mr. FARR. But these will be in-house employees when they finish and they get certified as acquisition—

Ms. LUTE. For acquisition professionals within the Department, yes.

Mr. FARR. Why has it taken so long? With 200,000 or more contractors than in-house employees, it seems like the fox is guarding the hen house.

Ms. LUTE. Congressman, when the Department was stood up, a premium was placed on establishing a rapid capacity to operate. And part of the solution for that was to rely on contractors and contracting services.

Out of the number of contractors that you highlight, we have identified about 70,000 that we are looking at intensively in the professional ranks. A number of others, many thousands of others, provide building and custodial services and the kinds of contracting services that are common elsewhere in the Federal Government. We recognize, though, that this is a ratio that we want to get substantially down in order to consolidate and evolve the Department.

Mr. FARR. So when you are working with DOD, this partnership you are having, is it essentially to get to that kind of professional capacity? I mean, how does the partnership with DOD get implemented?

Ms. LUTE. The under secretary may want to elaborate. But part of what we are trying to do through our certification program is to reach the point where we have only certified level 2 or level 3 program managers for level 1 and level 2 acquisition programs. It requires a combination of education, training and experience that we validate in the Department and work with DOD.

Mr. FARR. Does that parallel with what DOD has in its professional cadre of acquisition professionals?

Ms. LUTE. It is my understanding, yes.

Mr. FARR. I represent the Naval Postgraduate School out in Monterrey, and DOD uses, that is a Masters, Ph.D. Program. And acquisition management is one of their training programs. DHS has a program there, but it is not that. Do you use assets like that for training?

Ms. LUTE. We do. Perhaps Under Secretary Duke can elaborate on some of the specific aspects of the DOD structure that we make extensive use of.

Ms. DUKE. We use the Naval Postgraduate School for some of our Homeland Security professionals. We have an ongoing partnership with them.

We use Defense Acquisition Training for the basic training of our young people entering the workforce. And we use them because they had established curricula that basically meet our needs.

Mr. FARR. So that is not what is going on in Naval Postgraduate School. Naval Postgraduate School is more firemen, police chiefs and others in their getting their Masters degrees.

Ms. DUKE. No, we are using them for Homeland Security employees, not specifically for acquisition.

Mr. FARR. Okay. Today's Post has an article about you are planning to drop the Bush-era nuclear detectors. And it says, recent testing revealed that the consequences of these machines being deployed nationwide in 2007 as DNDO intended could have been disastrous, the GAO's director of natural resources environment said. How many of these machines that could have been disastrous are installed?

[The information follows:]

At this time there are no ASP detectors deployed in an operational capacity. There are 15 ASP detectors installed at ports of entry as test units to support field validation and operational testing and evaluation. While DHS recognizes the right of the GAO to offer their opinion on the potential consequences of deploying ASP systems nationwide, the Department is unaware of any testing or analysis that would support the claim that such actions could have been "disastrous." The decision discussed in the Washington Post article was based on projected performance and cost data, but additional testing and analysis of ASP systems is still on-going. The Department continues to pursue the deployment of ASP systems to secondary inspection locations, and is committed to following stated acquisition processes. These processes will culminate in a procurement and deployment decision from the Acquisition Review Board, followed, if successful, by Secretarial certification of the system's performance.

Ms. LUTE. I will have to get back to you, Congressman. I have not seen the article.

Mr. PRICE. Mr. Culberson.

#### COAST GUARD BUDGET CUTS

Mr. CULBERSON. Thank you, Mr. Chairman.

Madam Secretary, I share Mr. Rogers' concerns about the proposed cuts to the Coast Guard. They are an absolutely essential part of our Homeland Security network. And the ships they currently have are badly out of date. They are always ready, as any branch of the military is, to do their job.

But Mr. Rogers had I think some very good points to make that I share, the proposed increases and funding for headquarters at a time when the Coast Guard is proposed to be cut. I also wanted to be sure to bring to your attention the need for, because I do not see it in here, a new ice breaker. They have completely inadequate—the ice breakers that they are running now are ancient and break down. And it is essential that we maintain that ability to get ships down to the South Pole.

In fact, if I could Mr. Chairman, I would like to yield the remainder of my time to Mr. Rogers, if I could, because he had some good follow up.

If you would like some additional time, I would like to yield my time to you, sir.

Mr. ROGERS. I will have a second round.

Mr. CULBERSON. Okay. But I share Mr. Rogers' concern, and I wish you could address in a little more detail what he was asking you about with regard to the Coast Guard.

Ms. LUTE. Congressman, it is the view of the Secretary and certainly my view, as reflected in the President's budget, that the Coast Guard will be properly resourced in the coming budget year.

We recognize that we are in the process of recapitalizing the fleet, and that requires major investments and major decisions about those investments.

I would respectfully disagree that funding, I think what you have termed bureaucracy, at the expense of the Coast Guard is the choice that we have made. I am an operator. I know what it is like to operate in the field. I know that, for effective operations, we need the ability of a high-quality, highly trained, highly responsive acquisition system. And this Department, with the help of this Committee, has made a series of investments and improvements over the years, and we are building on that and continuing those

improvements. So the Coast Guard is not the bill payer for our strengthening our acquisition system.

Mr. CULBERSON. No, but it is just simply a matter of priorities.

And I share Mr. Rogers' concern that, at a time when the Coast Guard's mission requirements have increased, you are proposing a reduction in critical funding for the ships and equipment that they need, at a time you are proposing an increase in the bureaucracy. It is a matter of prioritization, and I think it is the wrong priorities, and I share Mr. Rogers' concerns.

Mr. PRICE. Thank you.

Let me weigh in, too, on the Coast Guard and the National Security Cutter and try to get a focus on this from the standpoint of today's hearing, which has to do with acquisition management.

Of course, Madam Secretary, the National Security Cutter is a highly capable vessel, but as originally envisioned, it was at the heart of the Deepwater fleet. Eight National Security Cutters were to replace the 12 High-Endurance Cutters, as Mr. Rogers recalled, with greater numbers of days on patrol, increased reach, due to the use of unmanned aircraft, as well as traditional helicopters and greater command-and-control capabilities.

#### NATIONAL SECURITY CUTTER AND DEEPWATER PROGRAMS

Now since that original concept the National Security Cutter has become less mission-capable because the unmanned aircraft program failed to deliver an operational vehicle as hoped, and design flaws that would have shortened the structural life of the ships have required changes that reduce the flexibility of the cutters by adding additional weight.

Furthermore, as you know, the program has been plagued by escalating costs. According to a GAO report from July of 2009, the eight National Security Cutters will cost over \$4.75 billion. That is 38 percent more than the 2007 baseline of \$3.45 billion. So some questions about this.

The original design and requirements for the National Security Cutter were developed by the Deepwater integrated systems contractor before 9/11, based on the contractor's assessment of the Coast Guard's needs at that time.

So my first question, how has the NSC program been reviewed to ensure that the ship we are buying meets the Coast Guard's own assessment of its needs today?

Secondly, what methods has the Department explored for keeping coast growth in the NSC program under control?

And then, finally, since I became Chairman of this Subcommittee, we have provided \$153 million to the Coast Guard to oversee the Deepwater contract in house, instead of depending on a systems integrator, with the hope of eliminating problems that I have already mentioned.

So, in your view, does the Coast Guard at this point have the capacity—have an adequate number of acquisition staff with enough training and expertise and experience—to act as lead systems integrator for NSC and other Deepwater elements?

Ms. LUTE. Yes, Mr. Chairman, I believe that they do.

We conducted an independent review on the National Security Cutter procurement process. And that review validated the requirements, the estimated cost projections and the schedule as well.

As I mentioned in my remarks, we have instituted an aggressive Acquisition Review Board (ARB) process, where every major step of the acquisition process is put to senior decision makers in the Department representing all of the major lines of business for review, discussion and validation before we go forward. And it is our determination to keep ourselves on track, on target, on schedule and within the bounds of acceptable cost as they have been projected.

Mr. PRICE. Can you say more about the methods the Department has explored for keeping cost growth under control?

Ms. LUTE. The principal method, as I have said, Mr. Chairman, is that the ARB process that we have, the Acquisition Review Process, engages the operators from the requirements point of view and then the program managers throughout the life-cycle of an acquisition to ensure that things are on schedule and within the cost bounds that have been estimated. We have introduced this deliberate decision-making process to understand, at the earliest opportunity, if costs are potentially getting out of control and to devise strategies, if that is the case, and to validate that we are, in fact, on track.

And, because of this process and a vigorous interchange between the Department and the components for all of the acquisitions, we now have and can address what has been one of the persistent Government Accountability Office and Inspector General findings, which is a lack of senior executive engagement and focus on the acquisition process.

The Secretary and I have made it very clear that acquisition is not purely the business of acquisition professionals or of our finance staff. This is a leadership responsibility that we have to engage in.

Mr. PRICE. So this movement away from using a systems integrator, a contractor to oversee other contractors, the development of the capability in-house is, in your view, that change has basically been executed and has achieved its objectives?

Ms. LUTE. Cutter number four is not under the lead system integrator in Deepwater.

Mr. PRICE. That is what I am asking.

Ms. LUTE. And moving forward.

Mr. PRICE. In your view, that transition has occurred successfully?

Ms. LUTE. Yes.

Mr. PRICE. All right.

Mr. Rogers.

#### OVERDUE EXPENDITURE PLANS

Mr. ROGERS. Madam Secretary, when can we get the spending plan, the expenditure plan for Deepwater and the other spending plans that are required by law, that we wrote into the law?

[The information follows:]

Response. The Department anticipates providing the FY 2010 Revised Deepwater Implementation Plan Review in the Third Quarter Fiscal Year 2010.

Ms. LUTE. I am aware, Congressman, of how behind we are, and it is unacceptable. As the Secretary said, nearly 300 reports are due for the current fiscal year. And it would be helpful to have the priorities of Congress in that.

And, for a specific answer to your question, I will have to get back to you with a date certain.

Mr. ROGERS. Well, to look at priorities, look at the statute, look at the law, not some extraneous request. There are a few, I do not know how many there are, there are just a few.

Ms. LUTE. There are 16 overdue from 2009.

Mr. ROGERS. That are required by law?

Ms. LUTE. Yes, sir.

Mr. ROGERS. Written in the bill?

Ms. LUTE. Yes, sir, the expenditure plans are overdue.

Mr. ROGERS. Yeah, but the ones that are written in the statute and the ones that we have specifically mentioned in these hearings, Deepwater, SBInet and so on, we want those; those are 2 months or more overdue. We cannot do our work until we know how you want to spend the money. That is what we do, and it is what your budget people are supposed to do. And yet we do not have those reports, so this is not just a request.

Ms. LUTE. I understand, sir.

Mr. ROGERS. This is the law, and we want those reports. That would settle a lot of these questions we have today about the Coast Guard around SBInet and the others. We would know specifically what it is that you plan to use and how much money for each and the timetable and the like, that way we would not waste this time verbalizing when those reports, assumedly by the experts, would be available for you and me as well.

So when do you think we can get those reports?

Ms. LUTE. Congressman, I am not in a position to give you a specific date for each of these reports with the exception of task C, which I believe we will have transmitted tomorrow, but we recognize that we have this obligation due.

Mr. ROGERS. Well, it hampers what we can do. And as I have told the Secretary the other day and this Subcommittee many times, I am not prepared to go for any expenditures until we have the plans for how you plan to spend the money. It hampers our capability to allocate funds across the whole Department.

So I think the Chairman joins me in this, that we need and want those reports, the spending plans.

#### OFFSHORE PATROL CUTTER

Now, that would also help us understand the Offshore Patrol Cutter (OPC). You included a request for \$45 million for that cutter, to fund initial acquisition work, but we appropriated \$40 million for similar work since 2004. And the Coast Guard has been studying and designing the OPC for more than six fiscal years. They say the cost for initial production will not be funded until fiscal year 2015, 5 years later than had been planned under the 2006 Deepwater Implementation Plan. And those 25 cutters are supposed to replace the 27 legacy medium-endurance cutters. So we are into the same predicament with them as what occurred with

the 378-foot high-endurance cutter and NSC. We have got a big gap in patrol time.

The bottom line, the exacerbation of the Coast Guard's gap in surface fleet mission hours brought about by the delay in delivery of the NSC will be further strained with a delay in the delivery of the OPC.

So we need to know what is the plans for the expenditures of funds for the OPC as well.

Ms. LUTE. What I can tell you, Congressman Rogers, is that the design work is complete to the best of my knowledge, but I would have to ask Under Secretary Duke to elaborate beyond that.

Ms. DUKE. The delay in the OPC was defining the requirement. The requirement is complete now. We have an approved acquisition strategy, and the procurement for the OPC will be coming out very soon and we can get a date for that.

Mr. ROGERS. Would that be in the plan, the expenditure plan that we are asking for?

Ms. DUKE. I will make sure it is.

Mr. ROGERS. Well, you know that is news. I hate for us to have to drag out every detail when your expenditure plan will answer our questions and we can devote this hearing to something a good deal more significant. But here we are dabbling around in details that the spending plan will tell us if it were timely, and we should have had that 2 months ago, as the law says, so we can plan our work.

Do you hear me?

Ms. LUTE. Yes, sir.

#### BUDGET CUTS FOR THE SECURE BORDER INITIATIVE (SBINET)

Mr. ROGERS. Now, you propose a cut of \$225 million, 28 percent below 2010, to CBP's border security fencing infrastructure and technology account. Why are we proposing to eliminate the design and development of what is called Block 2 and scale back the program management resources for SBInet?

Ms. LUTE. Congressman, we are not proposing to eliminate Block 2. What we are going to do is to deploy those parts of Block 1, Tucson 1 and Ajo 1, subject those deployments to vigorous operational testing and use and then adapt those proven technologies and systems in the expansion as we move forward in order to avoid false starts again.

Mr. ROGERS. And when will that take place?

Ms. LUTE. I don't have them memorized, Congressman. If Elaine wants to jump in and rescue her deputy, that would be great. Tucson 1, we have 23 miles constructed and Ajo 1, 30 miles. But, at the moment, there is a preservation hold on expansion as I recall.

Ms. DUKE. Tucson 1 is in final testing and should be completed by the end of this fiscal year. Ajo 1 is on hold for deployment because of some environmental breeding reasons, and that will be deployed shortly and then go into testing. We expect the full rate production decision, which is what you are talking about "Do we go to Block 2" to be about a year from now.

Mr. ROGERS. Well, your budget submissions and justifications on page 20 say that you eliminate SBI Block 2.

Ms. DUKE. We are not funding SBI Block 2 because Block 1 is still in testing and deployment, and the decision of whether we will need Block 2, which is really an enhancement of Block 1, has not been decided. It is also part of the Secretary's directed assessment of the best way to secure the border. So it is not eliminated, but there is a decision to not request funding on it at this point because we are not ready to say what Block 2 will be. We have not even completed the decisions on Block 1, which is the initial deployment and the initial system.

Mr. ROGERS. So when your budget request says you eliminate SBI Block 2, it is inaccurate?

Ms. DUKE. We have eliminated it in this budget request. No funding for Block 2 is in this budget request.

Mr. PRICE. Mr. Farr.

#### REDUCING RELIANCE ON CONTRACTORS

Mr. FARR. Thank you, Mr. Chairman. In your testimony you indicated near the end that finally we are initiating a study of acquisition programs staffing focused on the key disciplines needed to necessarily execute a program, and then go on to say we want to understand if our major acquisition programs have the necessary key personnel and program management system engineering information technology, logistics, cost estimation, test and evaluation, and develop concepts to aptly fill identified gaps. The study that you are initiating, who is going to do that study; is that going to be internal or external?

Ms. LUTE. It is internal.

Mr. FARR. If indeed there is more contractors, there is more people outside working for DHS than inside, how do you get a handle on those in light of this—it wasn't today's paper, but Saturday's Post that points out that the Department engaged in buying these nuclear detection devices, and that each machine was supposed to cost \$377,000, and indeed some cost as much as \$822,000, and now that you have looked at them and bought them and in some cases installed them you are deciding to junk them. I mean if there is 200 more contractors out there than employees, how do you get there from here? This seems to me that it is just out of control. I mean everybody who sells something in this town has a great idea that it is going to solve all kinds of problems. And we as Members of Congress see that all the time. With vendors coming in here and saying here is a problem and we have got the ideal technology to solve it sounds pretty good. But then it takes a lot smarter people than we have in our world to try to do that, to really find out if this is cost effective and relevant and all those things. It seems to me that is what you are in the process of training for. But I mean if you have got a lot more contractors out there than the cadre of people that you are going to be training, and we see these kinds of disasters of acquisition, how do you explain to this Committee, how do you get your hands around it in a short time?

Ms. LUTE. Well, again—

Mr. FARR. Because a lot of money is at stake here.

Ms. LUTE. Absolutely right, by any measure, a lot of money is involved. And again, I haven't seen the article. I don't know if Under Secretary Duke has. The advanced spectroscopic portal monitoring,

we have decided to move those into secondary, not completely junk the program. So I don't know what the article is referring to.

Mr. FARR. Well, that is your excuse, you are going to move into secondary. It means you are spending \$800,000 on equipment that doesn't do what it was supposed to do.

Ms. LUTE. But further to your point on contractors, the Secretary has instructed, and we are certainly concerned about our reliance on contractors and have been looking systematically at how to reduce that reliance in a way that doesn't put the operations of the Department at risk, prioritizing those functions that are inherently governmental functions for which full-time, government employees need to be providing and then systematically moving through our workforce to reduce our reliance.

Mr. FARR. Did you get what you asked for from OMB; is it in this budget or did OMB cut your training program?

Ms. LUTE. I don't remember.

Ms. DUKE. We have a small cut in our centralized training program in this budget. But we think, through our partnerships, we have brought down the cost of training considerably, and we think we can adequately train our resources with the President's budget.

Mr. FARR. And this training, explain something about internships. These aren't just typical interns that come in. You will retain them after they intern? They are not going to intern and then leave and go work for the private sector? Sell you some more equipment that doesn't work?

Ms. DUKE. I think it is important that there are a lot of them. Some are mid career, most predominantly new college graduates. They come in and go through a 3-year program. They are on-the-job, they do not work at headquarters and they are not overhead. From day one, they work in one of the operating components under a mentor doing actual contract work. And, during their 3-year program, they go to formal training. They are in the workplace, so they get the on-the-job training.

Another great piece of this is that they rotate through three DHS components so they get varied experience. For instance, they might do Coast Guard, Federal Emergency Management Agency and Transportation Security Administration, so they get a good feeling. When they graduate in 3 years, they are career employees, and they have the training and the experience to be contract officers.

Mr. FARR. Is there going to be enough of them to get your hands around this if there is 200,000 contractors out there? And frankly that figure came from the Washington Post. I don't think the Department knew the answer to how many contractors there were.

Ms. DUKE. Well, these acquisition interns will not replace the contractors. Those contractors are doing a wide variety of work.

Mr. FARR. I understand that. They are going to be monitoring these contracts, right? You are going to learn how to make sure that we get what we are promised? These contractors are smart. Hopefully we have less and less people that we need to contract with. It is cheaper to bring them in and make them Federal employees in some cases, not in every case, but in a lot of cases to have them work for the Department rather than for a private contractor.

Ms. DUKE. We very much agree and are looking at rebalancing our workforce for the principal purpose of making sure that the core capabilities of DHS are done by federal employees, and that is our phase one.

Mr. FARR. How long do you think it will take to get this cadre of people trained and in place?

Ms. DUKE. We have 109 that are in place now. We will be building to 300 by the end of fiscal year 2011. In terms of the conversion and making sure we have the right number of Federal employees, we have identified about 3,500 contractor positions that are more appropriately done by Federal employees, and those will be converted this fiscal year. And that is just phase one of our effort.

Mr. FARR. Thank you.

Mr. PRICE. Mr. Culberson.

#### SECURING THE SOUTHWEST BORDER

Mr. CULBERSON. Thank you, Mr. Chairman. Madam Secretary, I represent Houston and Texas, more than any other State, has a long and very special good relationship with Mexico. We have a special history with them and a keen understanding of the need for workers from Mexico to come here legally so we know who you are and you are here for a specific purpose, we know when you are going home. And because we have the longest border with Mexico than any other State we also have a keen understanding of the need to keep illegal activity out, people that are crossing the country and entering America illegally, that are bringing in contraband, drugs, weapons, et cetera. And in the Del Rio sector and the Laredo sector, with the help of several of my colleagues in this Committee, in a bipartisan way, we have successfully implemented a law enforcement program of zero tolerance where people that enter illegally under existing law are prosecuted and incarcerated and removed from the country in a criminal proceeding and it works beautifully. The local community loves it. The local community on the border is 96 percent Hispanic. Law enforcement is something that everyone in America understands, it works, it is common sense. Yet I see in your budget proposal, and it is here in the budget proposal that you have submitted, the fiscal year 2011 budget and brief, a 58 percent increase in Department operations; that this President's priority is a 58 percent increase in the bureaucracy, yet you are cutting the investment in the Coast Guard's operational needs 10 percent, you are proposing a 28.2 percent cut in the border patrols, border security fencing, infrastructure and technology account, you have eliminated Block 2 of SBInet, so how can—it is just common sense you can't proceed with Block 2 in future years if you are wiping it out. I mean, in addition, the concern the American people have over this administration and this Congress is this majority is out-of-control spending and the debt, the deficit, the fear that everyone has about spending. It is the priorities. And I have to tell you on behalf of my constituents I share absolutely Mr. Rogers' concern and frankly strenuous opposition to cutting the Coast Guard and cutting Customs and Border Protection's security fencing at a time when it is so critical.

If we would just enforce the law and secure the border. The crime rate in Del Rio and Laredo have dropped dramatically. In

Del Rio the crime rate has dropped around 60 percent. We have seen about a 50 percent drop in the crime rate in Laredo. It is the priorities that concern us, the absence of reports, as Mr. Rogers has said, that are required by statute to help us do our job. And I can tell you, the public, this is something that, this is one of many reasons the prioritization, your priority of our bureaucrats, in not helping our men and women in the field with the infrastructure that they need. That is unavoidable. There is no other conclusion. And I have to tell you, this is one of many reasons there is going to be a tsunami this November, and it is a real source of concern.

Why in the world would you cut the Block 2 when, and I understand about the problems with SBInet, but how do you propose to even move into Block 2 if you have wiped it out?

Ms. LUTE. So, Congressman, what I would say, in the first instance, the lion's share of the operating program changes are going to St. Elizabeth's, the new headquarters for the Department of Homeland Security, and we do not believe that we are causing the operational effectiveness of our operators in the field, whether they are in the Coast Guard or Immigration and Customs Enforcement or on the border patrol or anywhere else—

Mr. CULBERSON. Yes, ma'am, but you are increasing the—you are hiring, you are staffing up headquarters personnel or a bureaucracy at a time when you are proposing cuts and infrastructure to Border Patrol and Coast Guard. That is a fact.

Ms. LUTE. Congressman, I am an operator, and I will tell you from an operator's perspective that your teammates at headquarters are every bit as essential to your operation as your buddies in the field.

Mr. CULBERSON. I am just telling you that is not acceptable to the American people.

Ms. LUTE. And what I would respectfully clarify is that the priority is supporting our operations in the field with competent ability to operate at headquarters. There is never a good time to make the kinds of choices that we make, but we are determined to have this Department as responsive to our field requirements as we can be.

Mr. CULBERSON. I understand. I just wanted to confirm your priorities are bureaucrats rather than supporting the men and women in the field.

Ms. LUTE. I will say what I said before, Congressman. Our priority is supporting our field-based operations with all of DHS. And these requirements, whether in the acquisition workforce or elsewhere, are essential for operators to have what they need and have it when they need it.

Mr. CULBERSON. Are you aware the Tucson sector is essentially wide open? I have toured it several times myself. It is a problem with the DOJ and the prosecutor there. But the border patrol agents in the Tucson sector, and I talked to the Chairman and the Ranking Member and the Members about this, in Texas if you cross you are arrested and prosecuted. If you enter the United States illegally in the Tucson sector you will not be prosecuted unless you are carrying more than 500 pounds of dope. You have a 99.6 percent chance of being home in time for dinner, literally.

They are out of about 4 hours of time and they lose the load. It is crazy.

Tucson is wide open, yet you are not installing this critical infrastructure in the Tucson sector where it really is needed. That is the Wild West out there. Tucson is wide open.

Why would you not proceed in installing this infrastructure in Tucson where it is needed so badly?

Ms. LUTE. As Under Secretary Duke said, we are proceeding with Tucson 1 and Ajo 1. We expect them both to be operational by the end of the year. We expect to exercise them and use them vigorously and have them form the basis of—

Mr. CULBERSON. Is that the Yuma sector? I think that is in the Yuma sector. Or part is in the Yuma sector and parts of it right next door. We are on the edge of the Yuma sector in Tucson, out in the wilderness, right?

Ms. LUTE. Well, in addition, Congressman—

Mr. CULBERSON. Thank you, Mr. Chairman. Oh, Ajo, that is Yuma. They have zero tolerance in Yuma too, Mr. Chairman. That is the area where law enforcement is just enforcing existing law. So where you are building it is wonderful, but you are not building it where it is needed the most, Mr. Chairman, and that is in the Tucson sector. And I hope at some point you or any of my colleagues, we all need to look at Tucson and try to help those poor folks because it is a wide open superhighway in Tucson.

Thank you.

Mr. PRICE. Ms. Lute, feel free to complete your sentence. I didn't mean to cut you off.

Ms. LUTE. The only thing I was going to say is that in the interim, as you know, we have undertaken a strengthening of the Southwest border over the past year. We deployed mobile surveillance radars, we have increased the use of canine teams and reinforced best teams. The Secretary is certainly very aware of the entire border, having been there herself personally, and this has been a priority for the Border Patrol and will continue to be a priority for the Department.

Mr. CULBERSON. Thank you, Mr. Chairman, but take a close look at Tucson.

#### OVERDUE REPORTS AND EXPENDITURE PLANS

Mr. PRICE. Madam Secretary, let me pause just a minute to clarify a matter that was under discussion earlier, and indeed last week with the Secretary, having to do with reports and overdue reports. The number was bandied about last week that something like over 300 reports had been required of the Department of Homeland Security by this Subcommittee. I am here this afternoon to tell you that the House appropriations subcommittee mandated reports due to this point, number 105. That includes some from the 2010 bill and some late ones from 2009. Now, that is a lot of reports. A lot of those are a page or two, but some are major. But the number is less than 300. And while it is often said that jurisdiction over homeland security is spread all over our Committee structure that is manifestly not true on Appropriations. On Appropriations we have consolidated jurisdiction in one committee that deals with the entire Department, and the reports that we require

are very considerably in scope and format, but they do represent our best judgment from a single vantage point as to the overall functioning of this Department.

Mr. ROGERS. Will the gentleman yield on that?

Mr. PRICE. I would be happy to.

Mr. ROGERS. In the 2010 bill, the bill, the Act, has 18 expenditure plan requirements.

Mr. PRICE. In statutory language.

Mr. ROGERS. That is 18.

Mr. PRICE. That is right. 18 expenditure plans in statutory language. The balance of those reports and plans would be of a greater variety and usually not included in statutory language.

We do take this very seriously, and I think all of us have stressed that today. The major plans we are talking about here are the Deepwater expenditure plan, the SBI expenditure plan, and aviation security plans for explosive detection systems, checkpoints and air cargo. We made that very clear with the Secretary, and I trust it is clear today. But some of these numbers are confusing, and I hope this serves to clarify what we are dealing with.

#### SECURE BORDER INITIATIVE (SBINET)

Let me now turn to SBInet. SBInet was expected to leverage the expertise and resources of a major systems integrator, Boeing, and its team to apply commercial off-the-shelf solutions to help DHS, and in particular the Border Patrol, achieve operational control over land borders with Mexico and Canada. However, as everyone knows, the progress has been slower than expected. The original target to deploy SBInet to Tucson and Yuma sectors was October of 2008 with the Southwest border deployment of a common operating picture, as it is called, scheduled for December 2008. However, your budget indicates more conservative plans to complete testing just for Tucson Block 1 by the end of this year and finish deployment in 2013. That is 2 to 5 years later than planned. And as you have confirmed, Block 2 is deferred entirely—deferred, not canceled but deferred entirely—until completion of the Secretary's SBI review.

Last week the SBInet program manager said, and I am quoting, that "technology helps with the surveillance part" of Border Patrol's mission, but acknowledged mistakes made by DHS and Boeing over the past 4 years in relation to the use of radar, cameras, and defining of system requirements. He also said "we thought it would be very easy and it wasn't. Technology has to be a key part of the border security plan, it's not there. So what do we do in the meantime?"

So Madam Secretary, I want to ask you about "in the meantime." What steps are you taking to ensure benefits of technology will be realized in the meantime, and specifically we understand Boeing is permitting the Border Patrol to make operational use of some of the Block 1 technology now in testing. What is that all about? Will that speed up future acceptance testing, will it help define requirements, will it inform investment decisions?

## OVERDUE REPORTS AND EXPENDITURE PLANS

Ms. LUTE. Well, Mr. Chairman, if I can just make a comment about the reports and to Ranking Member Rogers, you hear no excuses from me about why our reports are late. They are late; it is unacceptable. We understand what our requirements are, and we will work to meet them. I certainly understand the value of these reports for Congress to discharge its responsibility. This Committee, as I have mentioned before, has been extremely helpful to us in strengthening our acquisition process, and these reports are key instruments for that purpose.

Our job in homeland security is really to do three things: execute our mission sets, run ourselves and account responsibly for the resources that Congress has given us. We take each of those responsibilities very seriously, and so, with respect to reports, we recognize the importance. That message comes through loud and clear.

## SECURE BORDER INITIATIVE (SBINET)

With respect to SBInet, we experience problems here, Mr. Chairman, that we have experienced in a number of our other areas, which, in part, is a problem of understanding our requirements and being in a position to be able to articulate what our operating requirements are to a commercial level of satisfaction. All over the public sector, industry has the ability to monetize every aspect of a capability: the durability of the equipment, the length of hours that it operates, the mean time between failure, everything. And we are, in many cases, operators. We are trying to strengthen our acquisition workforce across the range of capabilities that are designed to address these shortfalls and have us do it well once; to identify within an acceptable range what our operating capabilities and requirements are, to be able to assess and identify solution sets that are presented to us by industry and to engage with industry, where necessary. For prototyping, this is what DOD does, as you mentioned before, for limited production numbers and to interact in a way that validates what has been achieved or makes adjustments as we go forward.

So we have put in the hands of some of our operators some of this technical capability. And this is my old world. These are radars, cameras and command and control radios that talk to each other in terms of data and that allow operator manipulation command and control for the purposes of detection, attribution and interdiction.

This is a complicated, difficult system that is temperamental to the weather. It is a recipe for difficulty in acquisition. And so the decision was made to review SBInet entirely, at the Secretary's direction, to ask CBP to go back in and look at what we are requiring and, in the meantime, to use our technology such as the mobile radar surveillance capability. It is on the back of a truck and gives you night vision capability as well as day capability of movement and detection, plussing up agents at the borders and other mechanisms to help strengthen our border visibility and operation.

Under Secretary Duke may be able to elaborate beyond that.

Ms. DUKE. In addition to deploying the current technologies, as we continue to develop the Block 1 technology, we also are using

some of the ARRA funding that went to the Border Security Fencing, Infrastructure and Technology account to introduce opportunities for other companies that have proven technologies that can work along the border to propose those and that will broaden our tool box. The original philosophy for Block 1 was that it would be systematically reproduced along at least Arizona and potentially the whole Southwest border. That has not necessarily changed; it is just not decided yet. We want to look at how far Block 1 should be reproduced and what other technologies, both that we know about and don't know about yet, might be introduced to best protect the Southwest border.

Mr. PRICE. Can you give us a little bit more practical sense of what this Block 1 technology looks like, what it achieves, what we are getting out of this in the way of border security, apart from the testing and the projection of capabilities for future use?

Ms. DUKE. Yes. What you are getting is a system of unattended ground sensors. You are getting sensor towers. And the sensor towers have day cameras, night cameras and radar. And then there are relay towers, microwave towers, that are basically communications relay. The biggest things you are getting are technologies to allow, in Tucson, for example, four to five border patrol agents working from computers in an upgraded command center basically to get persistent visibility of the entire 23 miles, and the 23 miles is the border. Understand that, even inland, four to five border patrol agents get this view from computer screens from these, in this case of Tucson, nine towers. And so basically what you are doing is you are getting persistent surveillance completely, day and night, with sensors and with the technology.

So that is what you are getting. You are leveraging your border patrol agents and giving more complete visibility into the area.

Mr. PRICE. Well, it was originally assumed that this kind of technological fix was a good alternative, in some cases a superior alternative, to the actual construction of physical barriers, physical fencing.

Is that judgment still intact and do you anticipate that after this further period of demonstration and testing that will in fact be the case?

I presume that we are talking about areas here where the fencing solution itself has lots of challenges and difficulties.

Ms. LUTE. I think that is right, Mr. Chairman. As the Secretary has said repeatedly, a fence is not a strategy. SBInet is not a strategy. We need a combination of technology, people and processes to comprehensively address the border challenges, which, on the one hand, are to keep out people who are unauthorized to come here who might be dangerous but, on the other hand, particularly at our points of entry, to expedite legitimate trade and travel. And this as Under Secretary Duke said, is designed to give realtime border space operational awareness and to allow the kinds of decision-making, for interdiction purposes, that maximizes the personnel and the other infrastructure that exists.

Mr. PRICE. Mr. Rogers.

BUDGET CUTS TO COAST GUARD AND CUSTOMS AND BORDER  
PROTECTION

Mr. ROGERS. Well, you say that Block 2 is not eliminated and yet there is no funding there for it, which reminds me of that old saying that a vision without funding is a hallucination. And I hope we are not hallucinating here.

Somebody said a moment ago, I think you said a while ago, that the cuts to the Coast Guard will not be significant, will not be harmful. However, the Coast Guard says that their ability to interdict smuggled cocaine will drop by about 3 percent, the amount of cocaine removed will decline by 11 percent due to the loss of the assets proposed in the 2011 budget. In 2009, the four 378-foot cutters proposed to be decommissioned contributed to the removal of 35,000 pounds of cocaine, 400 pounds of marijuana with an estimated wholesale value of \$493 million.

So I beg to differ with you. The loss of these assets will mean significant reduction in the capability of the Coast Guard, as the Commandant now has said.

Now, quickly moving to the CBP's air and marine operations, the Border Patrol relies heavily on robust air support, and the decision in this budget to decrease funding for procurement and operations of the air and marine division by \$16.6 million, 3.2 percent, had air and marine salaries and expenses by \$11.3 million, 3.7 percent below 2010, will be significant, is significant. What do you think will be the impact of the cuts to CBP and marine operations on border security at a time when we are in a big time war on the border?

Ms. LUTE. Congressman Rogers, as the Secretary has said and I certainly support, CBP, including its air and marine operations, is well equipped and prepared to discharge their missions to protect our Nation's borders. We again view this capability in the context of the overall approach to border operations, of which this is an integral part, and believe that we are profiled properly to discharge our missions and recognize, frankly, the importance of air and marine operations for that purpose.

Mr. ROGERS. Well, again, this is another report that we don't have yet that is required. If we had that report we wouldn't have to be asking these questions. We would know because you will have had your experts tell us precisely what you are going to do, what you are not going to do, and what impact it is going to have, what context these reductions are in. So again, as the chairman has said, these reports are not just debating points, these are the way we plan our work, because we have got to justify what we do to the rest of the Congress and to, more importantly, the people of the country. So can we have that report as well?

Ms. LUTE. Yes, sir.

## AIRPORT SECURITY TECHNOLOGY

Mr. ROGERS. Now, the other day the chairman and I went to the airport, went to the TSA testing facility out here, to look at the new whole body imaging machines and watched a demonstration of the product. The budget request will acquire and deploy a huge number of these machines. In fact, according to TSA, 497 of the

machines are to be acquired with 2009 stimulus and 2010 funds, another 503 plan to be purchased with the 2011 request, and about 800 would potentially be sought in future years if they are working well in the field.

So we are in the business of testing and evaluating on the fly, if you will. One of us asked the question about whether or not these machines would replace the magnetometers. Of course they would not. But the magnetometers and the machines would be deployed together, but requiring an additional five FTEs per machine, which is a hefty budgetary item and personnel cost. The question is why aren't we just combining those two machines into one machine. It seems like it might be a fairly simple thing to do. And why are we deploying this huge number of these very expensive whole body imaging machines before they are integrated with the magnetometers?

Ms. LUTE. I am no technical expert in this regard, so I won't be able to satisfactorily address your question about why they are not being merged technologically. But what I can tell you is that we believe very strongly that this represents an enhancement as part of our overall layered defense in airport security and that we have, in looking at the whole body imaging, the magnetometers, the explosion trace detection, behavioral detection, the whole suite of measures that we employ at airports. We have tasked our Science and Technology Division, working together with the Department of Energy and the national labs, to take a hard systems look at three aspects of technology in the service of aviation security.

Aspect number one: Are we currently deploying existing technology to its maximum effect, whether maximizing its technical capabilities or maximizing the configuration as it relates to other pieces? Secondly, what new and promising technologies can we accelerate the development and deployment of?

Mr. ROGERS. No, no, no, the question is pretty simple. Magnetometers are needed—

Ms. LUTE. To detect metal.

Mr. ROGERS [continuing]. And whole body imagers appear to be great. But why did not S&T which is, according to Secretary O'Toole, Under Secretary O'Toole, S&T will be the testing and authority for the Department, which is the way it should be, but if that is true why did we not try to combine these two machines before they are separately bought and deployed? It seems to me like we could save some money, significant monies, if we are able to combine the two, not only in equipment cost but in personnel cost.

Ms. LUTE. On the specific question—

Ms. DUKE. I think the issue is the Directorate for Science and Technology performs the test and evaluation. Industry develops the new technology. This is just an example. Right now the combined capability doesn't exist in industry. We feel that the threat is such that we need the immediate detection of nonmetal threats. And so it is a series. We make decisions about where to deploy existing technology—

Mr. ROGERS. All S&T would have had to do is to issue specs for a combined machine and industry assumedly would have provided it forthwith and we could have saved, I think, a lot of money.

Ms. DUKE. And we have many specs out to which the industry is working. This particular technology is ready to deploy, and we feel the threat warrants deploying it as a separate technology at this point.

Mr. ROGERS. Thank you.

Mr. PRICE. Mr. Farr.

Mr. FARR. Thank you, Mr. Chairman. Just a personal observation. When the Chairman led us on a tour of the border and SBInet was described to us, it just seemed to be overwhelming. It was more like Star Wars. And what we really found on the ground that the Border Patrol needed and very complimentary of was the mobile radar units. I mean I became very critical of the UAVs. It just seems to me they were not cost effective for the amount of money, I think it was \$10 million, and then you need I think four operators, whereas these mobile units are about \$700,000 for a radar unit. And it seems to me that you have got to invest in equipment that the people on the ground need for their job, not something back in sort of headquarters command which can't be as responsive as the people that are on the ground. This is just a personal comment. I felt very strongly that we were not buying enough of those mobile radar units and buying too much of the Star Wars stuff.

#### REDUCING RELIANCE ON CONTRACTORS

One of the questions I have is, following up on the others that I had, you said that there are about 70,000 people that are contracted out, personnel that could be, might be brought into DHS as Federal employees. You also indicated you are going to convert 3,500 this year. How long is it going to take to convert in the next 5 years? What are the projections of transferring, is it that number, 70,000?

Ms. LUTE. That number of 70,000 is from the number of the 200,000 that you mentioned that are in professional services as opposed to support services, the custodial that I mentioned. We are looking to phase in our approach to reducing our reliance on contractors beginning with the 3,500 that Under Secretary Duke mentioned.

Mr. FARR. And that is 3,500 this year?

Ms. LUTE. Yes.

Mr. FARR. And how many in the next 5 years?

Ms. DUKE. We are in the process of gathering that. We are actually meeting with the committee staff tomorrow to discuss in more detail our current plans, but we are developing the outyear plans at this point.

Mr. FARR. So do we have to ask you for another report?

Ms. DUKE. No. I am confident that we will have that number tomorrow as we sit down, and we will regularly update you on our progress, but we don't have the numbers for the outyears yet. We do have some specific requests in our 2011 budget where we are actually asking to convert to full-time equivalent positions, but we think there are going to be additional positions coming. We do not think it is going to be the full 70,000, but we don't have a number yet.

Mr. FARR. I think you can tell from my questions that I am very concerned of this whole runaway contracting out where essentially

the outside world, the vendor world has a handle on running the DHS. I mean there are more employees out there than inside, and it is of great concern. I think we have the capability in government to have the best and brightest working on our side and really reviewing these things because we are spending a lot of money on technology that is going to become obsolete. I mean, the whole border, you would think if we ever just had a really good investment plan in Mexico to upgrade middle class quality of life issues we would have less people coming across the border and we wouldn't need all this very expensive, billion dollar equipment. I would like to see us some day engage in a strategy like that rather than just trying to build the most sophisticated border in the world with a country that we have that is our number one trade partner. For the State of California, Mexico is the leading, is our biggest buyer of California goods, and Canada being second.

So it just doesn't make any sense that we are going to create a border there that, as you indicated, is one of the biggest commerce borders in the world, but also a border that represents the largest contrast between rich and poor anywhere in the world. And how one is based on security and the other is based on rapid movement of goods and services that we just we have got to get it right. And I am not sure that spending billions and billions of dollars on Star Wars border activity is a way to do it. That is my opinion.

I will be looking forward to the rest of the hearings this year, and I appreciate the Chairman scheduling you before the Committee. Thank you.

Mr. PRICE. Thank you.

Mr. Ruppertsberger.

#### CYBER SECURITY

Mr. RUPPERSBERGER. Just a couple of things if I have time. I want to get into the cybersecurity issue, and secondly the TASC. On the issue, and I am not sure if you can answer this or this is what you are working on, the Homeland Security has a mission from the President to deal with all dot-gov and dot-com in the cybersecurity area and developing the programs to help us with cybersecurity. NSA is doing the military and intelligence. NSA has been working on this for a long time and has spent a lot of money in developing a good program for cybersecurity. And I know that Homeland Security and NSA have been communicating together. But it is my understanding that Homeland Security might be attempting to develop their own program maybe different from where NSA is. And NSA has invested in a lot of money and I think they are where they need to be at this point. And I want to know whether you could comment on where we are. One of the issues that I heard that might be a concern with Homeland Security is that they might not be able to sole source on certain programs, but we are talking about the Einstein and where that goes.

Do you have any comments on that or where we are on that, what the status is, where the policy issues are going with respect to working closely and more compatible with NSA on the programs that are needed for cybersecurity defense?

Ms. LUTE. Congressman, we work very closely with the National Security Agency (NSA), including, at my level, in direct dialogue

with the Director. We also have a separate set of responsibilities that we understand and take very seriously.

No one intends to replicate capabilities of NSA. We are working very closely with our colleagues in the interagency, including NSA, to identify and prioritize the challenges that exist in securing the cyber space for the dot-gov and dot-com domain, as you have suggested.

Mr. RUPPERSBERGER. But that is not what I am hearing on the other side, that there is a move to go out and develop your own system. And if that is not the case, I think we—and I am not sure where we are or who is making the decisions there.

Ms. LUTE. In this setting, that is about all I feel comfortable with.

Mr. RUPPERSBERGER. Okay, that is fine. I understand that. If there is another setting, and we can talk about that later on, but it is an issue that is going to be out there and that we are going to raise.

#### TRANSFORMATION AND SYSTEMS CONSOLIDATION (TASC)

TASC, you know there have been—basically I think Homeland Security has had a difficult time struggling over the last couple of years with the internal acquisition process, you have, what, 22 different areas. I understand there is some headway that has been made, in other areas there hasn't been a lot of headway.

Can you give me the status of where you think TASC is right now and what and how were the total costs for TASC developed using what assumptions and what alternatives are being considered or identified?

Ms. LUTE. Congressman, Under Secretary Duke can elaborate on the details. But Transformation and Systems Consolidation (TASC) is designed to give us a single Department solution for financial asset and acquisition process and controls. We can't talk coherently across the Department yet in these areas, and we need to be able to do that. TASC is designed to focus on integration of these processes and connect to a whole suite of internal controls. TASC will be a phased-in approach that is designed to move in a stepwise fashion using existing solutions in the federal space so we can maximize best practices and lessons learned.

But perhaps Under Secretary Duke can give you greater detail.

Ms. DUKE. The current status is that we have a solicitation out, proposals have been received and we are currently evaluating proposals. There was a protest lodged with the Federal Court of Claims, in which DHS prevailed. We heard on the appeal about 2 weeks ago and won the appeal so we are going forward.

The key differences in TASC that we are delivering are that it is competitive; it requires industry to try to manage that technology risk to deliver solutions that have been proven in the federal sector because we need an immediate solution; and it is based on federal standards for the nine standard business processes that are core to financial systems.

So we feel like we have a good balance between getting proven technology and not going so cutting edge that the risk is unrealistic. Additionally, we are not going to do the big bang approach in terms of deployment. We are going to do a phased deployment

within DHS, starting with one major component and two small offices and deploying over about 5 years once the contract is awarded to try to again manage risk and ensure the success of this major move.

Mr. RUPPERSBERGER. It might be wise to do it that way. The one message I want to send back, getting back to the cyber issue, I will use an analogy or an example, where FBI at this stage still has not developed the communication system they need, yet NSA and CIA both had systems that worked. And in order to develop their own system and bring in IBM, there have been a lot of failures even to this day. We don't want to duplicate that. So it is really important that we focus on what we had, what works and then move forward from there.

Thanks.

Ms. LUTE. Thank you.

Mr. PRICE. Thank you, and thanks to both of you for your appearance here today, for your service and for your responsiveness to our questions. We will probably each have additional questions to submit for the record, things that we weren't able to bring up here. But our time is about up. We need to adjourn the hearing and we will do so with thanks to both of you for your appearance here today.

**Hearing before the  
House Appropriations  
Subcommittee on Homeland Security**

**Major Systems Acquisitions at DHS**

**Questions for the Record**

March 2, 2010

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QUESTIONS FOR THE RECORD SUBMITTED BY

**THE HONORABLE David Price**

**Jane Holl Lute, Deputy Secretary  
Major Systems Acquisition at DHS  
March 2, 2010**

Acquisition Management Process

**Question:** How does the new process under the January 20, 2010 Acquisition Management Directive compare with the prior process?

**ANSWER:** Relative to the Interim process released in November 2008, the January 2010 process (Directive 102-01, *Acquisition Management*) is conceptually identical, with minor modifications incorporated from comments received by the Department's formal executive review process that includes all Components, Department of Homeland Security (DHS) lines of business, and Legal Counsel. The two most notable changes were the recognition of a Chief Acquisition Officer (required by statute) and the addition of a major threshold for service acquisitions above \$1 billion annual expenditure. The acquisition lifecycle framework (e.g., phases, decision events) was unchanged between the interim and final policies.

**Question:** How congruent is the process outlined in the Directive with practices currently being followed by individual components? Where in the department will this directive require the most significant policy changes?

**ANSWER:** For Major (>\$300 million Life Cycle Cost) Programs, there is a high degree of congruency between the Department and Component acquisition processes as a result of Components' active involvement in the acquisition re-engineering effort. Every major program that has been through the department's Acquisition Review Board (ARB) since the release of the initial policy has been aligned with the re-engineered process. In addition, Components with existing acquisition processes have updated them to conform to Directive 102-01, and components developing new acquisition processes are working to Directive 102-01 guidance as the basis for their process.

Significant policy changes required by this Directive in the Department will include:

- Full implementation of the Department's Strategic Requirements Planning Process. This will provide the acquisition management and resourcing (Planning, Programming, Budgeting and Execution) processes higher quality, better aligned requirements that will improve acquisition program's ability to meet Departmental needs; and
- Some changes to fully interlink Science and Technology research and development effort policy with the Directive; specifically to improve the interface where S&T projects transition to major acquisition programs. Both of these efforts are in progress.

The Directive 102-01 process will be most effective when the other key related decision support processes are interlinked with the acquisition management processes. Specifically, the Strategic Requirements Planning Processes, when fully implemented, will provide the acquisition management processes with higher quality,

more aligned requirements that will better enable acquisition programs to better formulate their plan to address strategic department needs. Component policies are also affected by the re-engineered acquisition management process, as they shift a procurement-centric approach to the multi-disciplinary acquisition approach. Finally, there may be minor changes to the policies affecting Science and Technology (S&T) efforts as we work to create interlinks between the S&T research and development efforts with the acquisition process governing major programs.

**Question:** How will the new Management Directive directly affect ongoing major acquisitions like the four case studies featured in the hearing?

**ANSWER:** All major acquisitions (including the four case studies referenced) follow the new Acquisition Directive and are subject to the re-engineered processes and governance. Programs are now required to conduct periodic reviews with the Department in order to receive authorization to proceed based on an assessment of the program's readiness and compliance with the Directive. Since many of the existing programs were underway when the revised policy was released, the Department works with Components and their Program Management Offices to establish a tailored level of compliance to the new directive based on factors such as: program location in the lifecycle, assessed level of risk based on performance to date, and existing level of compliance. Major programs will experience increased oversight engagement through the Components, via the Component Acquisition Executives. Programs that lack critical knowledge or contain excessive risk will be more affected by the new policy; programs that are managing within their approved baselines will be less affected. In addition, Programs now have access to knowledgeable support staff from the Department to help with implementing acquisition practices and processes throughout the acquisition lifecycle.

**Question:** DHS Inspector General report 10-16 included the following criticism: "DHS has not provided the oversight needed to identify and address cost, schedule, and performance problems in its major investments due to a lack of involvement by senior management officials as well as limited monitoring and resources." How significantly does the process under the Acquisition Management Directive answer the criticism of the Inspector General?

**ANSWER:** DHS has developed a comprehensive governance approach that establishes strong acquisition management standards and oversight. Directive 102-1, *Acquisition Management* was finalized January 2010. It established acquisition program processes and formal Acquisition Review Boards (ARBs) that oversee major departmental programs.

The ARB is a senior management cross-component board within the Department that determines whether a proposed acquisition has met the requirements of key phases in the acquisition life cycle framework and is able to proceed to the next phase and eventual full production and deployment. The ARB is comprised of the Acquisition Decision Authority (chair of the ARB), the Under Secretary for Management, the Under Secretary for Science and Technology, the Assistant Secretary for Policy, the General Counsel, the Chief Financial Officer, the Chief Procurement Officer, the Chief Information Officer, the Chief Human Capital Officer, the Chief Administrative Officer, the Chief Security Officer, user representatives from Components sponsoring the capability, and other officials within the Department determined to be appropriate to the subject matter by the Acquisition Decision Authority.

The ARBs are chaired by either the Deputy Secretary or the DHS Chief Acquisition Officer, who serve as the Acquisition Decision Authority (ADA), depending on the level of the program. Since the revised ARB process was developed in early calendar year 2008, over fifty ARBs have been held at the Department level. As a result of these meetings, programs have been provided authority to proceed, actions to further demonstrate readiness

prior to proceeding, or a combination thereof. The fiscal year 2010 ARB schedule will continue the execution of senior level acquisition oversight over major DHS acquisition programs.

To complement the ARB process, Component Portfolio Reviews were implemented as a means for the Department to review and collaborate with each major program on an annual basis. This process, jointly executed by the Component and the Department, supports management of the Component's acquisition portfolio and strengthens Departmental governance and oversight. The final report of the review is signed by the Component Acquisition Executive and the DHS Director for Acquisition Program Management Division. These reviews also provide insight as to systemic acquisition risks across the Department.

Seven Independent Expert Program Reviews (IEPRs), which are focused looks by subject matter experts on programs of senior leadership interest, have also been conducted. The IEPRs identify and provide recommendations on issues that impact program performance and potentially jeopardize program success. They also identify recurring systemic issues that impact performance across the Department to support DHS-wide acquisition portfolio improvements. The results have been briefed to the Deputy Secretary, Under Secretary of Management as well as to Component senior leaderships.

Other senior management activities pertaining to acquisition include S & T's Test and Evaluation (T&E) Council which was established in December 2007. The T&E Council includes participation by all Components to promote T&E best practices and lessons learned in establishing consistent T&E policy and processes for use in acquisition programs. The Council also coordinates T&E resources and is currently engaged in standing up a DHS T&E infrastructure which will support acquisition programs. Currently the Council is focused on establishing a policy for Operational Test Authority that ensures independent assessment of system performance prior to full scale production and deployment. Establishing consistent T&E policies and processes will help ensure that the Department delivers effective capabilities to the Homeland Security operational community.

The DHS Program Management Council (PMC) was established in December 2006 and continues to meet regularly. The PMC is the principal DHS forum to ensure quality Program Management. Its three goals are to 1) serve as the Board of Directors for DHS Program Management (PM), 2) provide DHS Senior Leadership advice and counsel on the state of PM within the Department, and 3) improve the practice and execution of PM within DHS. The PMC has stakeholder representatives from across the Department, specifically the Components and acquisition organizations. One of its current focuses is to promulgate proposed acquisition process improvements and to collaborate on acquisition policy and process changes. The PMC has proven to be very useful as a collaborative forum for discussing Component and Departmental issues, as well as serving as a mechanism for rapid dissemination of acquisition process initiatives.

In response to the DHS Inspector General report 10-16, we are addressing performance problems by working to ensure good and timely metrics, as they are essential to monitor the health and performance of acquisition programs. The sooner programmatic issues are identified, the sooner they can be addressed; thereby minimizing the impact to the program. As of October 1, 2009, the Next Generation Periodic Reporting System (nPRS) was designated the Department's system of record for acquisition management data reporting for major acquisition programs. Descriptions of each acquisition program in this report were taken from nPRS. All Components are submitting monthly periodic reports. Submission status reports are generated on a monthly basis and are tracked by DHS.

#### Acquisition Management Workforce

**Question:** This year, the request for the Office of Procurement rises by over \$31 million, including an additional \$24 million initiative to once again add more personnel. Where will these personnel come from? Is this different from the source of personnel for the Acquisition Management Intern Program?

**ANSWER:** The approximate \$31 million increase to CPO's budget includes three distinct requests. The first request represents an adjustment to base increase of \$10.3M for the annualization of prior year funded positions, pay raise adjustments, and rent adjustments. The hiring of personnel is intended to increase the staffing in the Office of Selective Acquisitions (OSA) as well as increase positions for acquisition program oversight in OCPO's Acquisition Program Management Division (APMD). These positions are for experienced acquisition professionals and we anticipate recruiting these individuals from within the federal government.

The second request includes \$24.2M to provide the Department with resources to grow the DHS acquisition workforce by 5% (over FY 2008 numbers) and train both new and existing acquisition professionals in DHS acquisition management.

The Department recently completed an acquisition human capital analysis as required by the Office of Management and Budget Acquisition Workforce Development Strategic Plan of October 2009. Results of recent planning efforts have identified the need for additional resources (\$24.2M) to:

- increase the capacity of the acquisition workforce in areas such as contracting, systems engineering, program management, logistics, information technology, and business cost estimating at a cost of approximately \$17M. These new hires will be placed throughout the Department based upon the staffing and structure recommendations resulting from the assessment conducted by the OCPO.
- increase the capability of the acquisition workforce by investing in training to close identified gaps in such areas as project management, negotiations, requirements development, and contract management at a cost of approximately \$6.7M;
- increase the effectiveness of the acquisition workforce by making small investments in systems that support identification of the acquisition workforce at a cost of approximately \$580K.

The third request represents programs offsets identified earlier in the amount of \$1.8M to contractor support for the APMD and \$1.5M to our Centralized Training Program.

Yes, the \$24.2M is intended to recruit and hire *experienced* acquisition professional personnel. The Acquisition Professional Career Program (APCP) recruits individuals for *entry level* acquisition positions.

**Question:** How is this initiative different from the core functions of the Office of the Chief Procurement Officer? Will this be a recurring initiative?

**ANSWER:** The OCPO is responsible for the management, administration, and oversight of the Department of Homeland Security's (DHS) acquisition program. The additional positions will build the acquisition workforce in the components. The vast majority of these positions will be to support major acquisition programs and component contracting activities.

We are working with the Administration regarding the number of positions and determining whether additional funding will be needed in the future.

**Question:** DHS OIG report 10-16 noted that DHS needs time to complete its acquisition workforce development initiatives. In your estimation, how much time will it take to complete these initiatives, so we get to the point where we are maintaining a workforce, rather than building one?

**ANSWER:** Central to the growth and development of the DHS acquisition workforce is the APCP. This program serves as the basis of our succession plan to fill the vacancies created by the departure of senior acquisition professionals and its full implementation is a key component of moving our workforce initiatives to the maintenance phase. The APCP program began in 2008, and in FY 2011 the program expects to reach its full sustainment level of 300 positions. While the program will begin to deliver trained and certified acquisition professionals to the Component's contracting and program offices beginning in FY-11, the program will not reach its full implementation phase until FY 2013. It is at that time, the program will begin consistently delivering 100 trained and certified new acquisition professionals to the DHS acquisition workforce every year to offset losses from retirements and transfers to non DHS agencies.

#### **Border Security Fencing, Infrastructure, and Technology**

GAO, in its 2007 review of the BSFIT expenditure plan, said the Department's metric for Boeing contract performance – "control of 6,000 miles of border" was too vague, lacking specific overall schedule and funding constraints. DHS will have to address this issue as the current SBInet contract expires, and DHS must decide whether to extend or re-compete the current contract, or proceed in some other fashion.

**Question:** What are the Department's views about re-competing the integrator contract, or in fact using any integrator at all?

**ANSWER:** The Department intends to consider and evaluate all options for the future of the SBInet contract. The existing contract has additional options for extension. One advantage of the existing contract is its flexibility. It is an Indefinite Delivery / Indefinite Quantity (IDIQ) contract, which means that we can put as much or as little work on it as might be appropriate. Extending the contract, then, merely extends our flexibility to use it—but does not commit us to buying new effort. Extension also allows us to maintain continuity of effort for things like maintenance and support. However, as SBInet matures, we may not require the services of an integrator for future deployments (if there are any). Under those circumstances, re-competition could take two forms: a new competition for an integrating contractor (either as a strong prime contractor or as a lead system integrator) or multiple competitions for the individual pieces of the system. Re-competition may offer cost savings if it reduces the add-on costs for the integrating contractor, but incurs a certain risk that new contractors may have difficulty replicating the former contractor's results. In addition, a new contractor might result in multiple configurations of systems—which tend to increase the cost and complexity of operations and maintenance. As indicated in the Secretary's recent announcement, the Department is re-assessing the overall program. That assessment could lead to conclusions regarding the overall feasibility of the program.

**Question:** If a new contract is negotiated, what changes should be made, based on experience with the current contract? Should it have more specific performance parameters, to include spending ceilings and timelines?

**ANSWER:** While we have found ways to work within the existing contract, it could be improved in several areas. First, it has a series of tasks that are not as tightly connected as they should be. For SBInet, that means there is no single task that delivers the complete SBInet system. An improvement would be to link all of the required tasks into one task to deliver an end product. Another improvement relates to the program requirements—they were not well-defined at the start and they are still not as well-defined as they should be. A third improvement relates to program milestones and incentives. A more refined structure would have had explicitly defined milestones linked to contractor performance incentives for achieving those milestones on cost, schedule, and performance.

As noted in the answer above, there are areas that could be improved in the current contract that relate to the lack of specific milestones linked to cost, schedule, and performance targets. A new or amended contract

should address that area. In addition, since most of the developmental work is now completed, there is much less uncertainty about the system design—which means that a future contract should not require as much cost-reimbursable effort as the past contract had. As a developmental system matures, it makes more sense to move away from cost-reimbursable contract types to fixed price contract types.

#### Automated Commercial Environment (ACE)

After more than \$2.8 billion in appropriations, we expected ACE and the International Trade Data System (ITDS) would be completed, and the Automated Commercial System (ACS) decommissioned. However, while OMB in 2006 rated ACE as a “most effective” project, in 2010 major ACE functions have not been deployed; CBP is just now initiating ACE “business case reviews”; the FY11 budget relegates ACE to “operations and maintenance” status; and the ancient ACS continues to putter along.

**Question:** What major factors caused the significant delays in developing and deploying ACE?

**ANSWER:** As identified during an Acquisition Review Board (ARB) conducted with the Department in June 2009, several driving factors have contributed to ACE project delays, including:

- Project schedule delays and cost overruns
- New and emergent requirements without associated funding and schedule adjustments
- Insufficient awareness of project and program interdependencies
- Underestimation of project scope, size and complexity
- Inefficiencies in product design/build processes
- ACE internal management review conducted in early FY 2009. Root causes identified by review and response action is on-going.

**Question:** What does it mean for ACE, a developmental program, to be in “operations and maintenance” mode? Does it mean no new functionality?

**ANSWER:** ACE funding is used to develop new capability and to operate and maintain introduced capability. Operations and maintenance, or O&M, dollars have been part of the ACE budget since FY03, but have been proportionally less than the dollars appropriated for product development. FY11 will be the first year that the proportion shifts in favor of O&M, meaning the program moves to an operations and maintenance mode and further development will be deferred while business and technical requirements for future development are clearly defined. In other words, ACE will continue, but ACE releases will be dependent on the development of clear, complete business cases and be defined in smaller segments of functionality, using a continuous integration approach with more frequent deliveries. Additional funding will be requested as business cases are completed and development will occur once these funds are obtained.

Functionality in addition to what currently exists will continue to be deployed using existing funds. With remaining funds, CBP will focus on deploying functionality that benefits our trade partners and supports CBP's security and trade facilitation missions:

- Post-Summary Corrections - This will allow the trade to make corrections to entry summary data electronically; this will significantly reduce the paper processing workload for CBP and the trade, and move us toward paperless processing.
- Electronic Data Interchange (EDI) Document Imaging – This will allow the trade to transmit scanned images or files to CBP; this will enhance the ability of CBP, the trade community, and Participating Government Agencies (PGAs) to share information, eliminate redundant work, and promote Remote Location Filing of documents.

- Rail and Sea Manifest – This will provide cargo manifest processing for rail and sea modes of transportation and creation of a unified, multi-modal environment that will support all modes of transportation.
- Lay the groundwork for the future deployment of cargo release functionality, air manifest, and remaining entry summary types.

Functionality that is not currently funded will be justified, acquired, and deployed as new projects under the ACE program as outlined in the response to question 15. Project selection will be based upon business needs as determined by CBP in collaboration with the trade community. Each project will have a designated CBP business owner who will oversee the development of key documents and plays a lead role in determining the business (functional) requirements and benefits for the project. Throughout the development of the projects, business representatives will be involved as functionality is built, demonstrated, and tested incrementally. Final project acceptance will require business owner approval.

DHS reviewed the ACE program in November 2009, and we understand that CBP is implementing recommended changes arising from that review, to include making the CBP Assistant Commissioner for International Trade the “executive business owner” of ACE, in lieu of the CBP Chief Information Officer.

**Question:** What were the Department’s recommended changes in management and strategy for the ACE project, and have they all been made? What lessons can be drawn from the experience of CBP with ACE design and implementation?

**ANSWER:** The Department’s recommended changes, along with their actual or planned implementation dates, are provided below. The findings were divided into three categories:

- Program Governance**
  - o Findings
    - Inadequate requirements
    - Need improved business engagement and leadership
  - o CBP Actions
    - Improve requirements management process (December 2009)
    - Re-evaluate roles and responsibilities between Government and contractor (September 2009)
    - Name Executive Business Owner for ACE (March 2009)
    - Change governance structure (Executive Steering Committee (ESC) charter approved August 2009)
    - Organizational Realignment of Program Office (September 2009 with an effective date of April 11, 2010)
- Contracting/Acquisition Strategy**
  - o Findings
    - All risk is on the Government
    - Ensure statements of work are complete
    - Contractor performance needs improvement
  - o CBP Actions
    - Re-evaluate contract process (estimated completion November 2010)
    - Challenge the contractor to increase efficiency and utilize best practices
    - Introduce competition
    - Improve incentives and deliverable acceptance criteria
    - Separate user requirements definition from design/build
- Deliverables**
  - o Findings

- Lack of realistic testing scenarios; stress and performance testing is not comprehensive
- Too many data environments
- o CBP Actions
  - In connection with roles and responsibilities clarification, revised testing process to include CBP SMEs throughout the project acquisition lifecycle (August 2009)
  - Improve/consolidate technical architecture (estimated completion September 2010)
  - Developed plan to decommission legacy system (CBP CIO approved ACS re-hosting plan January 2010)

Following are lessons that can be drawn from the experience of CBP with ACE design and implementation:

- The Government must take ownership of system requirements and specifications
- A senior executive business owner should be designated
- Business users must be actively involved in all phases
- Ensure roles and responsibilities of government and contractors are clearly defined
- Conduct regular executive review of integrated plans
- Conduct senior management gate reviews
- Hold contractors accountable

**Question:** How is the Department involved in “business case” reviews for ACE incremental development? Are S&T or other Departmental offices engaged in supervising the process, and the re-engineering of the customs business that will be, ideally, automated in ACE?

**ANSWER:** To-date, Department involvement in ACE business need review has been done through the Department’s ARB forum. Any additional project business cases created will include Department review.

Yes, the Department’s Science and Technology (S&T) group is engaged in supervising the process through the Program Assessment and Design Reviews (PADRs) forum at major decision points in the project (such as Critical Design Review (CDR) and Production Readiness Review (PRR)) in order to validate consistency with DHS architecture and suitability of test case scenarios. The Department’s Acquisition Program Management Division (APMD) and CIO offices are also engaged in reviews of acquisition packages prior to any contract being awarded as well as reviewing program status reports through the nPRS reporting mechanism. Further, relative to e-Manifest: Rail and Sea (M1), the Department is very involved in the project’s progress. There is a monthly In-Process Review with the Department CIO office to address Department recommendations and expedite the next project decision milestone. The meeting includes DHS and CBP staff representatives in the enterprise architecture and procurement functional areas.

The acid test of ACE will be when the legacy system, ACS, can be decommissioned. We understand that CBP has no arbitrary date for this action, but has generally said it plans to do so when ACE and ITDS are completely implemented. Yet until that happens CBP and the trade community will need to maintain and work on two different platforms – an inefficient state of affairs. And the request includes \$194 million, more than half of the Automation Modernization appropriation, just to maintain and support ACS and sustain critical systems.

**Question:** What is the best estimate for when ACE/ITDS will have achieved this point and ACS can be decommissioned?

**ANSWER:** CBP acknowledges that action is needed to minimize the costs associated with operating and maintaining two cargo processing systems. However, until ACS functionality is replaced, CBP must operate in two systems. The agency is assessing options to reduce costs with an interim solution that supports operational

requirements and minimizes disruption. Currently, the agency is investigating the option of “re-hosting” ACS which is expected to reduce the three cost areas associated with ACS operations. The long-term goal continues to be decommissioning ACS when sufficient replacement processing capability is implemented.

Unlike the other systems being discussed in the hearing, ACE involves scores of other federal agencies and thousands of private sector stakeholders. When it began, a coordinating mechanism – the “Trade Support Network”, and now the “Trade Support Ambassadors” – was established to help ensure that CBP would not be operating in a vacuum, but could get meaningful input from critical participants and consumers of the ultimate ACE product. We understand that some critical “drops” were recently provided for certain functions of interest to the trade community, but clearly much more remains to be done.

The critical point for when ACS can be decommissioned will be after ACE has liquidation capability which we estimate will be in 5 to 7 years.

Unlike the other systems being discussed in the hearing, ACE involves scores of other federal agencies and thousands of private sector stakeholders. When it began, a coordinating mechanism – the “Trade Support Network”, and now the “Trade Support Ambassadors” – was established to help ensure that CBP would not be operating in a vacuum, but could get meaningful input from critical participants and consumers of the ultimate ACE product. We understand that some critical “drops” were recently provided for certain functions of interest to the trade community, but clearly much more remains to be done.

**Question:** How can CBP and the Department better accommodate the needs and incorporate the insights of the trade community to make ACE pay off as intended?

**ANSWER:** CBP has and will continue to work closely with trade stakeholders on identifying and deploying functionality that is important to the trade community. For example, with remaining funds CBP plans to focus on completing deployment of post summary corrections and Electronic Data Interchange (EDI) document imaging both of which are priorities of the trade. Deployment of post summary correction functionality will allow the trade to make pre-liquidation corrections to entry summary data electronically after the initial entry summary filing, provide resource savings by significantly reducing the paper processing workload for the trade, and enable the trade to immediately correct data to meet the reasonable care requirements specified in the Customs Modernization Act. Deployment of EDI imaging will provide the ability to transmit scanned images or files, thereby essentially eliminating the need for filers to transmit paper documents to CBP and will support remote location filing.

**Question:** We understand CBP recently released new ACE releases for anti-dumping reporting and document imaging. Please describe these releases. As CBP and DHS review business cases for further ACE development, are you looking at modifying schedules to expediting work to address other trade community priorities that have been identified, where possible?

**ANSWER:** To clarify, CBP has released anti-dumping functionality (Feb 2010), but the document imaging release is still in progress. Current schedule outlook for document imaging capability is Q4 FY10. ACE’s new anti-dumping/countervailing duty (AD/CVD) case management system enhances the ability to track the life cycle of an AD/CVD case. It facilitates trade compliance efforts by centralizing more information, leads to increased efficiencies between CBP and the Department of Commerce and makes ACE the system of record for AD/CVD cases.

CBP has and will continue to work closely with trade stakeholders on identifying and deploying functionality that is important to the trade community. Further, there are existing trade forums made up of representatives

across the trade community (including the Advisory Committee on Commercial Operations (COAC) and the Trade Support Network (TSN) where the trade's interests are represented.

**Question:** Approximately \$123 million has been appropriated to date for the International Trade Data System. Please detail the status and funding of the ITDS development project at this point and planned for fiscal years 2008-09, and any functionality that has been deployed in ACE.

**ANSWER:** ITDS funds supported the work of the ITDS liaisons to each of the Participating Government Agencies (PGAs) to assist them in understanding their business requirements, process reengineering to take advantage of the future capabilities of ACE, and preparation of the PGA Concept of Operations (CONOPS) for using ACE. Additional work supported the development and harmonization of data requirements into a standard data set and its conformance with the World Customs Organization (WCO) data model. In addition, ITDS contributed a share for the development of ACE products impacting PGAs, including the Foreign Trade Zone account structure, entry summary which provided functionality for Census, and anti-dumping/countervailing duty processing (functionality for Commerce-ITA). Funds have been set aside for the ITDS share of functions in the upcoming Ocean and Rail Manifest release which will provide the capability for authorized PGAs to place and release cargo holds. In all of these releases, enhancements to the ACE data portal and reference file functions have provided the PGAs with additional reporting capabilities. Beginning in FY 2010, the remaining ITDS funds have been set aside to support the development of business requirements for the cargo release process and specific projects that will enhance the current capabilities of ACE for the PGAs.

**Question:** In the past CBP has reported that key federal agencies with critical information collection or analysis missions are not participating in ITDS. Please list the participating government agencies (PGAs) in the ITDS effort, and the status of any that are potential candidates to participate. Also please indicate whether and how nonparticipation in ITDS requirements setting and development – including, perhaps, cost sharing – has adversely affected making progress on ITDS.

**ANSWER:** As a result of the Security and Accountability for Every (SAFE) Port Act of 2006, we believe that all federal agencies with regulatory and admissibility authority are engaged in ITDS. A list of the current members of ITDS is provided below. As functionality is developed in ACE, each agency is working with CBP to develop the necessary data sharing and operational memorandums of understanding.

#### PGAs in ITDS

##### Department of Agriculture

- AMS – Agricultural Marketing Service
- APHIS – Animal and Plant Health Inspection Service
- FAS – Foreign Agricultural Service
- FSIS – Food Safety and Inspection Service
- GIPSA – Grain Inspection, Packers & Stockyards Administration

##### Department of Commerce

- BIS – Bureau of Industry and Security
- U.S. Census Bureau
- FTZB – Foreign Trade Zones Board
- IA – Import Administration
- NMFS – National Marine Fisheries Service

##### Department of Defense

- USACE – Army Corps of Engineers

- DCMA – Defense Contracts Management Agency
- Department of Energy
  - OFE – Office of Fossil Energy
  - EIA – Energy Information Administration
- Department of Justice
  - ATF – Bureau of Alcohol, Tobacco, Firearms and Explosives
  - DEA – Drug Enforcement Administration
- Department of the Interior
  - FWS – Fish and Wildlife Service
- Department of Labor
  - BLS – Bureau of Labor Statistics
- Department of Homeland Security
  - USCG – United States Coast Guard
  - CBP – Customs and Border Protection
  - TSA – Transportation Security Administration
- Department of Transportation
  - BTS – Bureau of Transportation Statistics
  - FAA – Federal Aviation Administration
  - FHA – Federal Highway Administration
  - FMCSA – Federal Motor Carrier Safety Administration
  - MARAD – Maritime Administration
  - NHTSA – National Highway Traffic Safety Administration
  - PHMSA – Pipeline Hazardous Materials Safety Administration
- Department of Health and Human Services
  - CDC – Centers for Disease Control and Prevention
  - FDA – Food and Drug Administration
- Department of Treasury
  - IRS – Internal Revenue Service
  - OFAC – Office of Foreign Assets Control
  - TTB – Alcohol and Tobacco Tax and Trade Bureau
  - FinCEN – Financial Crimes Enforcement Network
  - OIA – Office of Intelligence and Analysis
- Department of State
  - A/LM – Bureau of Administration, Office of Logistics Management
  - DDTC – Directorate of Defense Trade Controls
  - OES – Bureau of Ocean and International Scientific Affairs
  - OFM – Office of Foreign Missions
- Independent Agencies
  - CPSC – Consumer Product Safety Commission
  - EPA – Environmental Protection Agency
  - FCC – Federal Communications Commission
  - FMC – Federal Maritime Commission
  - ITC – International Trade Commission
  - NRC – Nuclear Regulatory Commission
  - USAID – U.S. Agency for International Development
  - USTR Office of the United States Trade Representative

**Question:** We understand that CBP and PGAs recently negotiated concepts of operations for ITDS. Please elaborate on how ITDS is now being managed and governed, and how this new concept of operations differs from how the project was managed over the past decade.

**ANSWER:** Part of the process of membership in ITDS requires PGAs to create a CONOPS outlining how each PGA will use ACE in the future, and how their own processes would change. CBP has a process in place to review and agree with the future vision of the respective PGAs, especially where new processes impact CBP operations. In January 2010, CBP approved a CBP ITDS CONOPS for Cargo which reflects the CBP vision of how the cargo processes will work in the future, with particular emphasis on where the operations of CBP and the PGAs involved in the release and admissibility decision of imports are involved. This new CONOPS will become the foundation for business requirements for the cargo release functionality when it is built for ACE.

#### National Security Cutter

**Question:** This year the Department has requested funding to complete the acquisition of National Security Cutter (NSC) #5, but no funding to purchase long lead-time materials for NSC #6. How does the NSC program stay on budget and on schedule when you need to acquire long lead items the year before we fund ship building?

**ANSWER:** Consistent with OMB's Circular A-11, capital acquisitions are funded in useable segments, with exceptions made for a lead asset within a class or a special circumstance (e.g., specialized parts or materials require years to fabricate as with certain types of submarines). The NSC long lead materials and equipment are common to shipbuilding and don't present an obstacle to ship construction schedules when properly managed.

As recent NSC acquisition history demonstrates, success in meeting schedule and budget goals is primarily driven by the Coast Guard's ability to manage project requirements (i.e., maintain a stable design) and to build in sufficient contingency for external factors (e.g., labor disruptions, inflation, etc). Going forward, Coast Guard is applying their significant learning from procurement of NSC-1 and 2 to improve the efficiency and their control of NSC construction. The schedule and funding profile projected in the 2011 CIP is consistent with the most current implementation plan (2010 Plan) provided to Congress and will allow Coast Guard to complete the NCS program of record by 2016.

**Question:** One significant concern with a major investment like the National Security Cutters is ensuring that the resources spent to acquire it are not wasted by failing to properly maintain it. The latest answer we have from the Coast Guard on the Integrated Logistics Support plan for the NSC says it will be approved in the third quarter of fiscal year 2010. Why has there been such a delay in approving this plan?

**ANSWER:** The National Security Cutters (NSC) BERTHOLF and WAESCHE are operating under an interim Integrated Logistics Support Plan (ILSP) approved in June 2008. The NSC Project Office has been coordinating closely with the appropriate Coast Guard offices and Technical Authorities to develop the next iteration of the ILSP. The CG has been in the process of synchronizing the ILSP with its modernization efforts during the past two years. The revised ILSP is currently undergoing internal review within the Coast Guard with final approval anticipated for third quarter fiscal year 2010.

**Question:** What are the repercussions of not having such a plan in place, especially in terms of maintaining the value of the NSCs the Coast Guard has already taken delivery of?

**ANSWER:** There are no repercussions for not having the next version of the National Security Cutter (NSC) Integrated Logistics Support Plan (ILSP) in place. CGC BERTHOLF's and CGC WAESCHE's logistics support is being managed in accordance with *USCGC BERTHOLF (WMSL 750) Interim Support*, Commandant Instruction 4081.18, approved June 1, 2008, ensuring proper maintenance and support of the cutter to maximize performance throughout its service life.

#### **Transformation and Systems Consolidation (TASC)**

**Question:** How much of the \$450 million cost estimate for TASC is contractor costs and how much is a longer-term investment in departmental capabilities?

**ANSWER:** The response is For Official Use Only and has been provided to the Subcommittee separately.

**Question:** In December 2009, GAO charged that "DHS has not developed the necessary contractor oversight mechanisms to ensure that its significant reliance on contractors for the TASC program does not result in an unfavorable outcome." What specific measures has the Department taken to respond to the GAO criticism?

**ANSWER:** The response is For Official Use Only and has been provided to the Subcommittee separately.

**Question:** Critics of the TASC program have asserted that the lack of a confirmed Under Secretary for Management and Chief Financial Officer create additional risk for a successful TASC program. In major acquisitions, is it necessary to have a complete confirmed team of senior executive management to move ahead on major multi-year, indeed, multi-Administration-term acquisitions?

**ANSWER:** The response is For Official Use Only and has been provided to the Subcommittee separately.

#### **TSA Information Technology and Services**

Shortly after TSA was formed, the agency began procuring information technology items and services necessary to federalize aviation security. This contract was estimated to cost about \$1 billion. For the past two years, TSA has been attempting to re compete this procurement of information technology services, with mixed results, including at least two bid protests. During the course of those protests, the GAO found that there were irregularities in the acquisition process.

**Question:** What is the status of efforts to re compete this contract?

**ANSWER:** The Transportation Security Administration is taking corrective action to implement recommendations made by the Government Accountability Office in January 2010 in response to two protests and anticipates the award of a contract on or about May 1, 2010.

**Question:** How has the Department responded to GAO's findings?

**ANSWER:** Consistent with the Government Accountability Office's (GAO's) recommendations, the Transportation Security Administration (TSA) took the following actions: 1) amended the solicitation to remove any ambiguity regarding the award fee for above satisfactory performance, 2) reopened discussions with each of the offerors, and 3) allowed offerors to revise their price proposals only. In addition, TSA is

undertaking a thorough evaluation of the price proposals and will conduct a trade-off analysis to arrive at an award decision that provides TSA with the best overall value from a technical and price standpoint. TSA expects to complete this process and award a contract on or about May 1, 2010.

**Question:** Due to the length of time that has passed since the proposal for information technology services was first issued, the scope of work sought by TSA may not accurately reflect its current needs. Please outline how this contract will move forward under the new acquisition process, highlighting how this new process ensures that TSA is procuring only those services that accurately reflect its needs?

**ANSWER:** The services identified in the Statement of Work included in the solicitation have been reviewed by the Transportation Security Administration and it has been determined to accurately reflect the services TSA requires. The Statement of Work has not changed since TSA first issued the solicitation in December 2008.

#### CIO Invoices

**Question:** In a recent letter report (OIG-10-56), the Inspector General (IG) found that the documents establishing a consolidated primary data center at Stennis Space Center were missing key elements, and that invoices associated with \$160 million in expenditures had not been reviewed by the Department. While the Department has reportedly assured the IG that the new agreements being worked out with NASA will include greater specificity about the missing key items, how could the DHS enter into such a major commitment in the first place without having specifics in writing such as the amount of floor space DHS would be provided, the share of operating costs the Department would be responsible for, or even the specific building they would use?

**ANSWER:** DHS' agreements with the Navy specified space and power requirements and provided guidance for annual cost determination at the National Center for Critical Information Processing and Storage (NCCIPS). Interagency agreements and a Memorandum of Agreement with the Commander of Naval Meteorology and Oceanography Command (CNMOC) illustrated these specific terms and were provided to the IG, as well as cited in the formal response to OIG 10-056 audit report "Review of Management Agreements Developed for DHS' Primary Data Center," published in February 2010.

Moving forward, DHS, in accordance with 2005 Base Realignment and Closure activities, has entered into an agreement with NASA's John C. Stennis Space Center (SSC) for NCCIPS facility support.

The agreement with NASA SSC incorporates the IG's recommendations, including space specifications, and the power and financial conditions of DHS' occupancy. This agreement was fully signed on March 15, 2010 and went into effect April 1, 2010.

**Question:** The report highlights a dispute between the IG and the CIO over whether site visits are adequate to ascertain whether resources to prepare the data center were used in a cost-effective manner and for authorized purposes, or whether invoices must also be reviewed.

Given the level of concern in Congress and the public about the adequacy of Department oversight of taxpayer dollars, why was the Department not more aggressive in pursuing these invoices, or at least indicating to senior management or Congress that it was being essentially stonewalled by GSA and the Navy, as the report indicates?

**ANSWER:** Both DHS and the DHS IG sought invoices from CNMOC without success. CNMOC has consistently kept these materials private. CNMOC's contracting activities that would have generated invoices

were subject to formal monitoring by CNMOC Contracting Officer's Technical Representatives and the General Services Administration Contracting Officers. In lieu of invoices, and as more direct means of assuring that appropriate value was delivered, DHS undertook numerous on-site examinations of construction, delivered equipment and operational testing. A record of the many trips taken by DHS was provided to the IG during the discovery phase of the OIG 10-056 audit. Furthermore, as of April 2007, DHS has maintained a continuous Federal presence at the NCCIPS facility. This Federal detachment has monitored all aspects of service delivery by CNMOC.

Additionally, DHS staff conducted due diligence on matching Navy expenditure reports to DHS funding. This analysis included discussions with CNMOC personnel regarding areas of concern. Findings were reported to DHS management and expressed to the appropriate Navy management.

QUESTIONS FOR THE RECORD SUBMITTED BY  
**THE HONORABLE CONGRESSMAN RUPPERSBERGER**

**Jane Holl Lute, Deputy Secretary**  
Major Systems Acquisition at DHS

TASC

**Question:** What were the major problems that you encountered implementing eMerge<sup>2</sup> and what steps have you taken to ensure TASC does not encounter those same issues?

**ANSWER:** The response is For Official Use Only and has been provided to the Subcommittee separately.

**Question:** Aside from the TSA Administrator what positions not been filled since your administration took over and what effect does this have on your ability to effectively execute programs like TASC?

**ANSWER:** The response is For Official Use Only and has been provided to the Subcommittee separately.

**Question:** As I understand the solicitation for proposals for TASC, DHS has estimated the project will cost \$450 Million and take at least 5 years to complete. Recently the GAO and the Department's Office of Inspector General reported on TASC and they estimate the cost to be at least \$1Billion and take up to 10 years to complete. For both GAO and the OIG, TASC is on their respective "High Risk" lists.

Given these facts, and in light of the direction the Administration has taken towards projects that are smaller, cheaper, and that have a faster times-to-completion, do you think it would be possible to review whether TASC is the solution to the Department's financial management challenges?

**ANSWER:** The response is For Official Use Only and has been provided to the Subcommittee separately.

QUESTIONS FOR THE RECORD SUBMITTED BY

**THE HONORABLE Ken Calvert**

**Jane Holl Lute, Deputy Secretary  
Major Systems Acquisition at DHS**

**Acquisition/Shipbuilding**

**Question:** Please provide an analysis of how the Coast Guard could benefit from using a 30-year shipbuilding plan similar to the Navy's annual report to Congress. If Congress were to require the Coast Guard to submit biannual, comprehensive, long-term shipbuilding plans to ensure the service is meeting its strategic goals could such a change help the Coast Guard build a plan to close the icebreaker gap in the Arctic and resolve future recapitalization issues?

**ANSWER:** Working in coordination with the Department of Homeland Security, the Coast Guard develops Acquisition Program Baselines (APBs) to support current long-term planning efforts. Stable asset design and predictable capital funding consistent with these APBs is critical to achieving acquisition cost, schedule and performance milestones. APBs, developed in accordance with DHS and CG major systems acquisition policy and in support of approved mission needs statements and operational requirements documents, provide a plan of actions and milestones to deliver capabilities required to meet CG and DHS strategic goals.

THURSDAY, MARCH 4, 2010.

## INTELLIGENCE PROGRAMS

### WITNESSES

**CARYN WAGNER, UNDER SECRETARY, OFFICE OF INTELLIGENCE AND ANALYSIS, DEPARTMENT OF HOMELAND SECURITY**  
**CAPTAIN WILLIAM HARRIS, DELAWARE STATE POLICE**

#### OPENING STATEMENT BY CHAIRMAN DAVID PRICE

Mr. PRICE. Good morning everyone. I am pleased to welcome our witnesses to today's hearing on the Department of Homeland Security's intelligence and analysis programs and DHS support for State and local fusion centers.

From DHS we have Ms. Caryn Wagner, the recently confirmed Under Secretary for Intelligence and Analysis. Under Secretary Wagner, congratulations on navigating the obstacles in the Senate confirmation process and welcome to our subcommittee.

We are also privileged to welcome Captain Bill Harris from the Delaware State Police. Captain Harris is the commanding officer of the Delaware State Fusion Center and has worked with DHS since the inception of the fusion center program.

Captain Harris, we look forward to your perspective and insight into the partnership between the Federal Government and State and local intelligence centers and any recommendations you have for how the program can be improved.

Before we discuss the fusion centers, however, I would be remiss if I didn't mention that the budgets for fusion centers and the broader intelligence and analysis function are classified. So we will discuss specific funding levels at one of our closed reviews. However, it is fair to say that the 2011 budget proposes modest increases for DHS intelligence programs, allowing intelligence and analysis to continue to establish itself within the broader Intelligence Community.

The purpose of the DHS State and local fusion center program is to build a collaborative environment in which both State law enforcement officers and Federal intelligence officers can share information, build analytical products and expertise, and ideally uncover terrorist and other criminal plots well before they are carried out. Given the vast number of State and local police, some 800,000 nationwide, it is more likely that non-Federal officers will be the first to encounter terrorist suspects or identify suspicious behavior to crack criminal conspiracies. As Commander Joan McNamara of the Los Angeles Police Department Counterterrorism and Criminal Intelligence Bureau noted in a hearing on fusion centers last year, State and local police are being looked at more and more as the "first preventers" of terrorist attacks. Ensuring that DHS provides appropriate support and expertise to State and local fusion centers

in the context of adequate privacy and security controls should be the priority for the Federal participants in this program.

DHS currently recognizes 72 State and local fusion centers nationwide, one for each State, and additional centers in 22 Urban Area Security Initiative cities. Importantly, many of the State intelligence centers preexist DHS as operations within State police agencies or State bureaus of investigation. As the DHS State and local fusion center program has grown, there has been an effort to standardize relationships between Federal and State partners.

This progress is laudable, but I believe it would be a mistake for DHS to become overly prescriptive in its requirements for State and local fusion centers. The primary customers served by the fusion centers are, and must remain, State and local law enforcement agencies that rely on the information developed by the centers. In fact, one major participant in the program, the city of New York, has gone so far as to send its own intelligence agents overseas to gather information that it believes it cannot get from the Federal Government. While the NYPD Fusion Center does have an I&A intelligence analyst on staff, that operation is nevertheless an example of how simply adding Federal participation to State and local centers doesn't necessarily mean that all of a given locality's needs are met.

Under Secretary Wagner, I am interested to know if you plan any review of the fusion center program to make sure it is meeting the needs of your partners, understanding that those partners are diverse and have diverse needs.

State and local fusion centers have succeeded at analyzing open-source information, pursuing leads and threats reported by members of the public, developing intelligence reports to promote situational awareness, and exploiting various social networking sites to respond to emerging threats in real-time. I understand that efforts are also underway to improve the analysis of data collected by other components of State and local law enforcement agencies, such as pattern analysis of suspicious activity reports and in-depth reviews of 911 call logs. I would be interested to hear more about how these efforts are being conceived and about other analytical approaches that have been envisioned for the program.

Before we hear today's testimony, I need to make one point to all of the members. While this hearing is taking place in an unclassified setting, most, if not all, of the specific cases handled by the DHS intelligence program at the State and local fusion centers are sensitive to national or homeland security. Therefore, discussions about specific threats or cases may need to be conducted in another setting, such as at our next quarterly classified threat brief, which we anticipate scheduling sometime in April.

Under Secretary Wagner is our first witness. I will ask you to summarize your written testimony in a 5-minute statement, followed by you, Captain Harris, for another 5 minutes. Your entire written statements will be entered into the hearing record.

Before we again, though, let me turn to the distinguished Ranking Member, Mr. Rogers, for his comments.

[The information follows:]



## COMMITTEE ON APPROPRIATIONS

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

EMBARGOED UNTIL DELIVERY (Approx. 10:10 AM)  
Thursday, March 4, 2010

Media Contact: Andrew High  
202-225-1784

### OPENING STATEMENT OF CHAIRMAN DAVID PRICE

#### *Oversight Hearing: DHS Intelligence Programs and the Effectiveness of State and Local Fusion Centers*

*March 4, 2010 / 10:00 am*

Good morning. I am pleased to welcome our witnesses to today's hearing on the Department of Homeland Security's Intelligence and Analysis programs and DHS support for State and Local Fusion Centers. From DHS, we have Ms. Caryn Wagner, the recently-confirmed Undersecretary for Intelligence and Analysis. Undersecretary Wagner, congratulations navigating the obstacles in the Senate confirmation process and welcome to the Subcommittee. We are also privileged to welcome Captain Bill Harris from the Delaware State Police. Captain Harris is the commanding officer of the Delaware State fusion center, and has worked with DHS since the inception of the fusion center program. Captain Harris, we look forward to your perspective and insight into the partnership between the Federal government and State and local intelligence centers, and your recommendations for how the program can be improved.

Before we discuss the fusion centers, however, I would be remiss if I did not mention that the budgets for fusion centers and the broader Intelligence and Analysis function are classified, so we will discuss specific funding levels at one of our closed reviews. However, it is fair to say the 2011 budget proposes modest increases for DHS intelligence programs, allowing Intelligence and Analysis to continue to establish itself within the broader intelligence community.

The purpose of the DHS State and Local Fusion Center program is to build a collaborative environment in which both State law enforcement officers and Federal intelligence officers can share information, build analytical products and expertise, and, ideally, uncover terrorist and other criminal plots well before they are carried out. Given the vast number of State and local police – some 800,000 nation-wide – it is more likely that non-federal officers will be the first to encounter terrorist suspects or identify suspicious behavior to crack criminal conspiracies. As Commander Joan McNamara of the LAPD Counter-Terrorism and Criminal Intelligence Bureau noted in a hearing on fusion centers last year, State and local police are being looked at more and more as the “first preventers” of terrorist attacks. Ensuring that DHS provides appropriate support and expertise to State and Local Fusion Centers, in the context of adequate privacy and security controls, should be the priority for the Federal participants in this program.

DHS currently recognizes 72 State and Local Fusion Centers nation-wide: one for each State and additional centers in 22 Urban Areas Security Initiative cities. Importantly, many of the State intelligence centers pre-exist DHS as operations within State Police agencies or State Bureaus of Investigations. As the DHS State and Local Fusion Center program has grown, there has been effort to standardize relationships between Federal and State partners. This progress is laudable, but I believe it would be a mistake for DHS to become overly prescriptive in its requirements for State and Local Fusion Centers. The primary customers served by the fusion centers are and must remain State and local law enforcement agencies that rely on the information developed by the centers. In fact, one major participant in the program, the City of New York, has gone so far as to send its own intelligence agents overseas to gather information that it believes it cannot get from the Federal government. While the NYPD fusion center does have an I&A intelligence analyst on staff, that operation is nevertheless an example of how simply adding Federal participation to State and local centers doesn't necessarily mean that all of a locality's needs are met. Undersecretary Wagner, I am interested to know if you plan any review of the fusion center program to make sure it is meeting the needs of your partners.

State and Local Fusion Centers have succeeded at analyzing open source information, pursuing leads and threats reported by members of the public, developing intelligence reports to promote situational awareness, and exploiting various social networking sites to respond to emerging threats in real-time. I understand that efforts are also underway to improve analysis of data collected by other components of State and local law enforcement agencies, such as pattern analysis of suspicious activity reports and in-depth reviews of 9-1-1 call logs. I would be interested to hear more about how these efforts are being conceived and other analytical approaches that have been envisioned for the program.

Before we hear today's testimony, I would like to make one point to all of the Members: while this hearing is taking place in an unclassified setting, most if not all of the specific cases handled by the DHS intelligence program and at the State and Local Fusion Centers is sensitive to national or homeland security. Therefore, discussions about specific threats or cases may need to be conducted in another setting, such as at our next quarterly classified threat brief, which we anticipate scheduling sometime in April.

Undersecretary Wagner, as our first witness, I will ask you to summarize your written testimony in a 5-minute statement, followed by you, Captain Harris, for another 5 minutes. Your entire written statements will be entered into our hearing record. Before that, however, let me turn to the distinguished Ranking Member, Mr. Rogers, for his opening statement.

###

## OPENING STATEMENT BY RANKING MEMBER HAROLD ROGERS

Mr. ROGERS. Thank you, Mr. Chairman, and thank both of you for being with us today. We have a special welcome for Under Secretary Wagner, what marks her first appearance before the Subcommittee. Thanks to Captain Harris coming from Delaware to share insights on the State level.

It is unusual for this Subcommittee to hold an open unclassified hearing on DHS's intelligence programs. But I believe today's hearing gives us the opportunity to thoroughly discuss what are perhaps our most important homeland security assets and that is leadership and information.

First, leadership. Unfortunately, it took the Administration almost 13 months to get a confirmed Under Secretary at the helm of DHS's Intelligence Office, far too long for such a critical function. And while I am pleased to see that Ms. Wagner has been confirmed and is getting settled in at DHS, I am concerned that DHS's intelligence function may have lost some stature and credibility within the broader Intelligence Community during this extended vacancy, and that credibility within that community is altogether important as we have seen in the past.

Simply put, leadership matters. Especially true for an office that relies so heavily upon its relationships with other agencies, agencies at the Federal, State, local, tribal, even international levels in order to be truly effective, relationships with agencies that have a history and custom and genetic inheritance of being secret with their information and unwilling to share with others.

Secondly, information. Out of all the tools in our homeland security arsenal, information is perhaps the most valuable when it comes to disrupting potential terrorist activity. We need look no further than a contrast of the disrupted Zazi pilot versus the failed Christmas Day attack. In the Zazi case, the combination of solid intelligence and investigative work disrupted what could have been a horrific attack. However, in the case of the Christmas Day attack, information was not effectively shared, in my judgment, and the attack was thwarted by little more than luck and some dedicated American patriots.

So when it comes to return on investment for our limited dollars, intelligence is where we get the biggest bang for the buck. But we have to get intelligence and information sharing right.

From the Hart-Rudman Commission to the 9/11 Commission to the review of the Christmas Day attack, countless experts and leaders have recommended we significantly refine and hone our intelligence collection and dissemination capabilities and processes.

So that brings us to today and a discussion of the resources we are investing in DHS's intelligence and analysis functions. And as the Chairman has rightly informed us, this is an open hearing, and I think probably the first we have had with the Intelligence section of DHS. So we will have to skirt around certain barriers in order to discuss the subject.

In particular, we need to better understand the value added by these 72 State and local fusion centers, something I believe Captain Harris can speak to from the State and local perspective in particular.

Considering the threat activity we continue to see both domestically and abroad, far too much is at stake for our intelligence functions to be anything less than focused and effective.

Thank you, Mr. Chairman.

[The statement of Mr. Rogers follows:]

**OPENING STATEMENT**

**CONGRESSMAN**  
**Hal Rogers**



FIFTH DISTRICT • KENTUCKY

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**Opening Statement**  
**Committee on Appropriations**  
**Subcommittee on Homeland Security**

*DHS Intelligence Programs*

**Witnesses:**

**Ms. Caryn Wagner, DHS Under Secretary for Intelligence & Analysis**  
**Captain William Harris, Delaware State Police**

**10:00 AM | Thursday | March 4, 2010 | 2358-B**

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Thank you, Mr. Chairman.

Welcome to Under Secretary Wagner for what marks your first appearance before this Subcommittee, and thank you to Captain Harris for coming from Delaware to share your insights.

While it is unusual for this Subcommittee to hold an open, unclassified hearing on DHS's intelligence programs, I believe today's hearing gives us the opportunity to thoroughly discuss what are perhaps our most important homeland security assets: leadership and information.

First, leadership. Unfortunately, it took the Administration almost 13 months to get a confirmed Under Secretary at the helm of DHS's Intelligence office – far too long for such a critical function.

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Look no further than a contrast of the disrupted Zazi plot versus the failed Christmas Day attack:

⇒ In the Zazi case, the combination of solid intelligence and investigative work disrupted what could have been a horrific attack.

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So, when it comes to return on investment for our limited dollars, intelligence is where we get the biggest bang for our buck.

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In particular, we need to better understand the value added by the 72 State and Local Fusion Centers – something I believe Captain Harris can speak to from the State and local perspective.

Considering the threat activity we continue to see – both domestically and abroad – far too much is at stake for our intelligence functions to be anything less than focused and effective.

Thank you, Mr. Chairman. I look forward to today's discussion.

###

## STATEMENT BY CARYN WAGNER

Mr. PRICE. Thank you. And we will now proceed first with Under Secretary Wagner.

Ms. WAGNER. Thank you. Chairman Price, Ranking Member Rogers and distinguished members of the Subcommittee, thank you for the opportunity to appear before you today to discuss the Fiscal Year 2011 budget request from the Department of Homeland Security's (DHS) Office of Intelligence and Analysis (I&A).

This is my first congressional testimony as the new Under Secretary. I am honored to have the opportunity to lead this critical component of the Department, and I look forward to working closely with this Committee and the Congress to keep our homeland secure.

I&A is charged with leading the Department's efforts to provide intelligence and information in a useful form to state, local, tribal, private-sector and federal partners and with getting functional intelligence and information to the national intelligence and law enforcement users.

In other words, we are managing a constant, two-way flow of information. Our efforts support and enable the fulfillment of core DHS missions, as articulated in our recently completed Quadrennial Homeland Security Review, which was delivered to the Congress on February 1. For all those key departmental missions—preventing terrorism and enhancing security, securing and managing our borders, enforcing and administering our immigration laws, safeguarding and securing cyberspace, ensuring resilience to disasters—I&A provides intelligence support.

Our activities are also aligned to the goals and missions of the Director of Intelligence's National Intelligence Strategy because I&A is also a member of the Intelligence Community. We also are aligned with the National Strategy for Information Sharing.

And finally, the budget is also aligned with the priority areas that I mentioned in my 2009 confirmation testimony, when I was asked to provide a vision for the way ahead. My first goal was to support state, local, tribal and private sector partners; the second, to strengthen DHS intelligence enterprise and I&A support to DHS components; third, to mature and strengthen our analysis and our products; and fourth, to improve overall management and processes.

My written statement for the record talks about all four of those, but because today's hearing is mostly focused on state and local fusion centers, I am going to focus on that in my oral remarks.

We are continuing to expand the level of cooperation and information sharing with our state, local and tribal partners by a robust network of intelligence and law enforcement agencies participating in the state and local fusion centers. Secretary Napolitano directed then-Acting Under Secretary of Intelligence and Analysis Bart Johnson to conduct a study on the best ways to create a Joint Fusion Center Program Management Office (JFCPMO) that would support information sharing and would leverage all of the elements of the Department on this very important issue.

The Secretary asked for a recommendation on the feasibility and structure of this, and it is due to her by March 6. It is completed and in her office, and we hope to get back to you on that soon.

The Department is also working on how the pending JFCPMO will align with the White House's direction that DHS, in cooperation with the program manager for the information-sharing environment, be the lead agency for establishing a national fusion center program management office. So we are working on that as well.

Fusion centers are a proven and invaluable tool for the Department to work closely with our state, local and tribal partners. To leverage these capabilities, we have 57 intelligence officers and fusion centers nationwide, with a plan to deploy a total of 76 by the end of 2010.

We have also installed the Homeland Security Data Network at 33 fusion centers, with plans for more.

Most recently, fusion centers have been used for passing and sharing information from I&A, in cooperation with the Federal Bureau of Investigation (FBI), to the centers regarding the Najibulla Zazi and Umar Farouk Abdulmatallab investigations and arrests. In fact, the Colorado Information Analysis Center provided very important support to the FBI during the Zazi investigation.

In addition, the Washington Fusion Center played a key role in development of a multi-seal threat assessment for the 2010 Winter Olympic Games in Vancouver, British Columbia, Canada. I&A had analysts assigned to the Joint Operation Center in Washington State during the games who were responsible for working with the fusion center, the Royal Canadian Mounted Police and federal partners for monitoring information and intelligence. That was a great collaborative state, local and federal effort.

I want to address a little more specifically, despite the fact that the annual numbers are classified, how the President's 2011 budget submission is going to support our program and enable us to make progress. The 2011 budget seeks to continue our commitment to the fusion center network by providing us with funds to complete representation to all the fusion centers across the country. It will allow us to deploy additional intelligence analysts and reports officers and secure communications to all 72 currently operational centers and to assign 10 regional directors to oversee I&A fusion center support activities in the respective regions. The request will also allow us to continue providing classified information awareness training to fusion center personnel who access sensitive federal information and to expand our current program to provide privacy and civil liberties awareness and protection training.

I am encouraged by Congress' continuing support of the Department's program to support fusion centers. I look forward to working with you to fund the program in 2011 to meet both the President's goals and objectives and the key statutory requirements. As we continue to work with the fusion centers to mature their capabilities and ensure they are well-trained in analytic trade craft in the protection of privacy, civil rights and civil liberties, I&A will continue to advocate for sustained funding of the fusion centers as the linchpin of the evolving Homeland Security Enterprise.

I want to convey to you my personal sense of commitment to ensuring that DHS and its partners have the intelligence capability

to address all threats to the homeland while performing their missions and upholding the rule of law. The President's budget request will enhance Departmental intelligence capabilities to mitigate the complex and dynamic threats that we face, while also protecting the privacy, civil rights and civil liberties of the American public.

Thank you for the opportunity to appear before you today to testify on I&A's current activities and the budget request, and I look forward to your questions.

Mr. PRICE. Thank you very much.

[The information follows:]

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**United States Department of Homeland Security**  
**Office of Intelligence and Analysis**

**Statement for the Record**

**Caryn Wagner**

**Under Secretary**

**Before the**

**Subcommittee on Homeland Security**

**United States House of Representatives**

**March 4, 2010**

### Introduction

Chairman Price, Ranking Member Rogers, and distinguished Members of the Subcommittee, thank you for the opportunity to appear before you today to discuss the President's fiscal year (FY) 2011 budget request for the Department of Homeland Security's (DHS) Office of Intelligence and Analysis (I&A).

This is my first Congressional testimony as the new Under Secretary for Intelligence and Analysis. I am honored for the opportunity to lead this critical component of the Department, and I look forward to working closely with this committee and the Congress to keep our homeland secure.

### The Office of Intelligence and Analysis Strategic Alignment

I&A is charged with leading the Department's efforts to provide intelligence and information in a useful form to state, local, tribal, private sector, and federal partners, and getting functional intelligence and information back to national intelligence and law enforcement users on a real-time basis. Our efforts support and enable departmental fulfillment of the core DHS missions designated in our recently completed *Quadrennial Homeland Security Review* (QHSR), which was delivered to Congress on February 1, 2010. The QHSR delineates the following core departmental missions:

***Mission 1:*** Preventing Terrorism and Enhancing Security

***Mission 2:*** Securing and Managing Our Borders

***Mission 3:*** Enforcing and Administering Our Immigration Laws

***Mission 4:*** Safeguarding and Securing Cyberspace

***Mission 5:*** Ensuring Resilience to Disasters

The primary purpose of the QHSR is to outline the strategic framework to guide the activities of participants in our nation's homeland security enterprise toward a common end. To fulfill these missions, we must appropriately integrate and synchronize throughout the Department so that the departmental elements and their missions are mutually reinforcing.

Intelligence and information sharing are identified as key objectives for the Department in the QHSR. Thus, the Office of Intelligence and Analysis plays a critical supporting role to the success of DHS in all of its core mission areas. I&A activities are equally aligned to the goals and missions of the Director of National Intelligence's *National Intelligence Strategy* (NIS). As the Department's primary interface with the national Intelligence Community (IC), I&A seeks to leverage the capabilities of the IC in support of DHS' core mission areas, and also to orchestrate DHS support, in the form of data and analysis, to the larger national Intelligence Community.

As Secretary Napolitano and other senior administration officials have repeatedly said, our ability to protect the homeland is only as good as the information and analysis

supporting our efforts. I&A has a unique mission to serve as the interface between the IC, our DHS components, and the state, local, tribal and private sector partners who both require and generate homeland security intelligence and information. I believe that our current efforts—and this 2011 budget—are moving us in the right direction toward fulfilling our unique and multifaceted mission.

The I&A budget request for FY 2011 directly supports and flows from the missions of the QHSR, the goals of the NIS, and the priorities of the President, including the *National Strategy for Information Sharing*. The budget also reflects the priority areas I mentioned in my December 2009 confirmation testimony:

- **Goal 1:** Support state, local, tribal and private sector partners
- **Goal 2:** Strengthen the DHS Intelligence Enterprise and support to DHS components
- **Goal 3:** Mature analysis
- **Goal 4:** Improve management and processes

*1. Support State, Local, Tribal, and Private Sector Partners*

A primary role of I&A is to share intelligence and information with our partners at the state, local, tribal and private sector levels. It is our job to meaningfully convert what may appear to be bits of unrelated information into a product that helps protect our communities. I&A also has a key responsibility in furthering the Department's commitment to sustain and support fusion centers.

We are continuing to expand the level of cooperation and information sharing with our state, local and tribal partners via a robust network of intelligence and law enforcement agencies participating in state and local fusion centers. Secretary Napolitano directed the acting Under Secretary of Intelligence and Analysis, Bart Johnson, to conduct a study on the best ways to create a Joint Fusion Center Program Management Office (JFC-PMO), which would support information sharing between state, local, tribal and federal law enforcement partners and coordinate relevant support from all elements of the Department. The Secretary requested a recommendation on the feasibility and optimal structure and resources of the JFC-PMO; that recommendation is due to the Secretary by March 6, 2010. The Department is also considering how the pending JFC-PMO will align with the White House's direction that DHS, in coordination with the Program Manager for the Information Sharing Environment, be the lead agency in establishing a National Fusion Center Program Management Office.

Fusion centers are a proven and invaluable tool for the Department to work closely with our state, local and tribal partners on some of the nation's most pressing homeland security issues, such as terrorism and border security. To leverage the capabilities of these entities, I&A has deployed 57 intelligence officers to fusion centers nationwide and plans to deploy a total of 76 officers by the end of FY 2010. I&A has also installed the Homeland Secure Data Network (HSDN), which allows the federal government to share Secret-level intelligence and information with state, local and tribal partners, at 33 fusion

centers. Additional centers are undergoing facilities certification in order to be accredited to house HSDN. This burgeoning network greatly expands two-way information sharing flows between federal and non-federal homeland security partners.

Most recently, these centers were used extensively for the passing and sharing of information from the Office of Intelligence and Analysis, in cooperation with the Federal Bureau of Investigation (FBI), to the fusion centers regarding the Najibulla Zazi and Umar Farouk Abdulmatallab investigations and arrests. In addition, the Washington Fusion Center played a key role in the development of a multi-seal threat assessment for the 2010 Winter Olympic Games in Vancouver. I&A analysts were assigned to the Joint Operation Center in Washington State during the Olympic Games and were responsible for working with the Washington State Fusion Centers, the Royal Canadian Mounted Police, and our federal partners in monitoring information and intelligence that could identify potential threats.

In addition to the Fusion Centers, I&A provides robust support to state, local and tribal officials along the Southwest Border via the Homeland Intelligence Support Team (HIST), a forward-based support element that provides intelligence integration and information sharing on all threat actors and related activities on the Southwest Border. The HIST, located in the El Paso Intelligence Center (EPIC), coordinates with other I&A representatives across the Southwest Border region and is making a major contribution to efforts to secure the border.

I&A has continued to customize intelligence-related programs and processes to meet the needs of our state, local and tribal partners. One of our most popular and effective new products geared for state, local and tribal partners, developed in cooperation with the Interagency Threat Assessment and Coordination Group in the National Counterterrorism Center, is the Roll Call Release. These products provide useful, specific and actionable information, on possible tactics or techniques that could be employed by terrorists or criminals who threaten the homeland, in a form suited to law enforcement consumption.

In addition, the DHS Open Source Enterprise provides reporting directly to state, local and tribal customers through the Homeland Security State and Local Intelligence Community of Interest (HS SLIC). This past year, I&A contributed 141 intelligence and information products to the HS-SLIC. DHS Open Source collection efforts resulted in reporting on a number of specific terrorist and individual behaviors by organizations and individuals, such as Anwar al Awlaki; this kind of reporting provides advice on potential changes to operational and security procedures that keep communities and the nation safer. I&A used mobile training teams to conduct Open Source methodologies and capabilities training at 24 fusion centers and component facilities, including a formal block of training on understanding and respecting the privacy of individual citizens.

In addition, I&A, in conjunction with the DHS National Operations Center and the Office of Intergovernmental Affairs, reached a milestone by establishing a single, integrated process to receive, track and respond to requests for intelligence support submitted by state, local, territorial and tribal partners, as well as federal (including IC) elements. This

process ensures requests and subsequent responses are as timely and complete as possible while protecting privacy, civil rights, and civil liberties.

The Fourth Annual National Fusion Center Conference was held February 23-25, 2010, in New Orleans, Louisiana. This annual forum for fusion center stakeholders at all levels of government, which was co-hosted by I&A and the Department of Justice, enabled the sharing of best practices and offered direct opportunities to discuss the optimal ways to achieve a common baseline capability. The National Fusion Center Conference is a signature event promoting homeland security, and one that grows in stature and importance each year.

## *2. Strengthen the DHS Intelligence Enterprise and Support to DHS Components*

In the past six months, I&A has taken concrete steps to promote a unified, collaborative DHS Intelligence Enterprise. Our goal is to make intelligence activities at DHS more efficient and effective, and to allow DHS as a cabinet Department, including headquarters and the components, to both give and receive better support. The principle governing body for this purpose is the Homeland Security Intelligence Council (HSIC), which I chair in my role as Chief Intelligence Officer of the Department. The HSIC is comprised of the key intelligence officials in applicable DHS components; it now reflects a broader range of DHS activities that require intelligence support. The HSIC is focused on governance-level, enterprise-wide objectives, such as collaboratively defining intelligence activities for the Department's ongoing Bottom Up Review; and developing new tools for conducting DHS Intelligence Enterprise program reviews. The HSIC oversaw the completion of the first coordinated, Enterprise-wide analytic production plan, which builds on the expertise of the operational components to produce products in their areas, deconflicts competing efforts, and helps focus analytic efforts on QHSR priorities.

I&A also exists to support the intelligence needs of the Department as a whole. I am committed to the Secretary's model of One DHS, becoming a cohesive cabinet Department that fulfills many functions across a wide and challenging spectrum of activities. In addition to the seven DHS operational components, I&A's customers include offices that handle policy, infrastructure protection, privacy issues, civil rights and civil liberties, health affairs, and other important responsibilities.

In January 2010, I&A also completed a comprehensive set of Standing Information Needs (SINs), which uniformly document ongoing intelligence and information needs of the entire Department. These SINs improve DHS' ability to participate in the Intelligence Community's collection management processes, and improve the quality and quantity of information we receive in support of those needs as well as the information I&A produces. In addition, since October 2009 our Collection and Requirements Division assisted more than 20 fusion centers in developing their own SINs, with the goal of improving the level of support they can receive from the Department and the rest of the IC.

Another successful example of the power of the enterprise is the DHS Threat Task Force (DTTF). The DTTF was established in the summer of 2009 to support high-profile investigations by the FBI. The DTTF is composed of I&A analysts and representatives from the DHS operational components and ensures that all the Department's information and expertise is brought to bear on an issue or investigation. The DTTF last summer provided information to the FBI on hundreds of additional individuals who were determined to be potentially relevant to specific, high-profile cases. DHS reactivated the DTTF on December 25, 2009, after the attempted bombing of Northwest Airlines Flight 253. We intend to institutionalize this enterprise task force to focus the efforts of the whole Department in unison on mitigating terrorism threats to the homeland. Per the Secretary's direction, the DTTF has been playing a direct role in identifying and analyzing homeland security threats, informing DHS leadership decision-making, and ensuring that intelligence supports component operations in the field. These efforts have directly contributed to more effective use of watch lists and have supported Department programs for passenger travel analysis and airport screening procedures.

### 3. *Mature Analysis*

I&A's analytic programs align with the Secretary's priorities and the Department's SINS, and encompass those analytic topics that are most meaningful for homeland security. Our analysts—in partnership with NCTC and the FBI—address threats to the homeland from both international and domestic terrorist groups and actors, and also analyze terrorist tactics, techniques, and procedures to inform the development of protective measures at home. As a result of recent trends, I&A is working closely with its IC partners to develop a framework for analysis of homegrown extremism that is consistent with protecting civil rights and civil liberties.

I&A has primary responsibility within the IC to analyze, evaluate and disseminate analysis on threats to homeland critical infrastructure. Through our robust relationship with the private sector and partnership with DHS' Office of Infrastructure Protection, we routinely assess the impact of threats to industry and, with our IP partners, identify specific vulnerabilities and consequence of loss that would result from terrorist attacks or other hazards.

Our border and immigration security analysts focus not only on terrorist threats to the U.S. on or at our borders, but also address trends regarding travel, asylum and refugee issues and the rising violence and instability affecting the Southwest Border. I&A, in fact, uniquely supports the U.S. government's effort to identify, track, deter and prevent terrorists from traveling to the homeland. I&A's role in preventing terrorist travel focuses on providing targeted intelligence analysis that leverages unique DHS databases and expertise, and on sharing information broadly within DHS and also with the U.S. government and foreign partners. I&A plays a key role in monitoring changes to and effects of global immigration and travel security policies, provides direct support to DHS asylum and refugee programs, informs Customs and Border Protection targeting rules and Transportation Security Administration screening measures, and produces assessments on

alien smuggling and illicit travel patterns that are unique among those circulated through the IC.

In the cyber arena, I&A cyber intelligence analysts provide a national intelligence analytical framework in support of key cybersecurity customers, such as the National Cybersecurity and Communications Integration Center (NCCIC), the United States Computer Emergency Readiness Team (US-CERT), and the Industrial Control Systems CERT. Our cyber activities enable DHS to identify emerging threats to civilian government information and communications infrastructure.

I&A also maintains technical expertise in the fields of health intelligence and chemical, biological, radiological and nuclear (CBRN) issues to serve its departmental, federal, state, local, tribal and private sector partners.

DHS is a co-founder with the Defense Intelligence Agency of the National Center for Medical Intelligence at Fort Detrick, Maryland, which focuses on a broad range of foreign medical risks that could threaten the United States. We use our combined research and analytic talents to produce all source threat analyses on human health, agriculture, and food security to support DHS components—a recent example being the health intelligence we provided to support first responders' relief efforts in Haiti—as well as federal, state, local and tribal government agencies and the private sector. Our analysis goes beyond just the science of health threats to also address relevant foreign policy and socio-economic issues that could adversely affect homeland security operations and critical infrastructure and key resources.

On CBRN issues, our experts collaborate with their IC partners on broad-ranging assessments and national-level exercises, provide the threat basis for risk assessments that drive DHS policy formulation and detection and response programs, and provide practical insights to state, local, tribal and private sector partners on CBRN indicators they might encounter in the course of their operational and law enforcement roles.

#### *4. Improve Management and Processes*

To ensure that I&A is able to meet the broad range of its responsibilities, I am placing great emphasis on strengthening the planning, management and performance oversight of I&A. We are developing fair and transparent policies and decision making processes, aligning resources to priority missions, and assessing whether investments are leading to preferred outcomes. We have established leadership-level personnel and resource requirements boards to improve management of the workforce and the budget.

Training is key to achieving I&A's mission and organizational goals. I&A continued to grow its capacity for intelligence training by conducting or offering over 45 courses since June 2009, amounting to over 20,000 training hours for I&A staff. Students came from state, local and tribal entities, including fusion centers, and from throughout the DHS Intelligence Enterprise.

While I am proud of the substantial progress I&A has recently made, I also recognize that much work remains. We have to continue to grow I&A into a respected intelligence entity that provides the quality homeland security intelligence needed to protect the homeland.

#### **The President's FY 2011 Budget Submission**

I want to address more specifically how the President's FY 2011 budget submission supports I&A programs and enables further accomplishments. Working with our homeland security partners at the state, local, tribal and private sector levels is a top priority for I&A and the entire Department. The FY 2011 budget request seeks to continue our commitment to a national fusion center network by providing I&A with additional funds to complete its representation at fusion centers across the country. The FY 2011 budget will enable I&A to deploy additional intelligence analysts and secure communications to all 72 currently operational fusion centers, as well as to assign 10 regional directors to oversee I&A fusion center support activities in their respective regions. The request will also enable I&A to continue providing classified information awareness training to fusion center personnel who access sensitive federal information, and to expand our current program to provide privacy and civil liberties awareness and protection training. I am encouraged by Congress' continuing support of the Department's program to support fusion centers, and look forward to working with you to fund the program in FY 2011 to meet both the President's goals and objectives and key statutory requirements.

The FY 2011 I&A budget request continues our efforts to decrease our reliance on contractors and increase the number of federal employees. I am not satisfied with the current ratio of contractors to government employees. In FY 2010, we are converting 110 positions from contractor to federal positions. Similarly, we propose in our FY 2011 budget submission to convert 87 contractor positions into federal ones. We are on the right trajectory, but must seek to accelerate these efforts.

#### **Challenges Ahead**

I&A is a maturing organization and faces numerous challenges in the near future. Along with the rest of the IC and the Department, we are striving to improve our capabilities in the cybersecurity arena. I&A succeeded in hiring several cyber professionals in FY 2010 and has a more robust hiring plan for FY 2011, but we are still assessing the amount of analytic support needed for the Department's important role in cybersecurity.

I anticipate that formalizing the JFC-PMO, as well as meeting our ambitious goals for increasing personnel and systems support to all 72 fusion centers, will entail governance, resource and operational challenges in FY 2011, but we are prepared to meet those challenges. As we continue to work with the fusion centers to mature their capabilities and to ensure they are well trained in analytic tradecraft and in the protection of privacy, civil rights, and civil liberties, I&A will continue to advocate for sustained funding for the fusion centers as the linchpin of the evolving homeland security enterprise.

While I&A's support to state, local and tribal partners is steadily improving, there is still work to be done in how best to support the private sector. We intend to explore ways to extend our efforts in this area beyond the established relationships with the critical infrastructure sectors. We will also continue to try to achieve a departmental enterprise that is greater than the sum of its parts, by advocating for and supporting the components and ensuring that intelligence efforts are coordinated and mutually reinforcing.

#### **Conclusion**

Members of the Subcommittee, thank you for the opportunity to appear before you today to testify on I&A current activities and future challenges, and to review the President's major funding priorities for I&A in FY 2011.

I want to convey to you my personal sense of urgency and commitment to ensuring that DHS and its partners have the intelligence capability to address all threats to the homeland, while performing their missions and upholding the rule of law. I&A has both a unique mission and critical national intelligence responsibilities. The President's budget request will enhance departmental intelligence capabilities to mitigate the complex and dynamic threats our nation faces, while also protecting the privacy, civil rights, and civil liberties of the American public.

Thank you and I look forward to your questions.

**Caryn A. Wagner**  
**Under Secretary for Intelligence and Analysis**  
**Department of Homeland Security**

Caryn A. Wagner was confirmed on February 11, 2010 as the Under Secretary for Intelligence and Analysis at the Department of Homeland Security.

Ms. Wagner served as an instructor in Intelligence Community management for The Intelligence and Security Academy, LLC from October 2008 to October 2009. She retired from the House Permanent Select Committee on Intelligence (HPSCI) on October 1, 2008, where she served as Budget Director and cyber security coordinator. Prior to that, Ms. Wagner served in the Office of the Director of National Intelligence (DNI) as an Assistant Deputy Director of National Intelligence for Management and the first Chief Financial Officer for the National Intelligence Program (NIP). She accepted this position after serving as the Executive Director for Intelligence Community Affairs from April 2004 until May 2005. In that capacity, she was responsible for the Community Management Staff, which provided strategic planning, policy formulation, resource planning, program assessment and budget oversight for the Intelligence Community.

Ms. Wagner's previous position was that of the senior Defense Intelligence Agency (DIA) Representative to Europe. She served as the Director, DIA's liaison to the United States European Command (EUCOM) and to the North Atlantic Treaty Organization (NATO) from April 2003 to April 2004. From October 2000 until April 2003, Ms. Wagner served as DIA Deputy Director for Analysis and Production. The Directorate consisted of approximately 2,000 personnel charged with providing high-quality, all-source military intelligence analysis support to the Combatant Commands and deployed US and allied forces; the Chairman, Joint Chiefs of Staff; and the Secretary of Defense. Ms. Wagner was also the Production Functional Manager, responsible for orchestrating analysis and production by analytic elements of the Services, the Combatant Commands, other defense agencies, and the Commonwealth.

Prior to being appointed the Deputy Director for Analysis and Production, Ms. Wagner headed the Director, Military Intelligence (DMI) Staff from November 1996 to November 2000. In this position, Ms. Wagner conducted military intelligence community planning and was responsible for development and management of the General Defense Intelligence Program (GDIP). She served as an associate member of the Military Intelligence Board (MIB) and oversaw the MIB secretariat. She also managed the implementation of the Joint Intelligence Virtual Architecture (JIVA), a defense intelligence community-wide collaborative environment and tool set.

Prior to her position as the DMI Staff Director, Ms. Wagner was the Staff Director of the Subcommittee on Technical and Tactical Intelligence, House Permanent Select Committee on Intelligence. Her responsibilities included oversight of all technical collection and processing capabilities in the National Intelligence Program (then the NFIP) and Military Intelligence Program (then JMIP and TIARA). Ms. Wagner also served as a member of the Program and Budget Authorization Subcommittee of the House Permanent Select Committee on Intelligence, overseeing the GDIP and national and defense counterintelligence programs.

Prior to working on the HPSCI staff, Ms. Wagner was an associate at Booz-Allen and Hamilton, working in the areas of Tactical Exploitation of National Capabilities (TENCAP), support to military operations, intelligence planning, and intelligence systems architecture development. Ms. Wagner also served as a Signals Intelligence and Electronic Warfare Officer in the United States Army.

Ms. Wagner received a Bachelor of Arts degree in English and History from the College of William and Mary, and a Master of Science degree in Systems Management from the University of Southern California.

## STATEMENT BY CAPTAIN WILLIAM HARRIS

Mr. PRICE. Captain Harris.

Captain HARRIS. Good morning, Chairman Price, Congressman Rogers and members of the Subcommittee. Let me begin by saying I appreciate the opportunity to appear today to discuss our Nation's security as it pertains to Federal, State, and local government efforts, specifically fusion centers.

My name is Captain Bill Harris with the Delaware State Police and I am a 29-year veteran of the State Police and the commander of Delaware's Fusion Center. I also chair the newly formed National Fusion Center Association's communications and outreach committee. The national fusion center association is focused on continuing to develop positive and sustainable relationships with DHS, DOJ, ODNI, the Program Management Office of the information sharing environment, based on collaboration and information sharing.

I am honored to testify today with Under Secretary Caryn Wagner of the Department of Homeland Security Office of Intelligence Analysis. The Office of Intelligence Analysis has been an integral partner in the successful effort, assisting our jurisdictions in establishing a national network of fusion centers. Fusion centers embody a core collaboration and are an extremely efficient tool to maximize our available resources.

This concept serves as a force multiplier to local and rural agencies that would not normally have the resources to receive or analyze intelligence information relative to their geographic area. Fusion centers have only been in existence over the last 5 years, and many have success stories to share that benefit their local jurisdictions and support our Federal goals.

The concept of a fusion center is predicated on collaboration. The relationship between fusion centers and the Department of Homeland Security is one of partnership and consensus. That relationship has very much improved since the concept began. The future success of a national network of fusion centers is a shared responsibility. And it is dependent upon the combined efforts of Federal, State, local, tribal and territorial partners.

I would like to take a moment to thank principal Deputy Under Secretary Bart Johnson for his leadership this past year. Colonel Johnson and his staff are a great asset to the fusion center network and are responsible for implementing many of the improvements fusion center directors have seen over the last year.

The following are some support fusion centers are receiving from the Department of Homeland Security to enhance our operational capacity and support our sustainment: the creation of a Joint Program Management Office between DHS and DOJ to coordinate and support our fusion centers; the creation of a National Suspicious Activity Reporting Program Management Office residing in DOJ, but working closely with DHS; the development of a fusion center commander's course with ODNI and input from the fusion center directors; enhancing training on privacy and civil liberties protections, with regional workshops and added provisions to the Homeland Security Grant Program guidance; facilitating more than 700 State and local security clearances to enable enhanced classified in-

formation sharing between the fusion centers; training and technical assistance by providing 15 services to enhance fusion center operational capacity—49 of these were provided last year for a total of 184 to date; direct field support to fusion centers by assigning 57 intelligence officers to enhance our center's capacity and competence; commitment to sustainment by prioritizing fusion centers in the 2010 Homeland Security Grant Program guidance; deploying 33 Homeland Security HSDN Systems with SIPERnet to fusion centers for an exchange of classified information; deploying HSIN, SLIC, the State and local Intelligence Community, which is a non-classified information technology exchange system that complements such systems such as RISS, which are vital to State and local enforcement.

In speaking with my colleagues recently, the overwhelming concern of their fusion center operations is sustainment. Currently, most fusion centers depend on Federal Government support for continued operations.

In direct relationship to the fusion center sustainment problem is the current language within the SHSGP and UASI grant guidance in which 25 percent of the funding to the jurisdiction must be designated to law enforcement terrorism prevention activities. The wording of this language is found to be universally detrimental to the sustainment of fusion centers.

After meeting with my peers last week at our semiannual Fusion Center Directors Meeting, along with representatives from the IACP and the Major City Chiefs Association, we unanimously agreed to support the reestablishment of the Law Enforcement Terrorism Prevention Program as a funded grant program rather than an allowable activity under SHSGP and UASI programs. This would ensure that moneys designated by the Department of Homeland Security for the sustainment of fusion centers would go directly to the fusion centers and not other areas considered "related" to law enforcement activity. Law enforcement and the mission of prevention and protection continue to be the only public safety and homeland security mission not to receive dedicated funding from Homeland Security.

As a Nation, we continue to spend billions and billions on response and recovery missions while funding for dedicated law enforcement prevention and protection at the State, local and tribal level continues not to be funded.

I thank you for your time this morning and the opportunity to discuss our Nation's national network of fusion centers. On behalf of the National Fusion Center Association, we look forward to continuing our work with you and your staff to enhance and sustain this critical prevention and protection mission.

Mr. PRICE. Thank you very much.  
[The information follows:]

Written Testimony of Captain William Harris  
Delaware State Police  
Before the United States House of Representatives  
Appropriations Subcommittee on Homeland Security  
March 4, 2010

Chairman Price, Congressman Rogers and members of the Subcommittee:

Let me begin by saying that I appreciate the opportunity to appear today to discuss our nation's security, as it pertains to federal, state, and local government efforts, specifically fusion centers. I am Captain William Harris, with the Delaware State Police. I am a 29-year veteran of the Delaware State Police and since 2001, have commanded our Criminal Intelligence Section and Delaware's state designated fusion center, the Delaware Information and Analysis Center. I also chair the newly formed National Fusion Center Associations' (or NFCA), Communications and Outreach Committee. The NFCA is focused on continuing to develop a positive and sustainable relationship with DHS and DOJ based on collaboration and information sharing. I am honored to testify with Under Secretary Caryn Wagner, of the Department of Homeland Security's, Office of Intelligence and Analysis. The Office of Intelligence and Analysis has been an integral partner in the successful effort in assisting our jurisdictions in establishing a national network of fusion centers.

The events of September 11, 2001 were a defining moment for law enforcement agencies nationwide. These attacks highlighted the critical need for the flow and exchange of information and intelligence to the state and local law enforcement community. The continued effort by terrorists both inside and outside the United States, that are determined to attack our homeland, destroy our infrastructure, and kill our citizens, add a new sense of urgency to interagency cooperation. Fusion centers embody the core of collaboration and are an extremely effective tool to maximize available resources, especially in this time of strained budgets. This concept serves as a force multiplier to local and rural agencies that would not normally have the resources to receive and analyze intelligence information relative to their geographic area.

State and local fusion centers have only been in existence over the last five years and have many success stories to share, such as in 2007, when a rural police officer stopped two people with precursor explosive materials in Goose Creek, South Carolina. The interaction between the police officer, South Carolina and Florida fusion centers, as well as the FBI, resulted in the disruption of a planned terrorist attack. In September of last year, the Colorado fusion center provided local data sources and analytical support to the FBI in the arrest of Najibullah Zazi.

The concept of a fusion center is predicated on collaboration. Fusion centers could not have enjoyed any success without the support and collaboration of the Department of Homeland Security. The relationship between fusion centers and the Department of Homeland Security is one of partnership and consensus. That relationship has very much improved since the concept of fusion centers began. The future success of a national network of fusion centers is a shared responsibility and is dependent upon the combined efforts of federal, state, local, tribal, and territorial partners.

I would also like to take a moment to thank Principal Deputy Undersecretary Bart Johnson for his leadership over the past year. Colonel Johnson and his staff are a great asset to the fusion center network and are responsible for implementing many of the improvements fusion center directors have seen over the last year.

Some of these improvements fusion centers are receiving from the Department of Homeland Security are support to enhance our operational capacity and support our sustainment. Some examples of this are:

- In December of 2009 Secretary Napolitano and Attorney General Holder announced the creation of a Joint Program Management Office to coordinate support to fusion centers.
- In addition to this, the creation of the National Suspicious Activity Reporting, Program Management Office, headed up by Mr. Tom O'Reilly, that resides in the Bureau of Justice Assistance, and coordinates closely with the Fusion Center Joint Program Management Office.

- Enhancing our management capabilities by collaboratively coordinating a “Fusion Center Commander’s Course” with the ODNI and input from the fusion center directors.
- In the area of Privacy and Civil Liberty protections later this year, regional workshops of fusion centers will concentrate on privacy and civil liberty training as well as site-specific enhanced training, with added provisions to the HSGP guidance.
- In the area of security, DHS has facilitated more than 700 state and local security clearances to enable enhanced classified information sharing with fusion centers and will be conducting a national workshop for the security officers from each fusion center, to enhance security measures within the center.
- Training and Technical Assistance provides 15 services to enhance the fusion center operational capacity. Last year 49 of these assistance services were provided to fusion centers for a total of 184 Training and Technical Assistance provisions to date. Some of these services include, establishing a common core of competencies for fusion center analysts, the fusion center liaison program, and other relevant developmental services.
- Direct field support to fusion centers by assigning 57 Intelligence Officers to fusion centers, and committed support to the other fusion centers.
- Commitment to sustainment, by prioritizing fusion centers in the 2010 HSGP grant guidance.
- Commitment to technology enhancement to fusion centers by deploying 33 Homeland Security Data Network (HSDN) systems with SIPRNet, to fusion centers for an exchange of classified information. In addition to this, the development of the Homeland Security State and Local Intelligence Community (HSIN SLIC), a non-classified information technology system, designed for the unclassified exchange of

information and compliment such systems as the Regional Information Sharing System (RISS), which are vital to state and local law enforcement.

Although the state of our relationship with the Department of Homeland Security is very good, it can get better. In speaking with my colleagues, the overwhelming concern to their fusion center operations is sustainment. In the current fiscal condition of state and local governments, most fusion centers depend on federal support for continued operations. The Department of Homeland Security had listened to the fusion center directors in the past, and for example, provided ongoing grant assistance to the hiring and training of fusion center analysts. Many states cannot hire or train these analysts because their state or local government has a “zero government growth”, or “no travel” policy.

In relationship to the fusion center sustainment problem, the current language within the SHSGP UASI grant guidance, in which 25% of funding to the jurisdiction must be, designated to law enforcement terrorism prevention “activities.” The wording of this language has been found universally detrimental to the sustainment of fusion centers. After meeting with my peers last week at our semi-annual fusion center director’s meeting, along with representatives from the International Association of Chiefs of Police and the Major City Chief’s Association, we unanimously agreed to support the re-establishment of the Law Enforcement Terrorism Prevention Program (LETPP) as a funded grant program rather than an allowable activity under the SHSGP and UASI programs. This would ensure that monies designated by the Department of Homeland Security for the sustainment of fusion centers, go directly to the fusion centers and not other areas considered “related” to law enforcement activity. Law enforcement and the mission of prevention and protection continue to be the only public safety and homeland security mission area to not receive dedicated funding from the Department of Homeland Security. As a nation we continue to spend billions, billions on response and recovery mission areas while funding for dedicated law enforcement prevention and protection at the State, Local, and Tribal level continues to be under funded.

Thank you for your time this morning and the opportunity to discuss our Nation’s national network of fusion centers. On behalf of the National Fusion Center Association, we look

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forward to continuing to work with you and your staff to enhance and sustain this critical prevention and protection mission area for safety and security of our Country.

### Captain William Harris

Captain Harris is the “Officer in Charge” of the Criminal Intelligence Section of the Delaware State Police. Under his command are the Electronic Surveillance Unit, the High Tech Crime Unit, Intelligence Investigations, Delaware Joint Terrorism Task Force, The Internet Crimes Against Children Task Force, and the Delaware Information and Analysis Center (DIAC). The DIAC serves as Delaware’s state designated fusion center and has been operational since December of 2005

Captain Harris implemented the Delaware State Police’s “Intelligence Led Policing” concepts into the division’s current CompStat process. In addition to this, Captain Harris was assigned to implement Delaware’s fusion center (DIAC) and bring Delaware Law Enforcement in compliance with the National Criminal Intelligence Sharing Plan. Captain Harris was charged with implementing Delaware’s statewide, multi-jurisdictional, criminal intelligence database. This database is part of the information technology platform, used in Delaware’s fusion center concept. Captain Harris was also responsible for the integration of other disciplines and networks, to include the private sector, into Delaware’s fusion center, to comply with an “All Crimes, All Hazards” approach to Delaware’s homeland security efforts. Captain Harris implemented a “corporate outreach,” operational approach in the DIAC that mirrors the critical infrastructure sectors outlined in the President’s National Strategy (HSPD 7) and is compliant with the National Infrastructure Protection Plan, and the National Response Framework.

Captain Harris has been a speaker at all four national fusion center conferences, presenting on an array of fusion management issues. In addition to this, he was a member of the focus group in formulating the Baseline Capabilities for State and Major Area Fusion Centers document adopted by DHS, DOJ, and GLOBAL.

Captain Harris holds memberships in criminal intelligence professional organizations such as the Law Enforcement Intelligence Unit (LEIU), The Combined Law Enforcement Intelligence Group (CLEIG), The Mid-Atlantic Regional Gang Investigators Network (MARGIN), and the East Coast Gang Investigators Association (ECGIA).

In addition to this, Captain Harris is an active member in the following organizations; Co-Chair of the Northeast Regional Intelligence Group (Northeast Fusion Centers), GLOBAL’s Criminal Intelligence Coordinating Council’s workgroup on Privacy and Civil Liberties, the National Fusion Center Coordination Group, and is the chairman of the National Fusion Center Association’s, Communications and Outreach Committee.

Captain William Harris is a 29 year veteran of the Delaware State Police and has served in various assignments. He been assigned to criminal investigations for 23 years with the last 9 years assigned to the Criminal Intelligence Section. Captain Harris holds an Associate Degree in Criminal Justice Applied Science, a Bachelor of Science degree in Management, from Johns Hopkins University, is a 1995 graduate of Northwestern University’s School of Police Staff and Command, and is scheduled to graduate in May 2010, from John’s Hopkins University with a MSM degree.

PARADIGM SHIFT BETWEEN THE DEPARTMENT OF HOMELAND  
SECURITY AND FUSION CENTERS

Mr. PRICE. We will proceed to questions now. And I will ask the first one, kind of a three-part question directed to both of you.

At the recent National Governors Association meeting, Deputy National Security Adviser Brennan and Secretary Napolitano hosted a panel discussion about State and local fusion centers, as you probably know. Mr. Brennan discussed how information sharing between Federal Government and the States has improved since 2002 but noted that "We still have a long way to go." Secretary Napolitano said that the country needs a "paradigm shift," as she put it, to improve communications between the Federal Government and State and local law enforcement.

So under Secretary Wagner, Captain Harris, would you agree in general and in particular that there is still a lot of work to do, and how would you get specific about what that work consists of? What are the deficiencies you see in communication and the correctives that might be undertaken?

Under Secretary, what is the Department's plan for implementing this paradigm shift? First, what exactly do we mean by it? And, second, what is it going to look like, implementing a paradigm shift in communications between DHS and the fusion centers? And, Captain, I would appreciate your elaborating more fully on the two or three changes you would focus on that would most improve the work done by the fusion centers.

You have indicated the need for dedicated funding. Yet, it is true, isn't it, that despite the flexibility of funding, every State has in fact established a fusion center. We have an additional, what is it, 22 or so fusion centers established under UASI grants. You might want to sharpen that recommendation a bit, and of course we would be receptive to any other specific suggestions you would have for improving this program.

Under Secretary, let me start with you.

Ms. WAGNER. Yes, Mr. Chairman. I believe that the paradigm shift being discussed has to do with the fact that the Intelligence Community for many, many, many years had a foreign intelligence focus. Only relatively recently in the span of a bureaucratic life, it has had more of a homeland focus as well.

One of I&A's main responsibilities is to be a translator of requirements for the Homeland Enterprise to the Intelligence Community in order to get better support and to leverage those capabilities in a way that can be shared with the local, tribal and urban areas. We are working very hard on that.

For many years, I know many of you have been familiar with the extraordinary support that is provided to military forces when they are deployed in harm's way. We are trying to instill a paradigm shift to that same thought process at the same level of urgency for support to our Department when we are facing a heightened threat to the homeland. And we are having some very fruitful dialogues on what that would mean. But there is, I think, still work to be done, and we are actively engaged with our partners on how we can do a better job thinking about articulating the homeland requirements, making sure they are factored into the kinds of ana-

lytic work the Intelligence Community is doing and thinking more about tearline reporting for information that is less classified, so we are more able to send that information to the folks who can actually use it if we translate it into actionable information.

So I would tend to think that is what they meant by paradigm shift, and there is a lot of work going on in that area, but I would agree there is still work to be done.

Mr. PRICE. Captain.

Captain HARRIS. Thank you, Congressman. I have my own opinions on the paradigm shift, based upon my interaction with my colleagues from the National Fusion Center Association. The paradigm shift is a natural change, if you will. The Federal Intelligence Community works differently from the law enforcement criminal Intelligence Community. They both have separate sets of rules that they have to abide by, and that is the right thing to do.

But as these two different communities merge together, there is a paradigm shift with understanding each other's culture, each other's rules, and how information is handled and transpired back and forth.

Some of the things I would recommend are not only on the Federal Government's side, sir, but also on the law enforcement side. Fusion centers, the people in fusion centers and law enforcement, have to understand what the Intelligence Community's rules are, just like the Federal community has to understand what State and local rules are. And we have seen a bit of a rub there over the years. I will preface this with saying over the last year it has been excellent, absolutely excellent. But how could this improve? Well, with better understanding on the Federal side, such as expansion of the DHS fellowship program to get more State and locals into DHS to find—so they can understand—the people within the Federal Government can understand the relevancy to what State and locals want, to create opportunities for State and local partners to work hand in hand.

Just like we have Federal partners in our fusion centers, we have intelligence officers assigned to the fusion centers, more State and locals assigned within DHS to show what our particular needs are, depending upon our geographic location and depending on our particular law enforcement needs, or public safety I should say. It is broader than law enforcement, public safety needs are.

As you talked about dedicated funding, Mr. Chairman, fusion centers are a recommended prioritization in the 2010 Homeland Security Grant Program. Currently as exists, the language says that the money for law enforcement should be spent on law enforcement "activities." The SAA of each State has the opportunity to play with that money as they see fit, and classify or—"classify" is a poor choice of words, but put a program that says it is a law enforcement activity, but really does not add to the fusion center or maybe even law enforcement.

And I can give you an example of that. The National Strategic Stockpile. We have an acronym that is called NEAC for neighborhood emergency disbursement of those particular drugs. Because law enforcement provides security to those NEACs, that is considered a law enforcement activity which takes money away from our fusion center. So that is just to give you one short example of that.

DIFFERENCES BETWEEN THE JOINT TERRORISM TASK FORCES AND  
FUSION CENTERS

Mr. PRICE. We no doubt will want to return to the question of variety, the diversity of fusion center operations we see, and the extent to which that flexibility is desirable, as opposed to more specificity as to funding priorities from the Department.

Let me quickly ask you to both comment, though, on a problem I think is inherent in the discussion we are having, and that is the discussion of how we measure effectiveness.

The effectiveness of intelligence programs is notoriously difficult to measure. I will stipulate that. And it is also very unclear whether, if a fusion center weren't there, what the normal existing relationships would look like and what they would amount to. Would existing relationships between Federal, State and local authorities have comparable results? In other words, what is the value added? What is the value added for the fusion centers to our country's counterterrorism efforts? How specific can we be about this? And how can we measure it, what thoughts do you have about measuring it? And, of course, with measurement comes some kind of assessment about duplicative efforts. Redundancy is not always a bad thing, but nonetheless we need to know to what extent we are duplicating other efforts such as the Joint Terrorism Task Forces and how do you calculate that.

Ms. WAGNER. First, I don't think that we are duplicating the Joint Terrorism Task Forces (JTTFs) at all. The Joint Terrorism Task Forces are multi-agency but FBI-led groups focused specifically on investigations.

The fusion centers have a broader mandate to look at all information, not necessarily restricted to a specific investigation. They have an analytic and information-sharing focus. And they are all hazards in many cases, not in all cases, because the fusion centers obviously are tailored to their local state needs, so they are not all the same. But in many cases, they are co-located with the JTTF and I think it is an excellent partnership, but they really are not doing the same thing.

So I just wanted to put that out there. And I am sure Captain Harris can elaborate more.

And I have gotten lost on what else I was supposed to be answering.

## MEASURING FUSION CENTERS' EFFECTIVENESS

Mr. PRICE. The question of any quick thoughts on measurement. We can return to this topic as well.

Ms. WAGNER. And that, as you mentioned, Mr. Chairman, is a perennially difficult problem. Part of it is, I think, the fusion centers are part of a Homeland Security Enterprise we are trying to create that provides for readiness, preparedness and reaction. And having that capability, even if it is never needed (which, in most cases, we would prefer that it not be because we are reacting to a disaster or an attack), I think is fundamentally—it is just manifest, you need to do it, so we should do it. It has to be there; it has to be ready in case you do need it. And if you don't, then that doesn't mean that it is not valuable. And I understand that is a difficult

point to accept, especially when you are trying to match resources to results.

I think one of the ways to evaluate the successes of the fusion centers is to ask the states and the areas that they are actually supporting whether they believe that this construct is supporting their requirements. At the same time, we try to figure out ways to evaluate at the national level whether they are mutually reinforcing each other. We want to make sure that we have an opportunity for fusion centers to back each other up to make sure that we are looking at them from a regional perspective, which is why we are putting these regional directors in place.

And I know that may not be as specific an answer to your question as you would like, but I think, in many ways, the metric is going to be subjective rather than objective because we are not always going to know when a fusion center—by virtue of the fact that it has created an excellent network of terrorist liaison officers down at the local law enforcement activities within the State and by virtue of the fact that we have alerted them to look for specific things—may have prevented something that you would never know has been prevented, just because the surveillance or the alertness of the first responders/preventers is such that people decide they are not going to try something; they are going to go somewhere else.

That is the challenge with trying to gauge the effectiveness, but that is what we want. We want that network to be so pervasive in a legal way that people decide it is too hard to do what they want to do.

And I would welcome Captain Harris's views on that.

Mr. PRICE. Captain, briefly for now, and then we will return to this, but I would be interested in your thoughts.

Captain HARRIS. A couple answers to a couple of the questions you had, sir.

Fusion centers, what value would they be if they weren't there? As I said earlier, we act as a force multiplier and embody the core of collaboration, and we are able to supply local departments with information that they would not normally have.

How do we measure our effectiveness? We are already working on that in this collaborative effort with DOJ, DHS, the Program Management Office for the Information Sharing Environment. How do we do this? With a group called GLOBAL. And we came up with the baseline capabilities for fusion centers. So there are documents out there that establish the baseline capabilities for fusion centers, and we have drilled down on those baseline capabilities.

So to determine what value added we have, we are working with our partners at DHS on those baseline capabilities to put an assessment out. First, it will be a self-assessment for fusion center directors to see where they meet on that baseline capability, and to do a gap analysis of that baseline capability to see if there is a uniform area across the broad spectrum where we need to strengthen that particular area for the baseline capabilities. Beyond that, we have already planned to do an assessment by our peers where we would go out with DHS and other peers and assess outside centers, between the different centers, to see where they meet on the baseline capabilities and, in fact, start an accreditation

program. So that would be your value added and that would be how you measure it.

One of the other ways we are measuring is fusion center directors at our meeting last week, our national meeting, came up with some priorities for 2011. And those priorities are part of the baseline capabilities on concentrating on our ability to, one, receive classified and unclassified information; our ability to analyze that classified and unclassified information; find its relevancy to our particular geographic area of that information; and then the ability to disseminate it; who has the need for that information, whether it is any public safety agency, public health, emergency management, or the private sector, and to get feedback on that also from our stakeholders within our geographic location.

#### DIFFERENCES BETWEEN JOINT TERRORISM TASK FORCES AND OTHER INTELLIGENCE GROUPS

You asked about are we duplicating efforts with the Joint Terrorism Task Force? Mr. Chairman, I am here to tell you we are complementing their efforts. The fusion centers are working with the FBI's FIGs, the field intelligence groups. We work with the Baltimore FIG and in fact the south side of our area, the Philadelphia FIG. Our fusion center directly supports the Joint Terrorism Task Force in our jurisdiction. The FBI has recognized that, put assets in our center, they have put computers in our center, we have classified FBI computers in our center, along with members of the Joint Terrorist Task Force. So as far as duplicating efforts, sir, they are complementing each other.

Mr. PRICE. Thank you, sir. Mr. Rogers.

Mr. ROGERS. I want to talk about how we balance the sharing of intelligence through the Department and fusion centers, how we balance the sharing of that intelligence without compromising ongoing investigations.

The recent Christmas Day attack and also the Zazi case, both illustrate the problem that we have, in my judgment, and not surprisingly the FBI is very controlling about the information that they release for fear of messing up the integrity of a given investigation for a criminal charge.

But at the same time, the protection of that information perhaps could cause real problems for other people; somewhat like when a fire company responds to a fire in the city, they have two responsibilities. One is to put out the fire in the particular building, and the second, perhaps more importantly, is to keep the fire from spreading to other locales.

Well, I think the same thing could be true here. In the Zazi matter, a disrupted plot to detonate an explosive in New York City, perhaps the subway system, the arrest of Zazi revealed a plot involving multiple co-conspirators as well as portable IEDs to carry out apparently a very large-scale coordinated explosives-based attack. But due to the nature of the ongoing investigation, the FBI was unable to share a substantial portion of its initial findings, and that constrained DHS from widely disseminating potentially useful counterterrorism information to the SLFCs on the Christmas Day attack, which we all are very familiar about, again illustrates the delicate balance between pending investigative work and the need

to disseminate vital homeland security counterterrorism information quickly. And the FBI's concern, of course, is ensuring the integrity of the criminal investigation, the case. However, the public need is to know whether or not there is an imminent danger to other people by the action that the person has initiated.

So these two cases have engendered a national debate about which comes first. In the case of the FBI and the criminal investigation of a matter, as we saw in the Christmas Day attack, they are obligated to give Miranda warnings under our law. And when you tell a defendant you have the right to remain silent and have an attorney present, there goes the capability to investigate for further damage.

#### INFORMATION SHARING DURING AN INVESTIGATION

What do you think about this? Where do we go, Ms. Wagner?

Ms. WAGNER. Well, obviously, DHS has to work very closely with the FBI, and this is an area of ongoing and constant dialogue. You are correct. There is a natural tension between the FBI's desire to protect the information that is arising from an active investigation and DHS' mandate to share actionable and useful information with its state, local and tribal customers.

We are working through the best way of doing this. DHS has to make a case that the information it wants to share is in fact actionable. It has to be beyond just "people want to know." It has to be that it can result in some actual constructive action being taken. We are continuing to work this. I won't say that it is completely resolved, and every instance is a little bit different. There was, however, quite a bit of information that was shared with the fusion centers in the wake of the Christmas Day bomber. I think there were at least five or six joint DHS-FBI bulletins that were put out within a day or two to share as much information as could be shared. This was discussed at the fusion center conference last week as well; because of the relationship of trust between the JTTF and Colorado Fusion Center, there was quite a bit of sharing of information in Colorado on the Zazi investigation, even though not all of that information could be provided more widely.

So I view that as one of the missions on which I have to work with the FBI and refine our procedures. But it is always going to be—there will always be that tension. We will have to make the best of it.

#### HIGH-VALUE DETAINEE INTERROGATION GROUP (HIG)

Mr. ROGERS. Apparently this administration has formed—I forgot the name of the units. HIG group apparently has been formed to rapidly rush to the scene of a Christmas Day-type arrest and be able to interrogate under our laws quickly to try to stave off any further damage to any airplanes or other locales. And yet, in the Christmas Day attack, apparently that group was not consulted. In fact, I think the Secretary of DHS said she was not consulted.

Ms. WAGNER. That is correct.

Mr. ROGERS. It was strictly an FBI operation, which I find to be questionable. Why was not this unit called in, and is that the way to go?

Ms. WAGNER. I believe that the unit was still in the stages of being formulated. There are discussions ongoing about how that would work and what DHS' role would be. We believe it would be logical that we would participate in a High-Value Detainee Interrogation Group when there is a major homeland component.

Mr. ROGERS. And yet who knows where the next one is going to occur? This one happened over the skies of Detroit. Obviously the FBI has field offices all over the country. This HIG unit does not, obviously, and speed in getting to the site of the incursion and interrogating the suspect is all important. So what good is this unit which is supposed to be a combination of law enforcement and intelligence gathering, but with the capability to quickly interrogate a suspect? If you don't have that unit on the scene, what good is it?

Ms. WAGNER. All I can say is the unit is still being developed, the concept is still being developed and I think we will have to wait and see when we actually deploy it whether or not it is going to meet the expectations.

Mr. ROGERS. What are you going to do in the meantime?

Ms. WAGNER. I believe that it will be ready if it is needed again.

Mr. ROGERS. The HIG unit?

Ms. WAGNER. Yes, sir.

Mr. ROGERS. I will get back to my question. Is it going to be pervasive? Will it be in Detroit and LA and New York and Miami and all the places that the FBI is?

Ms. WAGNER. Sir, I believe the HIG is more focused on overseas threats. But to be honest with you, I probably don't know enough about it to give you good answers, so I will be happy to take that for the record and come back and talk to you in more detail. I don't want to misspeak.

[The information follows:]

Response: The High Value Detainee Interrogation Group (HIG) is an interagency group, but is administratively housed within the Federal Bureau of Investigation (FBI). The classified "Charter for Operations of Interagency High Value Detainee Interrogation Group" was signed by National Security Advisor General Jim Jones (Ret.) in late January. Further details can be provided in a classified briefing from the appropriate interagency players.

Mr. ROGERS. Mr. Harris, do you have any thoughts?

#### INTELLIGENCE SHARING DURING AN INVESTIGATION

Captain HARRIS. Yes, I do Congressman Rogers. That is a very interesting question and one that I have a strong opinion on: How do we balance sharing of intelligence information without compromising ongoing investigations?

Well, I am a career investigator, sir, 29 years with State Police and just about all of it in criminal investigations, with the last 9 being in criminal intelligence. I am in the unique position to supervise not just our fusion center, but co-supervise our Joint Terrorism Task Force in Delaware with the FBI. And it is a very good partnership, I can tell you, sir.

I will be the first to tell you there are things that the FBI does not do well with State and locals. But I can tell you in the cases that we are talking about here, they are an excellent partner with us.

The FBI is in a unique position that they are the investigative authority on these things, along with the State and locals that partner with them on these investigations. You are absolutely right; it could compromise an ongoing investigation.

I will go back on the Zazi case and give you a specific example of how it worked with the fusion center in Delaware and other fusion centers. First let's take the CIAC in Colorado. The CIAC provided information support to the FBI—and if you look at in my written testimony, it will tell you how they provided support to the FBI in that particular case. As that investigation was unfolding, we went to our FBI partners, because it was an ongoing investigation and still unraveling at that particular time, to find its relevancy to our geographic location.

If you remember, sir, not just subways were involved, but there was a hint that stadiums may be involved in these types of attacks. Well, in Delaware that weekend, we were getting ready to host the largest sports venue in the United States that particular weekend, NASCAR, which I know both of you have in your States. And I turned to the FBI for information on that particular case. I was given exactly what I needed as the case was unfolding; not all the investigative details, sir, because they weren't relevant to what was going on in Delaware. I felt comfortable if they were relevant to Delaware, I would have them.

I then turned to my FBI counterpart and asked him to participate in two conference calls, one with the security people from NASCAR, and two with the police chiefs from Delaware, and we put all concerns aside. However, we got the information, relative information, not all the investigative information, because we didn't need it in that particular investigation.

I disagree with some of my counterparts in fusion centers. I have heard some of them say we didn't have the information from DHS. It wasn't relevant to them. If it was, they would have it just like the CIAC in Colorado had it, sir.

The FBI needs to support fusion centers like DHS does. Not every fusion center has FBI terminals in them. Not every fusion center has FBI analysts in them. The FBI has told us that they are going to do that, but they fall way behind the Department of Homeland Security. And to be honest with you, sir, they are the underdog in this, because the FBI has investigative authority with that on those investigations. We get classified information every day on HSDN through the NCTC daily report, and I can tell you through DHS we get information routinely on what might be an IED threat and where that IED threat might be, what type of infrastructure and what type of precursor activities to look to.

Mr. ROGERS. I know we are under a timeline here and I will come back to this at a later time. However, I have not heard an answer to the question: How do we balance intelligence sharing without compromising a criminal investigation, and whether or not we ought to focus not on the criminal investigation of a defendant, a suspect, but focus on the dissemination of intelligence that is gathered outside the scope of the FBI's criminal case? We will come back to that.

Mr. PRICE. Thank you. I want to turn to Mr. Ruppertsberger who has been here from the very beginning, and we I think will have

time to get his questions in before we adjourn. But then we will return after the votes. We have a series of votes on the House floor. Mr. Ruppertsberger.

CYBER SECURITY

Mr. RUPPERSBERGER. First, Caryn, congratulations on your new job. We have worked together on Intel. You did a great job there. I am glad you have taken Charlie Allen's job, because you need somebody in the Intelligence Community to coordinate all the things that are happening in our homeland.

I want to talk you about cyber. I talked to Secretary Napolitano when she was here, and also the person in the head of appropriations about how we are going to—how Homeland Security is going to handle the cybersecurity. The Homeland Security has a real, real large mission, as you know. The President's directive says you are responsible for dot.com and all government, and a lot of what we do in cybersecurity is technology. And we know the threats are there with Russia and China. We are getting attacked every day, our commercial companies are getting attacked, and it goes on and on and the public really does not understand where we are.

The first thing as far as technology, we have spent a tremendous amount of money in the Intelligence Community, mostly with NSA, to develop technology to deal with the issue of cybersecurity. And you are well aware of the programs that are there and as they have evolved. Right now Homeland Security is standing up what we are going to do in cybersecurity.

And I want your opinion on how you are going to be working with NSA. We don't want to duplicate effort. We spent a tremendous amount of money. We don't want to again lose that money. And we want compatibility, because if we are going to work together not only within our own government but also internationally, this is something we have to deal with, that we should be working together and be compatible.

You know the issue with the FBI to this day. They still don't have a communication system that works, yet they probably could have picked an NSA or CIA communication system that was up and working. And I will use that as an example to make sure this doesn't happen here.

How are you going to be involved? What is your involvement? What is your opinion on working with the NSA programs that have evolved? And, as you know, the President just declassified Einstein-3. We can talk about that now. Einstein-3 is a software program that is moving ahead. Can you give me your opinion on where you are on that?

Ms. WAGNER. I can. Thank you, Congressman Ruppertsberger. Again the technology piece does not fall under me. I expect that—

Mr. RUPPERSBERGER. You have input, though.

Ms. WAGNER. And I will be teaming very closely with Phil Reitingger, who is the head of cyber within the National Program and Protection Directorate under Rand Beers.

What I hope to do is forge a very close relationship with the rest of the Intelligence Community to improve the analytic support underpinning DHS' cybersecurity operations. Similar to how we oper-

ate in the realm of critical infrastructure protection, I&A provides the threat to critical infrastructure, and NPPD does the vulnerability analysis; we work together to get the information to our private-sector and state and local customers.

I think we need to do the same thing in the cyber arena, but we need to improve our ability to categorize the threat, figure out better what we can share and work with the Intelligence Community on the issue of attribution, which, as you know, is a huge challenge in terms of who is attacking you, and why, so that you can take appropriate measures. We don't have a very big analytic effort devoted to this right now, and it is one of my priorities to increase that. I am already working on trying to do that and teaming with the folks at National Security Administration, Defense Intelligence Agency and Central Intelligence Agency who are already working on this.

Mr. RUPPERSBERGER. Well, this Committee is an Appropriations Committee on Homeland Security, so we are in a unique position to make sure we can oversee what program we are moving ahead so we don't waste money, to make sure we go where we need to go.

The fusion centers are something very positive, not only JTTF, but fusion centers, bringing all the State and local with all the disciplines together is probably one of the main reasons we have deterred a lot of attacks.

You know the issues that have occurred in Colorado and wherever we go, because more and more I am sure we estimate or that we are concerned about home-grown terrorists that are getting more involved.

So it is good to see Delaware—I am from Baltimore—I am glad you are working with the Baltimore Fusion Center, but we need to do this all over the country, and I think they are doing this very well.

So I think we have votes.

Mr. PRICE. We do indeed, but we will return so, adjournment is only temporary. We hope to return around 11:30. Thank you.

[Recess.]

#### FUSION CENTER STANDARDIZATION

Mr. PRICE. The subcommittee will reconvene, with apologies for the delayed time on the floor. We will do one further round of questions with Mr. Rogers and myself and try to adjourn not too much after the appointed hour, maybe around 12:15.

Let me ask you both, starting with you, Madam Under Secretary, about the DHS requirements for fusion centers, and also ask you for some thoughts about State and local fusion center configuration.

But, first, the question of direction and standardization for the centers. Fusion centers primarily exist to fulfill the needs of States or localities. We know that. We understand that. DHS has made little effort to date to standardize processes or methods, understanding there is a diversity of centers and functions. That doesn't mean we haven't heard some complaints that DHS sometimes imposes a significant bureaucratic reporting burden on the fusion centers.

And so, Madam Under Secretary, what responsibilities do you impose on the fusion centers? Have you given any thought to the further imposition of standardized policies or methods at the fusion centers? Has there been, on the other hand, any kind of review of reporting requirements or other requirements that you impose on the centers to make sure that they are really needed and that the effectiveness and flexibility of the centers is not being diluted?

And then, Captain Harris, obviously you are in a position to comment on this as well. Do you believe the requirements imposed on the fusion centers are optimal, too much, too little, or something of a mix?

Madam Under Secretary.

Ms. WAGNER. Well, as Captain Harris mentioned earlier, there is something called the baseline capabilities for the fusion centers that was established, to help establish a level playing field, if you will. As you said, Mr. Chairman, the configuration of the various centers is going to be different, depending on what the state wants and what the local environment needs.

But we are trying to make sure that, for things like reporting of information that might be of interest to the national community or doing analysis, there is a common set of standards of trade craft so that we are producing a useful product, and we are doing so in a constitutional manner and with respect for privacy, civil rights and civil liberties.

So we don't levy—I don't believe, and it will be interesting to hear what Captain Harris says—a lot of requirements on the centers in the sense of tasking. What we are trying to do is work with them to achieve a mutually agreed upon set of standards, and, as he also mentioned, to put in place a mechanism for the centers to self-assess themselves—how well are they doing in ensuring that the information is collected properly, is handled correctly, is reported correctly, and so on.

So I think it is really more of a partnership. I am not aware that we are levying a lot of requirements on them. But again, I look forward to hearing Captain Harris' perspective there.

In terms of the configuration, what we want to do is work with the centers to understand what their requirements are so that we can put together a multiyear strategy to achieve that. In some cases, you know, we want to have at least one DHS/I&A person at each of the centers. And, in some cases, there may also be a need for an individual from a component like TSA, CBP, ICE or the Coast Guard. We want to work with the fusion centers, understanding that everybody has a lot of requirements and not as much manpower as they want, but we want to understand those requirements and put together a plan for what our desired end state would be for the DHS footprint in the field. And we also want to understand what their requirements are for classified information and try to meet those as well.

There are differing requirements or desires for classified information. We want to make sure that we are meeting those needs. So I think that is how I would respond. We are interested, of course, in maintaining situational awareness of how the centers are progressing toward these agreed-upon capabilities. In that sense, we do expect them to update us periodically. But I am not aware of

a lot of burden of reporting requirements, and maybe I will turn it over to Captain Harris and see if he is going to surprise me.

Mr. PRICE. Captain.

Captain HARRIS. Mr. Chairman, first let me comment on the requirements of fusion centers. The Under Secretary spoke about the baseline capabilities of fusion centers. We established that about a year and a half ago. We are going further into that with—again, it is a partnership with ODNI and DHS to drill down on those baseline capabilities requirements, that self-assessment that we are doing. And then we are going to do a peer-to-peer, and we are going to do an accreditation, if you will, for fusion centers, to make sure that they are meeting that standardization, if you will, because each fusion center, as you know, Mr. Chairman, is unique to its jurisdiction. However, there should be some standardization for what we do.

One other thing I want to comment on is that DHS has worked very well with us on the training and technical assistance on that to bring us up to speed. Again, 15 different areas that they offer services to us now.

One thing that we are working hard on at DHS is it is important for us to have the analysis component to make it relevant to our stakeholders in our specific jurisdictions. So DHS is working with us now on a common core of competencies for our analysts, and actually there is a draft form of that out right now. And they are working with us on that common core of competencies so we can make the information that we receive from the Federal Government relevant to our stakeholders in our particular jurisdiction.

And asked about and tasked with information, I can speak on behalf of DHS/I&A; we are not tasked with anything. The only thing we are tasked for is they ask us what our priority information needs are. And we have done that in our specific jurisdiction. We do a poll of all the chiefs, we do a poll of the law enforcement, public safety, which is a broader-than-law-enforcement spectrum, to include public health and emergency management, what their priority information needs are, and we feed that back to DHS and get that information through I&A. So to state that we are being asked for too much information is not necessarily relevant on the INS side.

I can tell you where that comes into play, sir, if you have heard that. It is on the critical infrastructure key resource side. Annually in our fusion centers, some of them have CIKR responsibility, some of them don't. It depends on the jurisdiction. I would say most of them do, because the threat is certainly relevant to the critical infrastructure in your jurisdiction, so it makes sense to have them together.

Where you get that question posed to you on information asked from DHS is from the critical infrastructure key resources. They have data calls every year asking State and local jurisdictions to gather information on their critical infrastructure, and then it is tiered at four different levels. We run into problems with State and locals on how they define that oftentimes, how they measure the criticality of those particular sites, and a timely return on that information that we get back so we can start the process of what would be target hardening, if you will, of those particular sites.

And I will give you a specific example. In Delaware, we hold a site that is a redundancy for the New York Stock Exchange, an IT center if you will. But because there were at least two more IT centers for redundancy of that New York Stock Exchange, that necessarily wasn't considered a Tier 2 site because there were two more in place. Well, if none of them are considered a Tier 2 site, then what is the risk on that particular site and all three of those sites, if you will?

Mr. PRICE. And what is your complaint exactly about the way that was handled?

Captain HARRIS. Well, the complaint is if none of them are—

Mr. PRICE. No, I understand the complaint about the designation. But in terms of the fusion center-DHS interaction—

Captain HARRIS. The interaction is how they classify or how they—I don't want to use the term "classify," but how they determine the different sites of Tier 1, Tier 2, 3 and 4, and the turnaround for that information back to us.

#### FUSION CENTER LOCATIONS

Mr. PRICE. I see. Well, let me ask you briefly to focus on configuration in a different sense; that is, the spread across the country of these centers. The program has grown significantly over the last 4 years. We now have 72 centers across the country. Each State has its own and there are 22 UASI cities with centers as well. It does raise the question as to on what basis we are locating these centers and prioritizing them.

I think when you look at the spread of the 50 States and you think particularly about the situations of these UASI cities, it is manifestly clear what both of you have said, that not every center is going to look the same, not every center is going to be dealing with the same kind of information or with the same quantity of information to process.

I suppose there is a kind of targeting going on here in that the UASI centers represent a particular kind of city, a particular kind of threat configuration, and so there is a kind of de facto risk-based allocation of center resources, because some of them are going to UASI centers. But there is a bias in the system toward universality, toward comprehensiveness, toward covering all 50 States.

Moreover, there have been reports in the media and other sources that we are becoming more comprehensive in the sense of responding to all hazards as well, not just the threats of terrorism.

So my question has to do with the question of spread and comprehensiveness versus concentration. Again, that sounds theoretical, but actually it is a very practical question as to whether we have the optimal distribution of these centers now and the kind of optimal focus. Does it make sense to have one in every State? Should we be concentrating more in this activity on some of the high-risk areas? Any thought of combining centers in a regional approach or to focus on high-threat areas? What would you say about this general question I have raised?

And then, Under Secretary, if you could also elaborate whether there are some centers that do focus in a way different from others on the most significant threats to the homeland. What about the all-hazards approach? How are you thinking, longer term, that we

want to allocate DHS resources, given the fact that we can't do everything, everywhere,

Ms. WAGNER. Mr. Chairman, we basically defer to the states on where they want to have their fusion center. And I think you—maybe it was the Ranking Member—mentioned that some of these actually predate the Department. The states have varying ways of organizing themselves, and the fusion centers frequently fall under different elements of the State government, public safety or law enforcement. So we are not really looking to standardize in that sense because it really is up to the states to determine what they need, where they need it and how they are going to manage it. But the fusion centers do vary.

Mr. PRICE. Yes, it is up to the States, given the way this program has worked. And I am not questioning that there needs to be that kind of flexibility and some degree of deference to the State's own definition of its needs. But I am asking you to evaluate that and how well it works overall, and especially what the implications are for where DHS ought to offer its support and its resources.

Ms. WAGNER. We will do that in partnership with them. The fusion centers are in varying stages of maturity. Some of them are very mature, some are basically just being stood up and some are going to be quite small. And, as I mentioned earlier, we are going to be looking at what the appropriate DHS footprint should be.

So we are going to work again with the states to try to sort of aim our resources where there is mutual agreement that they will do the most good. So, I think, the differences are going to be not so much in where they are—the geographic spread—but in the size and sophistication, if you will, of the centers, based on where more resources are needed.

Mr. PRICE. Well, what about where the threats are more serious and more tangible and where there is more work to be done by the centers?

Ms. WAGNER. And that is part of the calculation.

Mr. PRICE. Does the UASI-based funding of a certain number of these centers achieve that kind of de facto targeting? Is that the intent? Should that be the intent?

Ms. WAGNER. The 22 Urban Areas Security Initiative cities are the result of a combination of factors, of which threat is one. And that is the component that I&A is responsible for contributing into the process. And that also factors in, I believe, to the grant process for the fusion centers themselves. But there are a variety of factors that are considered. And I am happy to give you more information on that for the record if you want to know exactly how that has been done.

Mr. PRICE. I think that would be helpful.

[The information follows:]

Response: The Urban Areas Security Initiative (UASI) eligibility determination and grant allocation process is administered by the Federal Emergency Management Administration (FEMA). The UASI formula is based on a 100 point scale, with 20% based on threat, and 80% based on vulnerability and consequence. The factors reviewed include population, economic factors, national infrastructure index, and a national security index. Note that while FEMA provides preparedness grant funding to States and territories, determination of the amount of individual grant funding for fusion centers is made by both state and local governments.

The initial level of DHS Office of Intelligence and Analysis (I&A) support to fusion centers will be uniform across all of the 72 centers. Each designated center will ulti-

mately receive a deployed Intelligence Officer; Homeland Secure Data Network (HSDN) and the required secure facility build-outs to house the system; security clearance as appropriate; analytical as well as privacy and civil rights and civil liberties training; and technical assistance offerings.

The sequence of deployment of this support package (i.e., which fusion centers were resourced first) was determined by a risk-based prioritization, as well as a consideration of the center's readiness to receive support. The legacy National Fusion Center Coordination Group, which included participation from the Office of the Director of National Intelligence, DHS I&A, the Department of Justice, and State and local partners, was integral in this decision-making process. The risk-based prioritization used 12 weighted factors: state population (10%), population density (5%), border risk (10%), critical infrastructure (10%), terror risk (10%), port risk (10%), immigration risk (10%), economic risk (10%), iconic value (5%), hazardous materials risk (10%), 2005 UASI grant funding (5%) and 2005 State grant distribution (5%).

Decisions regarding additional resourcing of fusion centers beyond the standard package—e.g. deployed intelligence analysts or reports officers—are made using a similar risk based prioritization.

Mr. PRICE. Captain.

Captain HARRIS. Thank you, Mr. Chairman.

Mr. PRICE. An abbreviated comment, and you too can submit further information for the record.

Captain HARRIS. Okay. I particularly am happy to answer this question, because I come from a small fusion center. As the Under Secretary has said, there are some small centers. However, we don't underestimate our importance to this national network of fusion centers, sir.

As you said in your opening statement by Joanie McNamara from LA, from the JREG, that it is going to be a State or local police officer that is going to come across someone in the act of precursor activities that is going to disrupt a potential event, or we have already been successful in doing that. Threat, sir, lies everywhere throughout the U.S. and was most recently seen in Colorado; how you have in rural Colorado, how that is a threat to New York City, and how those fusion centers are working together.

Mr. PRICE. All right, thank you. Mr. Rogers.

#### INTELLIGENCE AND ANALYSIS' ROLE

Mr. ROGERS. Switching gears, I am confused about the role of Intelligence and Analysis at DHS. I don't know that we know what the role of I&A is now. Let me go into a little bit of history. When DHS was created, the Intelligence Office was envisioned at that time to be a hub fusion center for counterterrorism intelligence across the whole government. Then Secretary Ridge recognized that DHS was not mature enough at that point in time, in terms of staffing or capabilities, to take on that broad, urgent mission, and he deferred to the CIA. And that decision led to the creation of what is now called the National Counterterrorism Center, run by the CIA.

And since the creation of that outfit, DHS has tried to focus its I&A office as a conduit between State and local law enforcement and the Intelligence Community.

Now, the I&A's role has become very insular and very compartmentalized. And I am confused about where we are going and what is the purpose. Former Under Secretary Charlie Allen, when he had headed up this office, he was unique in that he had a special relationship with CIA where he had been working for 50 years or

whatever, as an encyclopedia area of intelligence. But he brought some heft and credibility to the office based on that experience and connections over the years, where he was able to wrest information from those agencies that he would then use in the I&A office to feed State and locals and others.

But since Secretary Napolitano has taken office, she has stressed the domestic, State and local aspects of this office, and not intelligence work with other Federal or international Intelligence Community agencies, essentially taking the opposite tack of Charlie Allen. And as we learned in the Christmas Day and Zazi and other instances, FBI has sequestered, if you will, the intelligence from those types of activities and frozen DHS out of the chain of information essentially.

So I don't know what the role now is of the I&A since we are not trying to focus, apparently, on bringing to this office the Intelligence Community information. And since we have the State and local fusion centers that are doing their thing, somewhat independently of DHS's supervision, what is the role? What are you supposed to be doing? You know, we have said we have to balance the flow of information amongst our State and local first responders, and infuse that operation with the international intelligence and national intelligence that we are sort of frozen out of at the moment. Can you help me?

Ms. WAGNER. I am actually very happy to answer that question because I think your background is very instructive. And, because there has been some uncertainty on exactly what mission space I&A should occupy, I have been giving that a lot of thought. We have, I believe, three major customer sets in I&A. The state, local and tribal set is only one. It is a very important one.

The other set is the operational components of the Department themselves, making sure that ICE, CBP and so on have the necessary intelligence support; they are either doing it themselves or being supported to do their departmental mission.

Our third customer is actually the Intelligence Community, and we do have some intelligence responsibilities and analytic responsibilities within that realm. Most of them, but not all of them, are going to be done in partnership with other elements of the community, and we have to elbow our way to the table a little bit to make that happen. But I intend to do that. And we are already working, I think, pretty well with the National Counterterrorism Center (NCTC) on those threats that are foreign-planned or conducted or have a strong foreign nexus. But whenever there is a homeland component, we are going to be participating and contributing to that analysis. We have unique sets of data to bring to bear on that problem from within our components, travel data in particular.

We also have, potentially, information from our state, local and tribal partner that can be of use, and we are sort of a clearinghouse for all of that.

We do have some unique analytic responsibilities in the area of threats to critical infrastructure, in cyber analysis and in travel analysis. In most other cases, we are going to be working collaboratively, again, when there is that strong foreign nexus with NCTC. When we have threats to the homeland that don't have that strong foreign nexus, we are going to be working with FBI. And we

have some room to improve in building these partnerships, but I am going to make that a focus. I view my main responsibility as making sure that my customers who are trying to keep the homeland secure get what they need. And if that means we get it from someone else, tailor it, push it down in classification level and get it out, that is what we will do. If it means we have to produce it because no one else is producing it, then that is what we will do. So it is a combination of serving as a conduit and performing intelligence analysis.

Mr. ROGERS. Well, we have come a long way since the department was first conceived and enacted into being, from this office being, as I said before, the government center for the fusion of intelligence, State and local, Federal, national, international; and all of the intelligence agencies were to be in this office, and this was to be the office. Now that has washed away, and if this is a mere shadow of what the office was originally intended to be, I don't lay blame at anybody's feet. I am just asserting, I think, a reasonable fact.

But I am struggling to try to find out what the role of the I&A office is, especially as it relates to the Intelligence Community and their willingness to share information with you and, consequently, our State and local partners. And, you know, the Federal agencies, the FBI and the CIA and the others, have a legal excuse, really, for not sharing information.

The FBI, you know, obviously has to protect their sources. A lot of the information they collect is from Grand Jury secret investigations and that type of thing, which, by law, they are proscribed from sharing. CIA, of course, has to protect their sources and people who—and other means of intelligence gathering.

But I do not see yet, to my great disappointment, the sharing of information between governmental agencies that is going to be required of us if we survive all of this. I just don't see it there. And for whatever reason, it is there, that fact is there, and I am sorry about it.

#### STATE AND LOCAL FUSION CENTER PROGRAM

Let me quickly change gears. Fusion centers. In April 2008, GAO raised a lot of concerns about the connectivity, the direction, and the sustainability of the State and local fusion center program. Specifically, GAO found the fusion centers to be inconsistent and understaffed; that they lacked adequate information technology systems; that they were in need of more centralized direction. And then concerns have also been raised, and we have talked about that briefly here, about the duplication of efforts between the centers and the 65 Joint Terrorism Task Forces led by FBI. And I know that you have described the differences as you perceive between these two centers.

However, that criticism still echoes around the walls from the GAO. And I know that you have submitted some examples of success stories, and we have read those. Essentially, though, those success stories, to me, reveal that the fusion centers are serving more of a law enforcement fusion role, rather than one of sharing true intelligence or threat information. That is needed, but it doesn't fit DHS's ambitions and purposes, in my judgment.

Captain Harris, I think, has taken a fairly novel approach—I hope it is copied elsewhere—to the fusion of law enforcement and first responder info across the State of Delaware. As I understand it, Captain, you were able to pool together State and local funding to ensure that all the stakeholders procured, installed, and deployed and aligned the same information technology systems. You made them able to communicate with each other. And that helps to share information, obviously, which is the name of the game. But nevertheless, the fusion centers, in my opinion, are serving more of a law enforcement role and public safety function than an intelligence or threat identification role.

Either one of you want to dispute that?

Ms. WAGNER. Well, I will echo something that I think Captain Harris said earlier, which is that the person who is going to potentially catch somebody who is trying to conduct a terrorist attack on the homeland is probably going to be a first responder or a law enforcement official. So it is in our best interest to look at the all-hazards approach because that is going to be, in many circumstances, our first line of defense. So I think, in some ways, it may be somewhat of an artificial distinction, and that is one of the reasons why we have been talking about the all-hazards approach as being a force multiplier for the intelligence, the Homeland Security Intelligence Enterprise.

I don't know if Captain Harris has anything he wants to add there, but—

Captain HARRIS. I do. Great question, Mr. Rogers. It is not surprising that the 2008 GAO report would state that for a number of these reasons that you bring up. And in 2000—well, first of all, I want to say thank you for the compliment on what we did in Delaware. But that was a collaborative effort, not just with me, a collaborative effort of all our law enforcement in Delaware to do that. As you know, 80 percent of that funding goes to local law enforcement jurisdictions, and we were able to build some consensus of doing this, what we felt was the right way, so every law enforcement officer, at their mobile data terminal, has access to all this information.

Anyhow, in 2008, we did not have connectivity with the HISN State and local intelligence platform, if you will, the unclassified system that we use; that we network all the fusion centers together now; that we collaborate with weekly; that we have analyst's chats and calls every week, every Thursday, that the analysts across the Nation get together and talk about topical subjects. In 2008 that was not there. That we were inconsistently understaffed, that is absolutely true.

Some of the problems, DHS has been very responsive to us. When the grant guidance only said that the grant would pay for 3 years of analyst funding, which is the core of what we do, analysis, they were very responsive to give us ongoing funding for that.

However, some States, most States, are in a position where they have zero government growth now. So my Governor says zero government growth and the Budget Office says okay, if you want another analyst, are you going to give up a trooper for that? And an executive decision above my level has to be made.

The same thing goes with training. There are no travel policies throughout the States for training. And DHS has been, over the last year, very responsive to our needs with bringing training to us and helping us with the ongoing funding of analysts. It was in 2006 that that LETPP funding went away, sir, and in 2008 this report came out. Some of the symptoms of the Law Enforcement Terrorism Prevention Program going away are from this 2008 report. When it talks about need more direction, last year we adopted the baseline capabilities, in 2009, after the 2008 report, and we are moving forward on that on an accreditation process.

Duplication of services with the JTTF. Absolutely not. We complement each other. The FBI, I will say this. The FBI, they are good in our State and our center, but they are not as good in all the centers. They need to be as big a partner as the Department of Homeland Security is with putting their systems in these centers.

Ms. WAGNER. And if I could just add one more thing—while counterterrorism is a very important and possibly the most important Departmental mission, it is not the only one. So our relationship with the fusion centers does extend beyond that, and we work with them along the southwest border on securing our border, and we also work with them on preparation for or response to pandemics.

So there is a robust relationship with the fusion centers on more than just counterterrorism. But clearly we view them also as a major force multiplier in the counterterrorism enterprise.

Captain HARRIS. Mr. Rogers, one more thing. The homeland security data network in the fusion centers, not all fusion centers, just about every fusion center, which is a classified system. We get the NTCC, the National Counterterrorism Center report daily.

Mr. ROGERS. My time is up. But quickly, as head of the National Fusion Center Groups, do you plan to try to get them to duplicate what you did in streamlining the communications in Delaware?

Captain HARRIS. Well, sir, we have highlighted it as our best practice in our annual conferences, sir. But in other jurisdictions, all we can do is suggest about consensus.

Mr. ROGERS. Thank you.

Mr. PRICE. Both of you have begun to get into the all-hazards matter that I asked you about. I will not take that up again here, but I will ask you to elaborate those comments for the record, if you will. It was a component of the question that I asked about the configuration of these centers and the variety that we see out there among their missions.

[The information follows:]

Response: State and major urban area governments operate fusion centers under state and local law. Each fusion center is unique in terms of its mission, capabilities, and configuration. For example, while one fusion center may only employ two trained analysts working counter-terrorism issues, a fully matured fusion center may employ multiple, specialized analysts working an array of issues such as: counter-terrorism, critical infrastructure, health and fire, and border security.

To aid in establishing a baseline capability across all fusion centers, the Baseline Capabilities for State and Major Urban Area Fusion Centers, released in September 2008 by the U.S. Department of Justice (DOJ), Department of Homeland Security (DHC), and the Global Justice Information Sharing Initiative, identifies twelve core capabilities and provides specific instructions on how to achieve each capability. The fusion center capability areas include: planning and requirements development, in-

formation gathering/collection and recognition of indicators and warnings, processing and collation of information, intelligence analysis and production, reevaluation, management and governance, information privacy protections, security, personnel and training, information technology and communications infrastructure, and funding.

While the baseline capabilities do not dictate fusion center configuration or mission focus, partners at all levels of government are encouraging fusion centers to achieve the baseline capabilities to build a national fusion center network foundation.

Mr. PRICE. Mr. Rodriguez, I think you are the clean-up hitter.

Mr. RODRIGUEZ. Thank you very much. And let me first of all thank each and every one of you for the testimony. And Captain Harris, thank you very much for your leadership there in Delaware.

And I think—and I don't mean this in any way, you know—but when you look at the question that was raised by the Chairman in terms of where the centers are at, that is extremely important. My district is about 785 miles along the Mexican border. I have more population, you know, than the State of Delaware in my present district as it stands now, and a little bit close to a million. And so I think those centers are, you know, located in Houston and elsewhere, and so probably getting that dialogue was a major problem during the last time, during 9/11, and was identified as a problem, the importance of communicating. And that is something we are going to have to continue to work on, and I am glad you got it done there in Delaware, but I will be very blunt. I mean, that is a pretty kind of small area. And you have a lot of other areas that don't dialogue with each other as much and are not as coalesced together.

And so we really need to see how we can identify, as the Chairman said, some of the rationale for the centers being where they are at. And I would question some of the rationale for some of that.

Secondly, the Chairman also asked how do we evaluate what we are doing and where we are at. We did, prior to the 2000 glitch—I had been on the Armed Services Committee, we had done some exercises on cyber. We had drug screen projects in San Antonio and a couple that we did on our own without any Federal money, without anything. We might look at doing, you know, some exercises like the military does. And one good time to do that is when you do have a natural disaster.

We had one in Eagle Pass where we had a major tornado. When we had another flood recently, we just had another, you know, where all the technology went down on the border in two counties. And for 2 days people couldn't get any money out of their banks and we couldn't contact our services down there.

And so I think that there is, you know, maybe a way of getting some of those exercises to see where they are at and see if they actually do communicate with each other and get them to practice on that as a way of maybe getting some inroads.

I did want to ask you specifically, there was some dialogue on the papers regarding that we needed to go beyond the Merida Initiative with Mexico. And I was wondering in terms of what, Under Secretary, of what was meant by that and what areas were we looking at in terms of going beyond the Merida Initiative, if you are informed of that, in the intelligence area.

## SECURING UNITED STATES BORDERS

Ms. WAGNER. To be honest, Congressman Rodriguez, I am probably not aware of what policy discussions are going on in that regard. I would be happy to share with you what we are doing to support the efforts of President Calderon to crack down on the drug trafficking and what we are doing at I&A to support efforts to secure the border. But I am afraid I don't know about the policy discussion.

Mr. RODRIGUEZ. Okay. Yeah, because that is a—and I know the Mexicans are concerned in terms of, you know, our role down there and vice versa. But we are also concerned on the border in terms of making sure that there is no spillover in terms of the cartels and how we are going to move forward on some of that.

Ms. WAGNER. Absolutely.

Mr. RODRIGUEZ. And that also includes the northern border. And so I really, you know, see there is strategy as to how to deal with not only the southern border, but the northern border also, as it deals with not only cyber, but other forms of security that are entailed there. And in terms of where our centers are located, I would ask that you kind of look at that as an option.

I wanted to mention also to you that there on the border we still have some difficulties, and there is a need for a plan to respond in case of emergencies for situations that might spill over, and if we have some kind of a team that would do that. Are you aware of any of that?

Ms. WAGNER. I am not aware of any particular response mechanism, but we have pushed a lot of folks down to reinforce the fusion centers that are along the border. Also, we have 12 people at Electronic Privacy Information Center, and we are thinking through a lot of those issues. We are obviously monitoring the violence very carefully to make sure there is no spillover too, because we expect it to be going on for some time.

Mr. RODRIGUEZ. There is a good number of people coming over, middle-class and wealthy Mexicans, a pretty huge number. We have seen in the past when they have had revolutions, a good number have come over. But we are seeing a good number in from Juarez into El Paso, to San Antonio, to Austin, to Del Rio, to all those communities. Is there any assessment being looked at that? Now, they are coming over legally, okay, but that also has some implications in terms of what is occurring.

Ms. WAGNER. I don't know if we have done an analysis of increases in legal immigration, but I would be happy to get back to you on that if that is something you are interested in.

[The information follows:]

Response: Research by the Office of Intelligence and Analysis (I&A) indicates that Mexican immigration to the United States increased during 2003–2008 for a variety of reasons. However, according to a variety of open source materials, immigration statistics indicated a decline during 2008–2009, because of the economic downturn. DHS statistics show a steady increase in Mexicans becoming naturalized U.S. citizens during 2003–2008, but this increase is likely due to a variety of factors, not necessarily violence alone. I&A continues to analyze Mexican violence along our Southwest border and its implications for the Homeland.

Mr. RODRIGUEZ. Thank you. Thank you, Mr. Chairman.

Mr. PRICE. Thank you. And with that, we will thank you for your testimony this morning, for your service, and we will look forward to working with you as we put our budget together in the coming weeks.

The Subcommittee is adjourned, to resume at 2:00 with the Transportation and Security Administration.

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**Hearing before the  
House Appropriations  
Subcommittee on Homeland Security**

**DHS Intelligence Programs and Effectiveness of SLFCs**

**Questions for the Record**

March 4, 2010

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QUESTIONS FOR THE RECORD SUBMITTED BY

**THE HONORABLE DAVID PRICE**

**Under Secretary Caryn Wagner**  
 DHS Intelligence Programs & the Effectiveness of State & Local Fusion  
 Centers

**Joint Fusion Center – Program Management Office**

**Question:** What is the significance of changing the name of this DHS activity to a “Joint Fusion Center” program rather than a “State and Local Fusion Center Program”?

**ANSWER:** Since its inception in 2006, the Office of Intelligence and Analysis’ (I&A) State and Local Program Office (SLPO) has built the relationships required to implement the national network of fusion centers. The SLPO has worked to provide the essential resources required to strengthen fusion center operations to support federal, state, local, tribal, and territorial efforts to protect the Nation through effective intelligence sharing and analysis. In the past, these efforts, although successful on many levels, were not fully coordinated with other significant fusion center efforts taking place throughout the Department. DHS I&A is creating the JFC-PMO to facilitate one coordinated message from the Department and one Departmental approach for future support. The establishment of a Department-wide effort to centrally coordinate its fusion center support has been identified by Congress and by state, local, tribal, and territorial officials as a significant opportunity to enhance the capabilities of fusion centers and integrate them into a national information sharing enterprise. The JFC-PMO will provide unified, “One DHS” support to the fusion centers and will continue to build upon and utilize the resources of the SLPO, as well as that of the many other vital components of the Department.

**Question:** Is I&A planning to change the role of the fusion centers to become an information source for Federal analysis?

**ANSWER:** No, DHS I&A is not planning to change the role of fusion centers. State and major urban area governments own and operate fusion centers under the authorities of state and local law. Each fusion center is unique in terms of its mission, capabilities, and configuration. Since inception, the fusion centers have served as information sources for the Federal Government and will continue to play a valuable role in information sharing.

**Question:** Will the new “Joint Fusion Center” program include more Federal staff at State and local fusion centers? Please provide a list of existing Federal staff at fusion centers and Federal staff planned for assignment to fusion centers in the new program concept.

**ANSWER:** By the end of Fiscal Year (FY) 2010, pursuant to the existing SLPO plan, the Department plans to deploy 76 intelligence officers (IO), including 6 regional directors. By the end of FY 2011, pursuant to the existing SLPO plan, the Department will deploy a total of 82 intelligence officers, including 10 regional directors. The Department also plans to work with participating DHS Components and other DHS elements to create a process for the nomination and selection of Departmental detailees to fusion centers. We will coordinate an assessment process to maximize the effectiveness of current and future DHS personnel deployments by objectively addressing both the needs of the fusion centers and DHS. This will support DHS in understanding what management resources are required by each fusion center. Ultimately, the intersecting priorities of both communities will drive future deployments of DHS personnel to fusion centers.

The 72 designated state and urban area fusion centers recognized by DHS and the Federal Bureau of Investigation (FBI) are represented in the below table. All 72 centers are owned and operated by the state or urban area in which they are located and are in at least the beginning stages of operation or development. Also included in this table is the New York Police Department Intelligence and Counterterrorism Division, where a DHS intelligence officer is deployed. Regional Directors are currently located in Dallas, TX, Los Angeles, CA, Chicago, IL, Washington, DC, and Atlanta, GA. Information collected from the fusion centers regarding estimated DHS personnel representation in centers is included where available.

State and Local Fusion Center	DHS On Site	DHS Personnel Planned
(P/T)=part time; TSA= Transportation Security Administration; FAMS=Federal Air Marshals; ICE=Immigration and Customs Enforcement; CBP=Customs and Border Protection; BP=Border Patrol; USSS=Secret Service; USCG=Coast Guard; RO=Reports Officer		
AL: Montgomery Alabama Fusion Center	1 I&A IO	
AK: Anchorage Statewide Law Enforcement Information Center		1 I&A IO
AZ: Phoenix Arizona Counter Terrorism Information Center	1 I&A IO 1 RO 1 TSA 1 CBP 1 FAMS (P/T) 9 ICE 1 USSS 1 BP (P/T) 1 USCIS	
AR: Little Rock Arkansas State Fusion Center		1 I&A IO
CA: Los Angeles (includes the Western regional director) Joint Regional Intelligence Center	2 I&A IOs 1 ICE (p/t)	
CA: Sacramento Regional Terrorism Threat Assessment Center	1 I&A IO <sup>1</sup> 2 CBP	
CA: Sacramento Central California Intelligence Center	1 ICE (P/T) 1 CBP (P/T) 1 FEMA (P/T)	1 I&A IO
CA: San Diego Regional Terrorism Threat Assessment Center	1 I&A IO 1 RO 4 CBP 7 ICE	
CA: San Francisco Northern California Regional Intelligence Center	1 I&A IO 1 CBP (P/T)	
CA: Anaheim Orange County Intelligence Assessment Center		1 I&A IO
CO: Centennial Colorado Information Analysis Center	1 I&A IO	
CT: New Haven Connecticut Intelligence Center		1 I&A IO
DC: Washington, DC (includes the National Capital	2 I&A IOs	

<sup>1</sup> The I&A Officer in Sacramento splits his time between the State and Regional fusion centers.

regional director) Washington Regional Threat Analysis Center	1 ICE (P/T) 1 USSS (P/T)	
<b>DE:</b> Dover Delaware Information Analysis Center	<b>1 I&amp;A IO</b>	
<b>FL:</b> Tallahassee Florida Fusion Center	<b>1 I&amp;A IO</b> 1 TSA	
<b>FL:</b> Orlando Central Florida Intelligence Exchange	1 ICE	<b>1 I&amp;A IO</b>
<b>FL:</b> Miami South Florida Intelligence Operations Center	<b>1 I&amp;A IO</b> 1 RO 1 ICE (P/T) 1 CBP (P/T) 1 TSA (P/T)	
<b>GA:</b> Atlanta (includes the Southeast regional director) Georgia Information Sharing & Analysis Center	<b>2 I&amp;A IOs</b>	
<b>HI:</b> Honolulu Pacific Regional Information Clearinghouse	<b>1 I&amp;A IO</b> 1 ICE (P/T) 1 CBP 1 USSS	
<b>ID:</b> Meridian Idaho Criminal Intelligence Center		<b>1 I&amp;A IO</b>
<b>IL:</b> Chicago (regional director) Crime Prevention and Information Center	<b>1 I&amp;A IO</b> 1 ICE 3 CBP (P/T)	<b>1 I&amp;A IO</b>
<b>IL:</b> Springfield Statewide Terrorism Intelligence Center	<b>1 I&amp;A IO</b>	
<b>IN:</b> Indianapolis Indiana Intelligence Fusion Center	<b>1 I&amp;A IO</b> 1 TSA	
<b>IA:</b> Des Moines Iowa Intelligence Fusion Center	<b>1 I&amp;A IO</b>	
<b>KS:</b> Topeka Kansas Intelligence Fusion Center		<b>1 I&amp;A IO</b>
<b>KY:</b> Frankfort Kentucky Intelligence Fusion Center	<b>1 I&amp;A IO</b>	
<b>LA:</b> Baton Rouge Louisiana State Analytical & Fusion Exchange	<b>1 I&amp;A IO</b> 1 CBP	
<b>ME:</b> Augusta Maine Information and Analysis Center	<b>1 I&amp;A IO</b>	
<b>MD:</b> Baltimore Maryland Coordination and Analysis Center	<b>1 I&amp;A IO</b> 1 ICE 1 TSA	
<b>MA:</b> Maynard Commonwealth Fusion Center	<b>1 I&amp;A IO</b>	
<b>MA:</b> Boston Boston Regional Intelligence Center	<b>1 I&amp;A IO</b>	
<b>MI:</b> East Lansing Michigan Intelligence Operations Center	<b>1 I&amp;A IO</b> 1 CBP (P/T) 1 TSA (P/T)	
<b>MI:</b> Detroit South East Michigan Information Center		<b>1 I&amp;A IO</b>
<b>MN:</b> Minneapolis Minnesota Joint Analysis Center	<b>1 I&amp;A IO</b>	
<b>MS:</b> Pearl Mississippi Analysis and Information Center	<b>1 I&amp;A IO</b> 1 TSA (P/T)	
<b>MO:</b> Jefferson City Missouri Information Analysis Center	<b>1 I&amp;A IO</b> 1 ICE 1 CBP (P/T) 1 TSA (P/T) 1 USSS (P/T)	
<b>MO:</b> St. Louis	1 ICE	<b>1 I&amp;A IO</b>

St. Louis Early Warning Group	1 CBP 1 TSA 1 USSS (P/T)	
<b>MO:</b> Kansas City Kansas City Early Warning Group	1 ICE 1 CBP 1 TSA 1 USCIS (P/T) 1 USSS (P/T)	<b>1 I&amp;A IO</b>
<b>MT:</b> Helena Montana All-Threat Intelligence Center	<b>1 I&amp;A IO</b>	
<b>NE:</b> Lincoln Nebraska Information Analysis Center	<b>1 I&amp;A IO</b>	
<b>NV:</b> Las Vegas Southern Nevada Counterterrorism Center	<b>1 I&amp;A IO</b> 1 TSA (P/T)	
<b>NV:</b> Carson City Nevada Threat Analysis Center		<b>1 I&amp;A IO</b>
<b>NH:</b> Concord New Hampshire Information and Analysis Center	<b>1 I&amp;A IO</b>	
<b>NJ:</b> West Trenton Regional Operations and Intelligence Center	2 ICE 1 FAM	<b>1 I&amp;A IO</b>
<b>NC:</b> Raleigh Information Sharing and Analysis Center	<b>1 I&amp;A IO</b>	
<b>NM:</b> Santa Fe New Mexico All Source Intelligence Center	<b>1 I&amp;A IO</b>	
<b>NY:</b> Latham New York State Intelligence Center	<b>1 I&amp;A IO</b> 1 ICE 1 CBP	
<b>NY:</b> New York City New York Police Department Intelligence & Counter Terrorism Divisions	<b>1 I&amp;A IO</b>	
<b>ND:</b> Bismarck North Dakota Fusion Center	<b>1 I&amp;A IO</b>	
<b>OH:</b> Columbus Strategic Analysis & Information Center	<b>1 I&amp;A IO</b> 7 TSA (P/T)	
<b>OH:</b> Cleveland Northeast Ohio Regional Fusion Center		<b>1 I&amp;A IO</b>
<b>OH:</b> Cincinnati Hamilton County Regional Terrorism Early Warning Group		<b>1 I&amp;A IO</b>
<b>OK:</b> Oklahoma City Oklahoma Information Fusion Center	<b>1 I&amp;A IO</b>	
<b>OR:</b> Salem Terrorism Information Threat Assessment Network	<b>1 I&amp;A IO</b> 1 ICE (P/T) 1 TSA (P/T)	
<b>PA:</b> Harrisburg Pennsylvania Criminal Intelligence Center		<b>1 I&amp;A IO</b>
<b>PA:</b> Philadelphia Delaware Valley Regional Fusion Center		<b>1 I&amp;A IO</b>
<b>PA:</b> Pittsburgh Southwestern PA Region 13 Fusion Center		<b>1 I&amp;A IO</b>
<b>RI:</b> Providence Rhode Island Fusion Center	<b>1 I&amp;A IO</b>	
<b>SC:</b> Columbia South Carolina Information & Intelligence Center	<b>1 I&amp;A IO</b> 1 ICE (P/T) 1 TSA (P/T) 1 CBP 1 USCIS (P/T)	
<b>SD:</b> Sioux Falls South Dakota Fusion Center		<b>1 I&amp;A IO</b>
<b>TN:</b> Nashville Tennessee Fusion Center	<b>1 I&amp;A IO</b>	
<b>TX:</b> North Central Texas		

North Central Texas Fusion System	1 I&A IO	
TX: Austin Texas Fusion Center	1 I&A IO 1 ICE 1 FEMA	
TX: Houston (includes the Central regional director) Houston Regional Information Sharing Center	2 I&A IO 1 RO	
UT: Salt Lake City Utah Statewide Information & Analysis Center	1 I&A IO	
VA: Richmond Virginia Fusion Center	1 I&A IO	
VA: Fairfax National Capital Regional Intelligence Center	1 I&A IO 1 ICE (P/T) 1 TSA (P/T)	
VT: Williston Vermont Fusion Center	1 I&A IO 1 ICE	
WA: Seattle Washington State Fusion Center	1 I&A IO 1 TSA	
WI: Madison Wisconsin Statewide Information Center	1 I&A IO	
WI: Milwaukee Southeastern Wisconsin Terrorism Alert Center		1 I&A IO
WV: Charleston West Virginia Intelligence Fusion Center	1 I&A IO	
WY: Cheyenne Wyoming Fusion Center	1 I&A IO	
Regional Directors		5 I&A IOs
<b>TOTALS</b>	*57 I&A IOs 4 ROs 96 other DHS	26 I&A IO

\*The position in New York City will be transferred to the I&A Analysis Office by FY 2011.

#### I&A Information Technology Systems

**Question:** Please provide a list of I&A locations, including Fusion Center locations, with HSDN terminals and HSIN-S terminals. Include on the list the quantity of each terminal type at the installed location.

**ANSWER:** In addition to the DHS Nebraska Avenue Complex, the Homeland Secure Data Network (HSDN) is operational at 33 State and Local Fusion Centers (SLFC). On average, there are four or five terminals per site, since these are considered small sites. The Homeland Security Information Network-Secret (HSIN-S) is deployed to Emergency Operations Centers rather than SLFCs and is not managed by I&A.

#### HSDN Deployment Status

Authorized Sites: 72

Additional Sites Nearing Readiness: 9

#### *HSDN OPERATIONAL STATE AND LOCAL FUSION CENTERS*

	Site Name	Site Acronym	City	State	Number of HSDN Workstations Installed
1	Joint Regional Intelligence Center	JRIC	Los Angeles	CA	2

2	New York State Intelligence Center	NYSIC	Albany	NY	2
3	Virginia Fusion Center	VFC	Richmond	VA	2
4	New York City Intelligence Division	NY ITD	New York City	NY	2
5	New York City Counterterrorism Division	NY CTD	New York City	NY	2
6	Maryland Coordination and Analysis Center	MCAC	Windsor Hills (Woodlawn)	MD	4
7	Georgia Information Sharing and Analysis Center	GISAC	Atlanta	GA	2
8	Louisiana State Analytic and Fusion Exchange	LA-SAFE	Baton Rouge	LA	2
9	Sacramento RTTAC	SAC RTTAC	McClellan	CA	4
10	Florida Fusion Center	FFC	Tallahassee	FL	4
11	Operations, Fusion, & Communications Center	OFCC	McKinney	TX	4
12	Strategic Analysis and Information Center	SAIC	Columbus	OH	4
13	Connecticut Intelligence Center	CTIC	New Haven	CT	4
14	Washington State Fusion Center (formerly Washington Joint Analysis Center)	WSFC (formerly WAJAC)	Seattle	WA	4
15	Michigan Intelligence Operations Center	MIOC	East Lansing	MI	4
16	Commonwealth Fusion Center	CFC	Maynard	MA	4
17	South Carolina Information Exchange	SCIEEx	Columbia	SC	4
18	Miami Dade Fusion Center (MD Police Department)	MD FC	Miami (Doral)	FL	2
19	Northern California Regional Intelligence Center (formerly Northern California RTTAC)	NCRIC (formerly NC- RTTAC)	San Francisco	CA	2
20	Oregon Fusion Center (Terrorism Information Threat Assessment Network)	TITAN	Salem	OR	3
21	Indiana Intelligence Fusion Center	IIFC	Indianapolis	IN	4
22	Colorado Information Analysis Center (DNC Site)	CIAC	Centennial	CO	6
23	Minnesota Joint Analysis Center (RNC Site)	MNJAC	Minneapolis	MN	2
24	Southern Nevada Counter Terrorism Center	SN CTC	Las Vegas	NV	2
25	District of Columbia Fusion Center (Metropolitan PD)	DC FC	Washington	DC	3
26	Statewide Terrorism Intelligence Center	STIC	Springfield	IL	1
27	Texas Security Analysis & Alert Center (Texas Fusion Center)	TSAAC/TFC	Austin	TX	4
28	San Diego Law Enforcement Coordination Center	SD LECC	San Diego	CA	16
29	Regional Operations Intelligence Center	ROIC	West Trenton	NJ	1
30	Delaware Information Analysis Center	DIAC	Dover	DE	3
31	Mississippi Analysis and Information Center	MSAIC "MOSAIC"	Pearl (Jackson)	MS	4
32	Arizona Counter Terrorism Center	ACTIC	Phoenix	AZ	6
33	State Terrorism Threat Assessment Center	STTAC	Mather	CA	7

<b>HSDN DEPLOYMENT TO UPCOMING SLFC SITES</b>			
	<i>Site Name</i>	<i>Site Acronym</i>	<i>City and State</i>
34	Crime Prevention and Information Center	CPIC	Chicago, IL
35	New York Counter Terrorism Division Strong Room	NY CTD Strong Room	New York, NY

36	Wisconsin Statewide Intelligence Center	WSIC	Madison, WI
37	North Carolina Information and Analysis Sharing Center	ISAAC	Raleigh, NC
38	Missouri Information and Analysis Center	MIAC	Jefferson City, MO
39	Arkansas Fusion Center	AR FC	Little Rock, AR
40	Tennessee Fusion Center (formerly Tennessee Regional Information Center)	TFC (formerly TRIC)	Nashville, TN
41	Vermont Fusion Center (co-located with LESC)		Williston, VT
42	Kentucky Intelligence Fusion Center	KIFC	Frankfort, KY
43	Boston Regional Intelligence Center	BRIC	Boston, MA
44	Houston Regional Intelligence Service Center	HRISC	Houston, TX
45	New Mexico All Source Intelligence Center	NM ASIC	Santa Fe, NM
46	Iowa Intelligence Fusion Center	IO IFC	Des Moines, IA
47	North Dakota Fusion Center	NDFC	Bismarck, ND
48	Fairfax Northern Capital Region Intelligence Center (Fairfax NCRIC)	Fairfax NCRIC	Fairfax, VA
49	New Hampshire Information and Analysis Center	NH IAC	Concord, NH
50	Statewide Information and Analysis Center	SIAC	Salt Lake City, UT
51	Idaho State Police Fusion Center	ISP FC	Meridian, ID
52	Kansas Threat Integration Center	KSTIC	Topeka, KS
53	Oklahoma Information Fusion Center	OIFC	Oklahoma City, OK
54	Northern Nevada Fusion Center	NNFC	Reno, NV
55	Nebraska Information Analysis Center (AKA Nebraska Fusion Center)	NIAC (aka NFC)	Lincoln, NE
56	Rhode Island Fusion Center	RIFC	North Scituate (Providence), RI
57	Wyoming Criminal Intelligence Center	WCIC	Cheyenne, WY
58	Pacific Regional Information Clearinghouse	PAC CLEAR	Honolulu, HI
59	Montana All-Threat Intelligence Center	MATIC	Helena, MT
60	Maine Information and Analysis Center	Maine IAC	Augusta, ME
61	West Virginia Intelligence Fusion Center	WVA IFC	Charleston, WV
62	San Diego Regional Terrorism Threat Assessment Center (co located with SD LECC)	SD RTTAC	San Diego, CA
63	Nebraska Information Analysis Center (AKA Nebraska Fusion Center)	NIAC (aka NFC)	Lincoln, NE
64	Detroit and Southeast Michigan Information and Intelligence Center	DSEMIIC	Detroit, MI
65	Alabama Fusion Center	AL FC	Montgomery, AL
66	Los Angeles Major Crimes Division (also EOC - previously on EOC priority list)	LA MCD	Los Angeles, CA
67	California Department of Corrections and Rehabilitation (CDCR) Criminal Intelligence and Analysis Unit (CIAU)	CDCR CIAU	Sacramento, CA
68	Anaheim Fusion Center		Anaheim (Santa Ana), CA

69	Statewide Law Enforcement Information Center	SLIC	Fort Richardson, AK
70	South Dakota Fusion Center	SDFC	Pierre, SD
71	Cincinnati/Hamilton County Regional Terrorism Early Warning Group		Cincinnati, OH
72	Kansas City Regional Terrorism Early Warning Group	KC RTEWG IAAC	Kansas City, MO

#### I&A Products

**Question:** Please provide a list of all I&A reports issued in fiscal year 2009, including a summary of the distribution for each of the reports.

**ANSWER:** The response is classified and has been provided to the House Appropriations Subcommittee on Homeland Security under separate cover.

#### State and Local Fusion Center Reporting Requirements

**Question:** Please provide a list of all reports that I&A required State and Local fusion centers to submit to DHS in 2009, organized by fusion center that submitted the reports.

**ANSWER:** State and local fusion centers are wholly owned and operated by their respective states. As such, DHS I&A has not required fusion centers to provide any reports. However, in late 2008/early 2009, the SLPO conducted an expansive data-call to all fusion centers, wherein it requested federal, state, and local budgetary breakdowns. This request was voluntary and designed to serve as a preliminary baseline assessment. Additionally, the SLPO briefed the results of the data at the March 2009 National Fusion Center Conference.

#### Reception and Representation

**Question:** How does I&A plans to utilize its reception and representation expenses in 2011? To date, how much has been spent in 2010 and what is the plan for the remainder of the fiscal year? Please provide details on each expenditure.

**ANSWER:** I&A plans to utilize its Official Reception and Representation (ORR) expenses in 2011 by the following:

- Official Lunches for Dignitaries (i.e. Foreign Visitors)
- Representational Lunches (i.e. NYPD Police Chief)
- Official Briefings (i.e. Foreign Disclosure Office, National Counterterrorism Center)

The total amount of dollars spent to date is \$0; however, due to upcoming events, the remaining funds will be used to cover the ORR usual and customary expenses as shown below:

- Official Lunches for Dignitaries       \$ 650
- Representational Lunches               \$ 1,525
- Official Briefings                         \$ 325

#### Hiring

**Question:** Please list the number, by office and pay grade level, of all I&A employees hired non-competitively in fiscal year 2009 and explain why each non-competitive hire was necessary.

**ANSWER:**

Collections Requirements (CR); 1 non-competitive hire; GS-199-4 (1) (SCEP)

Homeland Environment Threat Analysis (HETA); 6 non-competitive hires; GS-132-9 (5) (PMF); GS-132-12 (1) (PMF)

WMD and Health Threat Analysis (WHTA); 3 non-competitive hirers; GS-199-4 (1) (SCEP); GS-132-9 (1) (PMF); GS-132-7 (1) (PMF)

Critical Infrastructure Threat Analysis (CITA); 1 non-competitive hire; GS-132-9 (1) (PMF)

Student Career Experience Program (SCEP), which is a planned, progressive educational program that provides the integration of a student's academic studies and federal work experience with the potential of noncompetitive conversion into the federal career service. I&A uses the program to meet its short- and long-term staffing needs while building a succession of analysts to fill vacancies. Individuals are interviewed by managers and selected based on their potential to fill open vacancies. Series 199 are current Student Interns, while series 132 (conversions) are Student Intern who have completed the academic and job requirements for conversion.

Presidential Management Fellowship Program. The U.S. Office of Personnel Management (OPM) assesses individuals with recent graduate degrees for strong analytic, leadership and writing skills, and pre-qualifies a finalist pool at the GS-9 level, although I&A can initially hire at the GS-9 thru 12 levels. This is another avenue to build a succession of analysts. These individuals were selected because they possess keen analytical skills, a demonstrated ability to write well, and the judgment and discretion needed to operate in a vibrant, highly visible, and challenging environment. The candidates selected as fellows serve for two years and upon successful completion of the fellowship, have the opportunity to accept to a permanent position at the Department.

State and Local Fusion Center Initiative (SLFC); 1 non-competitive hire; GS-132-14 (1) (Reassignment)

The individual selected was based on their knowledge of the tasks required to reorganize people and equipment.

Chief of Staff (CS); 1 non-competitive hire;  
GS-301-14 (1) (Lateral Transfer)

The individual selected was based on their knowledge of the tasks required to reorganize people and equipment.

### Contracts

**Question:** Please provide for the record, the number of noncompetitive contracts I&A has entered into in fiscal year 2009, what is anticipated in 2010 and 2011, and an explanation as to why a non-competitive contract was chosen. As part of this response, please clearly delineate other transactional agreements and those purchases made from the GSA approved listings.

**ANSWER:** I&A funded twenty-two noncompetitive contract actions in FY 2009. I&A anticipates that there will be two noncompetitive actions for FY 2010. I&A does not anticipate any noncompetitive actions in FY 2011.

Non-competitive contracts were awarded by the Office of Procurement Operations in FY 2009 and FY 2010 for continuity of mission requirements and concern about turnover of contractor personnel.

In coordination with other state and federal agencies, there were six Interagency Agreements (IAAs) within I&A for FY 2009. There were also five purchases made using an approved GSA listing.

**Question:** In total, what volume of I&A contract awards are made competitively? Please answer in dollar amount and percentage.

**ANSWER:** In FY 2009, 41% of I&A's contracts totaling \$60,648,360 were made competitively.

**Question:** Submit, through the most recent month available, a list of all Sole Source Contracts entered into by I&A. Organize by contractor, purpose, appropriation account, dollar award, full performance value, contract start date, contract end date, and reason for sole-source.

**ANSWER:**

FY 2009 SOLE SOURCE AWARDS							
TASK ORDER#	VENDOR	PURPOSE	Treasury Accounting Symbol	AWARD AMOUNT	CONTRACT START DATE	CONTRACT END DATE	CONTRACT TYPE
HSHQDC-09-F-00025	BOOZ ALLEN HAMILTON	SERVICE	700115	\$1,537,292.51	1/16/2009	7/15/2009	T&M
HSHQDC-09-F-00023	BOOZ ALLEN HAMILTON	SERVICE	700115	\$1,896,357.38	1/16/2009	7/15/2009	T&M
HSHQDC-09-F-00027	BOOZ ALLEN HAMILTON	SERVICE	700115	\$1,588,442.88	1/16/2009	7/15/2009	T&M
HSHQDC-09-F-00029	BOOZ ALLEN HAMILTON	SERVICE	700115	\$3,657,867.82	1/16/2009	7/15/2009	T&M
HSHQDC-09-F-00024	BOOZ ALLEN HAMILTON	SERVICE	700115	\$12,636,049.00	1/16/2009	7/15/2009	T&M
HSHQDC-09-F-00028	BOOZ ALLEN HAMILTON	TSC SUPPORT	700115	\$801,956.35	1/16/2009	7/15/2009	T&M
HSHQDC-08-F-00248	BOOZ ALLEN HAMILTON	travel increase	700115	\$40,000.00	9/29/2008	9/28/2009	T&M
HSHQDC-09-F-00117	BOOZ ALLEN HAMILTON	TSC SUPPORT	700115	\$576,902.82	7/15/2009	1/15/2010	T&M
HSHQDC-09-F-00118	BOOZ ALLEN HAMILTON	IM SUPPORT	700115	\$1,862,196.92	7/15/2009	1/15/2010	T&M
HSHQDC-09-F-00120	BOOZ ALLEN HAMILTON	BSD SUPPORT	700115	\$2,788,273.00	7/15/2009	1/15/2009	T&M
HSHQDC-09-F-00113	BOOZ ALLEN HAMILTON	SLPO SUPPORT	700115	\$1,669,596.69	7/15/2009	1/15/2009	T&M
HSHQDC-09-F-00119	BOOZ ALLEN HAMILTON	COS SUPPORT	700115	\$3,525,342.44	7/15/2009	1/15/2009	T&M
HSHQDC-09-F-00121	BOOZ ALLEN HAMILTON	CR SUPPORT	700115	\$2,163,297.25	7/15/2009	1/15/2009	T&M
HSHQDC-09-F-00122	BOOZ ALLEN HAMILTON	AP SUPPORT	700115	\$10,936,658.71	7/15/2009	1/15/2009	T&M
<b>BOOZ ALLEN HAMILTON TOTAL</b>				<b>\$45,430,135.57</b>			
HSHQDC-09-F-00019	GENERAL DYNAMICS	OI&A SERVICE	700115	\$18,472,663.00	1/7/2009	7/6/2009	T&M
HSHQDC-09-F-00022	GENERAL DYNAMICS	NAO SUPPORT	700115	\$134,828.14	1/12/2009	1/11/2010	T&M
HSHQDC-09-F-00019	GENERAL DYNAMICS	travel increase	700115	\$408,382.00	1/7/2009	1/6/2010	T&M
HSHQDC-09-F-00019	GENERAL DYNAMICS	CI SERVICE	700115	\$1,019,588.00	1/7/2009	7/7/2009	T&M
HSHQDC-09-F-00019	GENERAL DYNAMICS	SERVICE EXTEND	700115	\$16,340,372.28	7/7/2009	11/6/2009	T&M
<b>GENERAL DYNAMICS TOTAL</b>				<b>\$36,375,833.42</b>			
HSHQDC-08-C-00116	QUINTECH	SLPO SUPPORT	700115	\$520,000.00	8/12/2008	8/11/2009	T&M, FFP, Cost Reim
<b>QUINTECH TOTAL</b>				<b>\$520,000.00</b>			
HSHQDC-07-C-00071	TKCC	SERVICE EXTEND	700115	\$1,202,416.18	4/1/2009	6/30/2009	T&M
HSHQDC-07-C-00071	TKCC	SERVICE EXTEND	700115	\$2,444,960.00	7/1/2009	6/30/2010	T&M

TKCC TOTAL	\$3,647,378.18
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Non-competitive contracts were awarded by the Office of Procurement Operations in FY 2009 and FY 2010 for continuity of mission requirements and concern about turnover of contractor personnel.

**Question:** Please provide for the record a list of all contracts over \$1 million in total value executed by I&A in 2009. Organize by contractor, purpose, dollar award, full performance value, contract start date, contract end date, and contract type (e.g., firm fixed price, etc.).

**ANSWER:** The table below represents all I&A contracts over \$1 million in total value executed in 2009:

CONTRACTOR	PURPOSE	DOLLAR AWARD	FULL PERFORMANCE VALUE	CONTRACT START DATE	CONTRACT END DATE	CONTRACT TYPE
MITRE FFRDC	RESEARCH	\$ 3,928,625.00	\$ 3,928,625.00	10/1/2008	3/31/2009	IAA
GENERAL DYNAMICS	OI&A SERVICE	\$ 18,472,663.00	\$ 18,472,663.00	1/7/2009	7/6/2009	T&M
BOOZ ALLEN HAMILTON	SERVICE	\$ 1,537,292.51	\$ 1,537,292.51	1/16/2009	7/15/2009	T&M
BOOZ ALLEN HAMILTON	SERVICE	\$ 1,866,357.38	\$ 1,866,357.38	1/16/2009	7/15/2009	T&M
BOOZ ALLEN HAMILTON	SERVICE	\$ 1,588,442.88	\$ 1,588,442.88	1/16/2009	7/15/2009	T&M
BOOZ ALLEN HAMILTON	SERVICE	\$ 3,657,867.62	\$ 3,657,867.62	1/16/2009	7/15/2009	T&M
BOOZ ALLEN HAMILTON	SERVICE	\$ 12,636,949.00	\$ 12,636,949.00	1/16/2009	7/15/2009	T&M
GENERAL DYNAMICS	CI SERVICE	\$ 1,019,588.00	\$ 1,019,588.00	1/7/2009	7/7/2009	T&M
TKCC	SERVICE EXTEND	\$ 1,202,418.18	\$ 1,202,418.18	4/1/2009	6/30/2009	T&M
MITRE FFRDC	RESEARCH OPT	\$ 3,907,450.00	\$ 3,907,450.00	4/1/2009	9/30/2009	IAA
TKCC	SERVICE EXTEND	\$ 2,444,960.00	\$ 2,444,960.00	7/1/2009	6/30/2010	T&M
GENERAL DYNAMICS	SERVICE EXTEND	\$ 16,340,372.28	\$ 16,340,372.28	7/7/2009	11/6/2009	T&M
ICE	REPORTS OFF	\$ 1,300,000.00	\$ 1,300,000.00	7/14/220	7/13/2010	IAA
BOOZ ALLEN HAMILTON	IM SUPPORT	\$ 1,862,198.92	\$ 1,862,198.92	7/15/2009	1/15/2010	T&M
BOOZ ALLEN HAMILTON	BSD SUPPORT	\$ 2,768,273.00	\$ 2,768,273.00	7/15/2009	1/15/2009	T&M
BOOZ ALLEN HAMILTON	SLPO SUPPORT	\$ 1,669,596.69	\$ 1,669,596.69	7/15/2009	1/15/2009	T&M
BOOZ ALLEN HAMILTON	COS SUPPORT	\$ 3,525,342.44	\$ 3,525,342.44	7/15/2009	1/15/2009	T&M
BOOZ ALLEN HAMILTON	CR SUPPORT	\$ 2,163,297.25	\$ 2,163,297.25	7/15/2009	1/15/2009	T&M
BOOZ ALLEN HAMILTON	AP SUPPORT	\$ 10,936,658.71	\$ 10,936,658.71	7/15/2009	1/15/2009	T&M
NMEC	RESEARCH	\$ 2,000,000.00	\$ 2,000,000.00	8/15/2009	12/14/2009	IAA
PORTAL MANAGEMENT	SERVICE	\$ 1,862,210.00	\$ 1,862,210.00	9/28/2009	9/27/2010	T&M
TKCC	INFO SHARING	\$ 6,283,207.30	\$ 6,283,207.30	7/1/2007	1/30/2010	T&M
GSA FEDSIM	HSDN/T INSTALL	\$ 2,786,135.14	\$ 2,786,135.14	9/16/2009	8/31/2010	IAA
DIGITAL SOLUTIONS	IPDS OPTION	\$ 2,658,739.37	\$ 2,658,739.37	9/30/2009	9/29/2010	T&M
COMPUTER SCIENCES	NSIP OPTION	\$ 1,313,832.00	\$ 1,313,832.00	9/22/2009	9/23/2010	T&M
MITRE FFRDC	RESEARCH	\$ 2,690,722.97	\$ 2,690,722.97	10/1/2008	10/1/2010	IAA
GENERAL DYNAMICS	EAGLE	\$ 13,525,944.47	\$ 13,525,944.47	9/30/2009	8/31/2010	T&M
QINTECH	SLPO SECURITY	\$ 1,990,769.00	\$ 1,990,769.00	9/30/2009	9/29/2010	T&M
GENERAL DYNAMICS	CONSOLIDATION	\$ 4,152,652.12	\$ 4,152,652.12	9/30/2009	6/29/2010	T&M
	<b>TOTAL</b>	<b>\$ 132,092,565.23</b>	<b>\$ 132,092,565.23</b>			

Acronyms:  
Time and Materials Type Contract (T&M)  
Interagency Agreement (IAA)

**Question:** Please provide for the record a list of all I&A contracts, grants and other transactions where work is performed outside of the United States. Organize by contractor, purpose, dollar award, full performance value, contract start date, and contract end date.

**ANSWER:** There are no contracts, grants or other transactions within I&A being performed outside of the United States.

**Bonuses**

**Question:** Please provide a table showing how much is requested in the 2011 budget for bonuses for I&A political employees, I&A SES employees, and I&A non-SES employees.

**ANSWER:** The response is classified and has been provided to the House Appropriations Subcommittee on Homeland Security under separate cover.

**Question:** Please list all I&A SES bonuses provided in 2009 by position, office, and bonus amount.

**ANSWER:** The response is classified and has been provided to the House Appropriations Subcommittee on Homeland Security under separate cover.

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

**ANSWER:** The response is classified and has been provided to the House Appropriations Subcommittee on Homeland Security under separate cover.

**Travel**

**Question:** Please provide for the record a table that shows all funds expended by I&A political employees for travel in 2009. Include name of individual traveling, purpose of travel, location(s) visited, and total cost.

**ANSWER:**

Last Name	First Name	Total Cost	Begin Date	End Date	Location	Purpose
Rosenblum	Todd	677.82	4/7/2009	4/8/2009	El Paso, TX	Site Visit
	<b>TOTAL</b>	677.82				

**Unobligated Balances**

**Question:** Please provide unobligated balances within I&A, by appropriation account, and when you anticipate that they will be expended.

**ANSWER:** The response is classified and has been provided to the House Appropriations Subcommittee on Homeland Security under separate cover.

## QUESTIONS FOR THE RECORD SUBMITTED BY

**THE HONORABLE LUCILLE ROYBAL-ALLARD**

**Under Secretary Caryn Wagner**  
DHS Intelligence Programs & the Effectiveness of State & Local Fusion  
Centers

Sustainment Challenges**Question:**

As a result of the trying fiscal environment and the fact that the Department of Homeland Security's grant programs do not cover basic operating costs, fusion centers across the country, including the Joint Regional Intelligence Center in Los Angeles, have serious concerns about sustainment funding. How is the Department working with the centers to address this growing challenge?

**ANSWER:** The Department provides funding to each state and territory through the Homeland Security Grant Program. In the FY 2010 grant guidance, the Department outlined the eight national funding priorities (which include information sharing) and also called out fusion centers as a special area of emphasis. Ultimately, though, it is up to each state and territory to decide how to allocate their resources, including those slated for fusion centers.

Local Confusion**Question:**

According to a GAO report released in December, many local and tribal law enforcement authorities along our Southwest Border are confused about the types of incidents and information that should be reported to DHS and the fusion centers. For example, 13 of the 20 agencies interviewed said that the federal government had failed to define what "suspicious activities or indicators rise to the level of potential terrorist threats" and should be communicated to DHS.

What steps are you taking to address this uncertainty on the part of your partners in local law enforcement?

**ANSWER:** To help address the uncertainty of state, local, and tribal law enforcement authorities, the I&A Collection and Requirements Division (CRD), has developed and published DHS standing information needs (SINs) that uniformly document the ongoing intelligence and information needs of the entire DHS Intelligence Enterprise. DHS SINs form the basis for collection, analysis, and reporting within the Department and articulate to the intelligence and homeland security communities where analytic, reporting, and collection efforts should focus. Currently, I&A/CRD is working with individual states in their respective efforts to gather and publish their state-owned SINs. The state-owned SINs will then be aligned to the DHS SINs to clarify the type of incidents/information of concern that should be highlighted and reported amongst the intelligence and homeland security communities.

Suspicious Activity Reporting (SAR) specifically relates to pre-cursor behavior that may be indicative of criminal terrorist actions. The seven most recognized types of behavior are as follows: surveillance; elicitation; tests of security; acquisition of supplies; suspicious persons out of place; dry runs; and the deployment of assets.

The National SAR Initiative Program Management Office (NSI PMO), led by the FBI, was established to coordinate a uniform standard for analyzing suspicious activity reporting as well as a viable means of sharing SAR data. NSI PMO provides training in three distinct areas: executive/leadership training, analyst training, and line officer training. Sharing of SAR data occurs through the use of a virtual "shared space" that members may query. There are twelve (12) current state and local agencies that are connected to the shared space as contributors of SAR data. Ten (10) additional sites are due to join the NSI PMO community within the next few months.

The process for selecting the next twenty-five (25) state and local sites is underway. Additionally, the DHS Enterprise is ramping up its efforts to enjoin all ten Components to become active contributors to the NSI PMO's shared space.

QUESTIONS FOR THE RECORD SUBMITTED BY

**THE HONORABLE Ken Calvert**

**Caryn Wagner, DHS Under Secretary, Office of Intelligence and Analysis  
 Capt. William Harris, Delaware State Police  
 DHS Intelligence Programs and the Effectiveness of State and local Fusion  
 Centers**

State and Local Fusion Centers

**Question:**

Under Secretary Wagner, the State and Local Fusion Center program has been in existence nearly four years so it is still a relatively new endeavor. California, which has five regional centers and one state center, has identified that one of their greatest needs is the deployment and integration of DHS intelligence analysts and assessors within the fusion centers, especially from components such as ICE, CBP, TSA. As you know, these personnel can ensure efforts are coordinated and duplication of effort is reduced. Your testimony brushes on plans for additional deployments to enable Departmental representation at all 72 fusion centers in FY 2011. Can you expand on these plans and provide us with how you are determining which components will have representation at each center?

**ANSWER:** The Department will work closely with fusion centers, to determine fusion center needs. We also plan to work with participating DHS Components and other DHS elements to create a process for the nomination and selection of Departmental detailees to fusion centers. This will be followed by coordinating an assessment process to maximize the effectiveness of current and future DHS personnel deployments by objectively addressing both the needs of the fusion centers and DHS. This will support DHS in understanding what management resources are required by each fusion center. Ultimately, the intersecting priorities of both communities will drive future deployments of DHS personnel to fusion centers.

**Question:**

In a nationwide, multi-jurisdictional enterprise whose core mission is information sharing, collaboration with local and tribal agencies is essential. A GAO report from last December focused on information sharing at federal agencies and fusion centers in border communities found that *"most of the local and tribal officials in the border communities [contacted by GAO] did not clearly know what suspicious activities federal agencies and fusion centers wanted them to report, how to report them, or to whom."* Being from a border state this troubles me. Under Secretary Wagner, what accountability measures is the Department taking to ensure that information is trickling down and being absorbed at the state and local level? We can't afford any missed opportunities when it comes to thwarting possible terrorist attacks.

**ANSWER:** To ensure that critical intelligence information efficiently and effectively flows from federal to state levels, the SLPO has a layered system of accountability. The SLPO facilitates information sharing activities from the federal level to the state and local levels through fusion centers. Deployed DHS Intelligence Officers represent the first line of communication between the Federal Government and fusion centers—fusion centers then have the lead responsibility for relaying critical information to state and local partners. In addition, deployed SLPO Regional Directors act as a logical "touch point" between DHS/ I&A and deployed officers; thus helping to ensure receipt, aggregation, and dissemination of information. Moreover, fusion centers have

their own information sharing networks, though not operated by DHS, which also help facilitate information sharing and accountability through communities of shared best practices.

In March 2010, MITRE conducted a study to identify best practices used by fusion centers for effective dissemination of relevant information and intelligence to and from their first preventer/responder customers. This includes intelligence and information that the Federal Government pushes to fusion centers, and information that fusion centers develop themselves. The SLPO is using the results of the MITRE study to help inform the ongoing Joint Fusion Center Program Management Office planning efforts, in an effort to ultimately promote and enhance best practices.

Technological solutions also play a significant role in helping to ensure accountability and dissemination of timely information to fusion centers. Currently, the SLPO is working to ensure that each fusion center will have HSDN access—a computer network approved to the collateral SECRET level. HSDN allows DHS and other U.S. Intelligence Community members to effectively communicate sensitive information with fusion centers. Additionally, the HSIN—an unclassified information portal—helps to connect fusion centers with critical stakeholders such as law enforcement, private sector entities, emergency management, and public health and safety, to name a few.

Finally, DHS will work with the fusion centers on a self-assessment program to determine areas that require additional focus and track efforts to improve them.

THURSDAY, MARCH 25, 2010.

**HOMELAND SECURITY HEADQUARTERS FACILITIES**

**WITNESSES**

**ELAINE DUKE, UNDER SECRETARY FOR MANAGEMENT, DEPARTMENT OF HOMELAND SECURITY**  
**ROBERT A. PECK, PUBLIC BUILDINGS SERVICE COMMISSIONER, GENERAL SERVICES ADMINISTRATION**  
**KATHLEEN GEISLER, DIRECTOR, LEASING DIVISION, GENERAL SERVICES ADMINISTRATION**

**OPENING STATEMENT OF CHAIRMAN DAVID PRICE**

Mr. PRICE. The Subcommittee will come to order.

This morning we will review the progress made on the new Department of Homeland Security headquarters at St. Elizabeths and the administration's plans for further consolidating and rationalizing DHS headquarters' footprint. For this discussion, we welcome DHS Under Secretary for Management, Elaine Duke; and from the General Services Administration, Public Buildings Service Commissioner, Robert Peck. Good morning to both of you.

Under Secretary Duke is well known to this Subcommittee, although this is her first time testifying before us. She served in a variety of roles at DHS since coming over from the Department of Transportation when DHS was first established. She has served as Under Secretary for Management since June of 2008, overseeing the management and administration of the entire Department. It is our understanding she will be retiring at the end of this month. We want to take this opportunity to thank her for her efforts to help keep our country safe and for her very distinguished and dedicated service.

Commissioner Peck is 7 months into his second term as Commissioner of Public Buildings for GSA. In this role, he is responsible for the nationwide management of 362 million square feet of government-owned and -leased office space.

Before this term, Commissioner Peck served as Managing Director of Jones Lang LaSalle, where he advised large clients on real estate portfolio strategy and on public-private mixed use developments.

When the Department of Homeland Security was assembled from 22 elements of other governmental agencies after the 9/11 attacks, it was clear that some aspects of building this new institution would have to be addressed at a later time.

Exhibit A of this challenge: Over 7 years after the creation of the Department, its offices are still strewn across 50 locations around the Washington, D.C. area, listed on the charts that I think everyone has before them. This scattershot layout increases operational costs, hurts morale, and makes it harder for the Department to

work effectively as a unit; in other words, it compounds the challenges and difficulties of bringing these 22 agencies into a working whole.

To alleviate part of this problem, the Department has approved a \$3.4 billion master plan that would consolidate a great deal of the department's headquarters into the west campus of St. Elizabeths, a 19th-century hospital campus east of the Anacostia River. This year, the administration has requested \$287.8 million in the DHS budget as well as \$380.3 million through GSA to fund the completion of phase 1, the Coast Guard headquarters, and to begin phase 2, the National Operations Center and infrastructure work.

Now, we need to be clear, St. Elizabeths resolves only part of the problem. The Department still needs an additional 5 million square feet of space to accommodate the rest, including various kinds of support services from all the agencies. The administration last year put forward a \$75 million request for a down payment on consolidation of the Department's remaining leases to fewer locations. The administration has returned with this proposal again this year with a more detailed justification as this Subcommittee requested. The plan is to pull together the elements of the Department that will not move to St. Elizabeths in six other locations, as shown on the right side of the chart you have. Five of the six locations already house DHS elements. The sixth, shown on this chart as mission support, has yet to be formally identified.

Now, given the constraints on the budget this year and in the future, committing to additional significant investments in the Department's physical plant is not appealing at first. However, this is an action that will need to be taken at some point to improve the Department's efficiency, and it may well be more affordable to do this now rather than later. Investments in departmental facilities and management deserve careful consideration, although I am afraid critics of the 2011 budget request may have spent these funds many times over already.

What we want to learn from you today are a handful of simple things that fall into two categories: First, what is the status of the St. Elizabeths project? Are we on time, are we on budget, and are we going to get the headquarters we need to help this Department operate more efficiently?

Secondly, how does the Administration justify this further consolidation initiative? What are the specific costs and benefits to this move?

So Under Secretary Duke, Commissioner Peck, we look forward to an exploration of these questions and no doubt other topics here today. We will place your full written statements in the record and we will ask each of you to limit your remarks to a five-minute presentation.

Mr. PRICE. Before you begin, I want to recognize the distinguished ranking member, Hal Rogers, for his comments.

[The information follows:]



## COMMITTEE ON APPROPRIATIONS

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

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

Media Contact: Andrew High  
202-225-1784

**OPENING STATEMENT OF CHAIRMAN DAVID PRICE**  
*Homeland Security Headquarters Facilities: St. Elizabeths and Beyond*  
*March 25, 2010 / 10:00 am*

This morning we will review the progress made on the new Department of Homeland Security (DHS) headquarters at St. Elizabeths and the Administration's plans for further consolidating and rationalizing the DHS headquarters footprint.

For this discussion, we welcome DHS Under Secretary for Management Elaine Duke and from the General Services Administration (GSA), Public Buildings Service Commissioner Robert Peck.

Under Secretary Duke is well known to this Subcommittee, although this is her first time testifying before us. She has served in a variety of roles at DHS since coming over from the Department of Transportation when DHS was first established. She has served as Under Secretary for Management since June 2008, overseeing the management and administration of the entire Department. It is our understanding that she will be retiring at the end of the month, and I want to take this opportunity to thank her for her efforts to help keep our country safe.

Commissioner Peck is seven months into his second term as Commissioner of Public Buildings for GSA. In this role, he is responsible for the nationwide management of 362 million square feet of government-owned and leased office space. Before this term, Commissioner Peck served as a managing director of Jones Lang LaSalle, where he advised large clients on real estate portfolio strategy and on public-private, mixed-use developments.

When the Department of Homeland Security was assembled from 22 elements of other government agencies after the 9/11 attacks, it was clear that some aspects of building this new institution would have to be addressed at a later time. Exhibit A of this problem: over seven years after the creation of the Department, its

offices are still strewn across 50 locations around the Washington, DC area, listed on the charts you have before you. This scattershot layout increases operational costs, hurts morale, and makes it harder for the Department to work effectively as a unit.

To alleviate part of this problem, the Department has approved a \$3.4 billion master plan that would consolidate a great deal of the Department's headquarters onto the West Campus of St. Elizabeths – a nineteenth-century hospital campus east of the Anacostia River. This year, the Administration has requested \$287.8 million in the DHS budget, as well as \$380.3 million through GSA, to fund the completion of Phase I, the Coast Guard Headquarters, and to begin Phase II, the National Operations Center and infrastructure work.

We need to be clear -- St. Elizabeths resolves only part of the problem. The Department still needs an additional 5 million square feet of space to accommodate the rest.

The Administration last year put forward a \$75 million request for a down payment on consolidation of the Department's remaining leases to fewer locations. The Administration has returned with this proposal again this year, with a more detailed justification as we requested. The plan is to pull together the elements of the Department that will not move to St. Elizabeths to six other locations, as shown on the right side of this chart. Five of the six locations already house DHS elements – the sixth, shown on this chart as Mission Support, has yet to be formally identified.

Given the constraints on the budget this year and in the future, committing to additional significant investments in the Department's physical plant is not appealing at first. However, this is an action that will need to be taken at some point to improve the Department's efficiency, and it may well be more affordable to do this now rather than later. Investments in departmental facilities and management deserve careful consideration, and I'm afraid that critics of the 2011 budget request may have spent these funds many times over already.

What we want to learn from you today are a handful of simple things that fall into two categories:

First, what is the status of the St. Elizabeths project? Are we on time, are we on budget, and are we going to get the headquarters we need to help this Department operate more efficiently?

Second, how does the Administration justify this further consolidation initiative? What are the specific costs and benefits to this move?

Under Secretary Duke and Commissioner Peck, we look forward to an exploration of these questions and more today. Your full written statements will be placed in the record, so I ask you each to limit your remarks to a five minute presentation. Before we begin, let me recognize the distinguished Ranking Member, Hal Rogers, for his comments.

###

## OPENING STATEMENT OF RANKING MEMBER HAROLD ROGERS

Mr. ROGERS. Thank you, Mr. Chairman. Welcome to our distinguished guests.

For Ms. Duke, I understand you are, indeed, a short timer, retiring in just a matter of days. I know we recognized your contributions at our hearing on acquisitions just a few weeks ago, but let me just reiterate our gratitude for your more than 28 years of service and wish you well in your next life. Thank you for your service.

Over the last few weeks, we have heard a lot from DHS's operational commanders about how they are being asked to live within the constraints of the budget and seek greater efficiencies. But as the fiscal 2011 budget is asking DHS's frontline agencies to withstand enormous reductions to both personnel and assets, I want to see increases for our headquarters offices personnel.

While I know the decision to construct a new consolidated headquarters campus at St. Elizabeths has been made, and I full well understand the need for such a facility, it is entirely unclear to me whether anyone has asked if we can trim down the \$3.4 billion price tag. At a time of record deficits, has anyone looked at this plan through a lens of fiscal discipline?

I understand the need to align funding to mission requirements, it has been a mantra of this Subcommittee since it was born; but if there ever was a time, if there ever was a need to seek greater efficiencies, now is that time. In the wake of the Christmas day terrorist attack, with a raging drug war along our borders, with escalating threats at every turn, now is the time to give our operators on the front line in the Department what they need and ask our headquarters and administrative personnel to function with austerity.

More to the point, DHS's political leadership has spoken quite a bit about the Department's headquarters functions needing to be strengthened, and that it is superficial to say we are trading operational needs for headquarters bureaucrats. But the Secretary, nor the Deputy Secretary, neither one said one word about headquarters personnel living within budget limitations. And that fact is clearly reflected by the priorities of the fiscal 2011 budget request, priorities that I do not agree with and find simply indefensible.

It is not enough to simply say DHS needs a headquarters that can accommodate more than 30,000 people and provide 4.5 million square feet of secure space. Rather, it is incumbent upon the two of you to make it clear to this Subcommittee and the taxpayers that this proposal is both fiscally responsible and justifiably sound. So today, what I want to understand from you is how this massive proposal, the largest headquarters consolidation in our government's history since the establishment of the Pentagon in 1943, how it meets the reality of our Nation's limited finances as well as DHS's needs.

Sadly, our government does not perform well with large-scale procurements or construction projects. Costs and schedule overruns are, unfortunately, way too common. I can tell you right now that we will not tolerate such waste and abuse with this project, not

when the American people are pinching pennies and we are asking our frontline personnel to do more with less.

Now, having said all that, let me just say that I know we set a very high bar on this Subcommittee, but I believe such an uncompromising standard is what is needed when we are dealing with matters of our Nation's security.

So I thank you both for being here today. We look forward to learning more about the progress of the headquarters project. Know that while we recognize the need for a lean, efficient department, we will be watching very closely as you continue to plan your work and work your plan.

Thank you, Mr. Chairman.  
[The information follows:]

*OPENING STATEMENT*

CONGRESSMAN  
**Hal Rogers**



FIFTH DISTRICT • KENTUCKY

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

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Contact: *Stefani Zimmerman*  
202.225.4601

**Committee on Appropriations  
Subcommittee on Homeland Security**

**Opening Statement:**

***DHS Headquarters Facilities***

**Witnesses:**

**Elaine Duke, Under Secretary for Management, DHS  
Robert A. Peck, Public Buildings Service Commissioner, GSA**

**10:00 AM | Thursday | March 25, 2010 | B318 RHOB**

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Thank you, Mr. Chairman and welcome to our distinguished guests.

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---

Over the last few weeks, we've heard a lot from DHS's operational commanders about how they are being asked to "live within the constraints of the budget" and "seek greater efficiencies".

But, as the FY11 budget is asking DHS's frontline agencies to withstand enormous reductions to both personnel and assets, I only see increases for headquarters offices.

While I know the decision to construct a new, consolidated headquarters campus at St. Elizabeths has been made, and I full well understand the need for such a facility, it is entirely unclear to me whether anyone has asked if we can trim down the \$3.4 billion price tag.

⇒ At a time of record deficits, has anyone looked at this plan through a lens of fiscal discipline?

I understand the need to align funding to mission requirements – that's been a mantra of this Subcommittee since it was formed. But if there was ever a time, if there was ever a need to "seek greater efficiencies", now is that time.

In the wake of the Christmas Day terrorist attack, with a raging drug war along our border, with escalating threats at every turn, now is the time to give our operators what they need and ask our headquarters and administrative personnel to function with austerity.

More to the point, DHS's political leadership has spoken quite a bit about how the Department's headquarters functions need to be strengthened and that it is "superficial" to say we are trading operational needs for bureaucrats. But, the Secretary nor the Deputy Secretary said one word about headquarters personnel living within budget limitations.

And, that fact is clearly reflected by the priorities of the FY11 budget request – priorities that I do not agree with and find simply indefensible.

It is not enough to simply say DHS needs a headquarters that can accommodate more than 30,000 people and provide 4.5 million square feet of secure space. Rather, it is incumbent upon the two of you to make it clear to this Subcommittee and the taxpayers that this proposal is both fiscally responsible and justifiably sound.

So, today, what I want to understand is how this massive proposal – the largest headquarters consolidation in our government's history since the establishment of the Pentagon in 1943 – meets the reality of our Nation's limited finances as well as DHS's needs.

Sadly, our government does not perform well with large-scale procurements or construction projects – cost and schedule overruns are unfortunately way too common.

⇒ I can tell you right now that we will not tolerate such waste and abuse with this project; not when the American people are pinching pennies and we are asking our frontline personnel to do more with less.

Now, having said all that, let me just say that I know we set a very high bar on this Subcommittee. But, I believe such an uncompromising standard is what is needed when we are dealing with matters of our Nation's security.

So, I thank you both for being here and look forward to learning more about the progress of the DHS headquarters project. Know that while we recognize the need for a lean, efficient Department, we will be watching very closely as you continue to plan your work and work your plan.

Thank you, Mr. Chairman.

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The CHAIRMAN. Thank you very much.  
Under Secretary Duke, we will begin with you.

STATEMENT OF ELAINE DUKE

Ms. DUKE. Good morning, Chairman Price, Ranking Member Rogers, and members of the Subcommittee. Thank you for giving us the opportunity to talk about this very important project before you this morning.

The Department of Homeland Security (DHS) and component headquarters currently occupy more than 7 million square feet scattered in about 50 locations throughout the National Capital Region. We project the need for more than 8 million square feet by 2010, and anticipated personnel growth may require additional space in the future. This extreme dispersion imposes significant inefficiencies in our daily operations that could be magnified considerably at the most important moments, when the Department must act as a nimble and quick integrated team in response to national disasters or terrorist threats.

The DHS headquarters consolidation plan will synchronize the transition of 82 percent of the approximately 180 leases that are expiring before Fiscal Year 2015. Basically, the plan consists of St. Elizabeths development for mission-execution functions and the consolidation of the remaining mission-support functions in the National Capital Region. These efforts are two sides of the same coin that must be jointly addressed in order to effectively and efficiently realign our real estate portfolio.

Besides the positive effect it will have on the Department, the Homeland Security consolidated headquarters at St. Elizabeths, partially funded through the American Recovery and Reinvestment Act (ARRA), will create direct and indirect employment opportunities for thousands of people in the Washington region while preserving a national historic landmark. It is anticipated that direct and indirect employment will create more than 30,000 jobs in the region for construction and reconstruction-related activities, and that doesn't include the 14,000 DHS employees that will relocate to St. Elizabeths.

St. Elizabeths will serve as the epicenter of DHS leadership operations, operations coordination, policy and program management—the Department's key mission functions. The project has been planned in close cooperation and coordination with the General Services Administration (GSA) as a three-phase development, with several of those segments designed to create an effective and steady funding requirement over Fiscal Years 2011 through 2014.

Phase 1 is Coast Guard headquarters, scheduled for occupancy in Fiscal Year 2013. Phase 2 is the DHS headquarters, the Federal Emergency Management Agency (FEMA) and an all-important National Operations Center scheduled for completion in 2014. Phase 3 is for the remaining component occupancies to be completed in Fiscal Year 2016. The entire plan will create 4.5 million gross square feet of space for 14,000 DHS employees.

Although we do have a phase plan for St. E's, each phase is timed to ensure that disruption of construction activities is kept to an absolute minimum. Keeping these phases in tact and in line is

essential to the efficient and fiscally responsible funding of the entire project.

DHS received more than \$97 million in Fiscal Year 2009 appropriations and an additional \$200 million in ARRA funding for the consolidation headquarters. GSA awarded a \$435 million design build contract last August for phase 1A, and that is predominantly the Coast Guard headquarters building. In addition, GSA has awarded contracts for phase 1 construction management and phase 2 design contracts.

Our Fiscal Year 2011 budget request asks for DHS funding of approximately \$287.8 million for DHS to continue to develop its headquarters. This request will provide for the outfitting of phase 1, which is Coast Guard headquarters, in addition to the construction of phase 2A for the headquarters.

As you stated, along with St. E's, we have our mission support consolidation, and the fiscal year request seeks funding for this mission-support consolidation. While St. E's will accommodate the main department and component mission-essential functions, it does not have capacity to accommodate all of DHS mission-support elements. GSA and DHS will work closely with our components to manage the approximately 180 leases and do the consolidation we have discussed.

The mission-support consolidation plan has the potential to achieve more than \$400 million in that present value cost avoidance over the next 30-year period. It minimizes vacancies, short-term lease extensions and multiple move requirements. This consolidation will also contribute to a reduction in our facility operation and maintenance costs throughout the DHS National Capital Region.

The magnitude and complexity of our task to realign our facilities to better support the mission presents many challenges and opportunities. This project is one of Secretary Napolitano's highest priorities, and she has established specific objectives and is monitoring as we move forward.

Any delay in the DHS headquarters consolidation program will result in expensive charges to the lease management plan, with effects on mission performance and performance of our mission. The Department's strategic goal to strengthen and unify DHS operations and management is critical to our mission.

I look forward to answering your questions about this important project this morning.

Mr. PRICE. Thank you.

[The information follows:]



**TESTIMONY OF ELAINE C. DUKE,  
UNDER SECRETARY FOR MANAGEMENT,  
U.S. DEPARTMENT OF HOMELAND SECURITY BEFORE THE UNITED  
STATES HOUSE COMMITTEE ON APPROPRIATIONS ON "DHS  
HEADQUARTERS CONSOLIDATION"**

**March 25, 2010**

Chairman Price, Ranking Member Rogers, and members of the Subcommittee, thank you for this opportunity to discuss the Department of Homeland Security (DHS) Headquarters consolidation initiative.

DHS and Component Headquarters employees currently occupy more than seven million square feet of office space, scattered in 46 locations and across approximately 70 buildings throughout the National Capital Region (NCR). We project a need for more than eight million square feet of office space in 2010 and, based on anticipated personnel growth, may require additional space in the future. . This extreme dispersion imposes significant inefficiencies in our daily operations that can be magnified considerably at the most important moments—when the Department must act as a nimble and integrated team responding to natural disasters or terrorist threats.

The DHS Headquarters Consolidation plan will transform the dispersed portfolio from 46 locations down to approximately seven to ten locations. The plan will also synchronize the transition of 82 percent of the approximately 180 existing leases that are expiring before Fiscal Year (FY) 2015. Basically, the plan consists of the St. Elizabeths development for mission execution functions and the consolidation of remaining mission support functions. These efforts are two sides of the same coin that must be jointly addressed in order to effectively and efficiently realign our real estate portfolio.

The DHS Consolidated Headquarters at St. Elizabeths—partially funded by the American Recovery and Reinvestment Act (ARRA)—will create direct and indirect employment

opportunities for thousands of people in the Washington region while preserving a National Historic Landmark. It is anticipated that the project will create direct and indirect employment opportunities for more than 30,000 people in the region for construction and construction-related activities, not including the 14,000 federal employees who will work at St. Elizabeths. As a result of these jobs, the local economy will gain payroll earnings of approximately \$1.2 billion through the planned completion in FY 2016.

I am very pleased with the close cooperation and support from Delegate Eleanor Holmes Norton and the District of Columbia government on this project. The breakthrough in the Master Plan development was the opportunity to synchronize the East Campus and West Campus developments for the benefit of both DHS and the D.C. government. Relocating a portion of our program to the East Campus allows us to obtain our need of 4.5 million square feet of office space, helps address density concerns on the West campus, and provides a campus that can function as a single unified headquarters. It will also further enhance our interaction with the community and serve as a catalyst for retail and commercial development on the East Campus.

#### **ST. ELIZABETHS**

St. Elizabeths will serve as the epicenter for DHS leadership, operations coordination, policy and program management in support of the Department's mission execution functions and strategic goals.

The project has been planned in close cooperation and coordination with both the General Services Administration (GSA) and the Office of Management and Budget (OMB) as a three-phase development with severable segments designed to create a relatively steady future funding requirement over fiscal years 2011 through 2014. Phase 1 is the U.S. Coast Guard Headquarters, scheduled for occupancy in FY2013; Phase 2 is the DHS Headquarters, FEMA and the National Operations Center/Collocation of Component Operations Centers, scheduled for completion in FY2014; and Phase 3 is for the remaining component occupancies in FY2016. This plan will create 4.5 million gross square feet of space for 14,000 DHS employees at St. Elizabeths.

I am pleased to report that with the leadership and support of the Committee and the Congress, together with our colleagues at GSA, significant progress is being made on the St. Elizabeths development. The FY 2011 budget request seeks to sustain the momentum generated from the FY 2009 appropriations and the American Recovery and Reinvestment Act with continued investment on Phase I requirements (U.S. Coast Guard) and initiation of construction of Phase 2A, which includes the DHS Headquarters, the National Operations Center, and the collocation of component operations centers.

Consolidating the DHS headquarters will increase effectiveness and efficiency; enhance communication; and foster a "One DHS" culture that will optimize department-wide prevention, response and recovery capabilities. To be successful, the department must effectively manage the physical campus improvements while integrating the broader community and policy goals. We are also mindful of the National Historic Landmark

status of the campus and remain committed to minimizing harm to contributing historic features while providing functional spaces that meet our programmatic needs. St. Elizabeths will be a model for integrating modern uses with historic preservation, sustainability, economic development and coordination between the federal government, the district government, private industry and the community.

DHS received \$97.58 million in FY 2009 appropriations and an additional \$200 million in American Recovery and Reinvestment Act funding for the DHS consolidated headquarters at St. Elizabeths. Working together with GSA and their companion appropriations, GSA awarded a \$435 million design-build contract in August 2009 for the Phase 1A new 1.1 million gross square feet U. S. Coast Guard Headquarters building. In addition, GSA has awarded contracts for Phase 1 construction management services and for two design excellence architects to complete the remaining phases of development.

Phase 1B final design submissions are being prepared for National Capital Planning Commission (NCPC) approval at the April and May 2010 meetings with construction awards scheduled for 4<sup>th</sup> quarter of FY2010. These designs will encompass the adaptive reuse of certain historic buildings for shared services functions, such as a cafeteria, auditorium, fitness center, and Coast Guard Exchange, as well as infrastructure projects consisting of Security Perimeter Improvements and Phase 1 Utilities.

The Technology Integration Program (TIP) for the Headquarters Consolidation initiative is a highly complex and transformational approach to the delivery of technology services

for the campus; this initiative will also be applicable to the Mission Support Consolidation effort that I will describe shortly. The TIP will foster integration and innovation in the delivery of technology services across the department. Centralized acquisition of all common infrastructure and common equipment is essential to ensure conformance and consistency with a new enterprise architecture that supports a "One DHS" culture, yet provides the flexibility to address unique component requirements. The GSA Federal Acquisition Service is managing this procurement in cooperation with the DHS Program Team; a fourth quarter FY2010 award is on schedule.

I would like to discuss the close working relationship of the DHS Program Team and GSA on acquisition strategies. GSA shares our commitment to competitive contracting and small business emphasis wherever possible. GSA and DHS held a joint industry day, sponsored by Delegate Eleanor Holmes Norton, on the St. Elizabeths development in October 2009 that was attended by approximately more than 1,000 business representatives. In December 2009, GSA and DHS followed up on this event by sponsoring a Pre-solicitation Conference for the TIP contract. GSA will compete this contract among the 59 large business vendors in the Government Wide Acquisition Contract (GWAC) Alliant for IT services. The conference included a small business networking session with the Alliant Prime Contractors.

We are also completing a Program of Requirements validation for all of the DHS components to ensure that we have the most up-to-date information on component needs. Phase 2A design is in progress for the National Operations center, the collocation of component operations centers, and the adaptive reuse of the Center Building, which is the

most important building on the campus historically, and will house the Secretary's office and the senior leadership of the Department.

The NCPC gave its unanimous approval on Jan. 7, 2010, to the final design submission for the first new facility to be constructed on the campus—the U. S. Coast Guard Headquarters Building and associated parking. The design of this facility by Perkins & Will Architects is a testament to the benefits of the National Historic Preservation Act Section 106 consulting process. Through their innovative efforts, and responsiveness to stakeholders concerns, this large facility will be nestled into the hillside to minimize the impacts on the historic character of the campus and provide our employees with modern office space.

Sustainability is a key driver for this facility and the entire campus. The campus will attain Leadership in Energy and Environmental Design (LEED) Silver certification at a minimum, with the goal of achieving Gold certification where possible. The U.S. Coast Guard Headquarters building is approaching this Gold certification level. We are working with GSA team on sustainable design solutions that achieve all of the targets for energy and water conservation. I am pleased to report that work is well underway with demolition completed of the buildings in the U. S. Coast Guard site and clearing and excavation activities are in progress.

I would now like to turn to the FY 2011 budget request. A total of \$287.8 million is included in the President's Budget request for the Department of Homeland Security to

continue the development of the DHS Consolidated Headquarters at St. Elizabeths. This request will provide outfitting for the Phase 1 Coast Guard and shared use occupancies and initiates construction of the Phase 2A DHS Headquarters, and the national operations/collocation of component Operations centers immediately adjacent to the USCG site.

Although we are developing St. Elizabeths in phases, each phase is timed to ensure that disruption of construction activities is kept to an absolute minimum. Extending the development timeline at St. Elizabeths will impede our efforts to unify the Department's operations and will dilute the 30-year net present value cost advantage of consolidation in federal construction over leasing, which currently stands at more than \$600 million. The FY 2011 request is particularly critical in this regard since there are immediate adjacencies among the Center Building, the U. S. Coast Guard headquarters facility, the Coast Guard Command Center, and the National Operations Center.

#### **MISSION SUPPORT CONSOLIDATION**

The FY 2011 request seeks to initiate the Mission Support Consolidation effort, which must be accomplished in concert with St. Elizabeths schedule in order to shed the dispersed lease locations as we begin to occupy the campus.

While St. Elizabeths will accommodate the main Department and Component HQ mission execution functions, it does not have the capacity to accommodate all of the DHS mission support elements.

As new office space is created at St. Elizabeths, DHS employees will relocate to occupy these spaces and vacancies will occur in federally owned spaces within the NCR that will be backfilled by components currently in leased space. GSA and DHS will work closely with the 22 components to manage approximately 180 lease actions and minimize vacancies.

In cooperation with DHS and OMB, a Mission Support Consolidation prospectus for lease authority was submitted by GSA to Congress in October 2009 that will address the Department's current housing needs. As the prospectus is for leased office space, GSA does not require a separate appropriation and all costs for tenant fit out requirements are funded by DHS. The \$75 million included in the 2011 budget request will initiate the mission support consolidation effort by providing the necessary funding to eliminate 10 lease locations associated with the 1.2 million square feet of office space included in the prospectus. The remaining funding will be requested in future budgets to deliver the space in FY2013 and FY2014.

The Mission Support consolidation plan has the potential to achieve more than \$400 million Net Present Value cost avoidances over a 30-year period. It minimizes vacancy risk, short term lease extensions and multiple move requirements and forms the basis of the FY 2011 budget request.

The Mission Support consolidation will also contribute to a reduction in facility operation and maintenance costs and provide quality of life features and other amenities to attract and retain the best professional workforce. It is a foundation for developing a culture of success for DHS to achieve its mission. In addition, all new leased spaces will aim to achieve Administration and DHS sustainability goals.

### **SECRETARY'S STRATEGIC OBJECTIVES**

The magnitude and complexity of our task to realign our facilities to better support the mission presents many challenges and opportunities. This project is one of Secretary Napolitano's highest priorities, and she has established specific objectives that must be achieved as we move forward.

#### **1. Create a "One DHS" culture focused on effectiveness, efficiency and collaboration**

The creation of a unified campus will support the Secretary's goal to unify the Department operationally, administratively and culturally.

#### **2. Develop St. Elizabeths into a campus that supports DHS missions**

It is critical that that as we work with GSA to redevelop this beautiful National Historic Landmark and exercise all possible planning to minimize harm to historic resources, we must also ensure that the investments in new construction and adaptive reuse provide

functional, effective and efficient facilities to support our mission requirements.

3. Support community revitalization and economic recovery

St. Elizabeths is located in Ward 8 – the most economically disadvantaged ward in the city. As the federal \$3.4 billion development progresses toward occupancy by 14,000 DHS employees, the Department must ensure that community interests and opportunities for local economic benefit are integrated into the plan and synchronized with DC’s East Campus development. Coordination with our federal and district partners is key to success as we move forward.

4. Promote sustainable designs while preserving historic structures

As the largest federal development in the region, St. Elizabeths offers an opportunity to showcase the DHS/GSA commitment to sustainable building practices and historic preservation.

5. In form and manage employee expectations regarding relocation

Recruiting and retaining a highly professional, dedicated and motivated workforce is essential to the Department achieving its mission to protect the homeland. The headquarters consolidation effort has the potential to touch or impact nearly all of the DHS headquarters and component employees in the NCR over the next 4 to 7 years.

**CONCLUSION**

Any delay in the DHS Headquarters consolidation project will result in expensive changes to the lease management plan, with effects on mission performance and the performance our mission. We are committed to achieving our goal of uniting and strengthening the Department with a unified headquarters by Fiscal Year 2016.

Thank you, Mr. Chairman and members of the committee for your interest in and continued support of DHS Headquarters Consolidation program. The Department's strategic goal to strengthen and unify DHS operations and management is critical to our mission. We must be united so that we may secure and protect America.

We are grateful for your continued support as we continue to move forward to achieve our goal. I would be pleased to answer any questions that you may have.

## STATEMENT OF ROBERT PECK

Mr. PRICE. Mr. Peck.

Mr. PECK. Thank you, Mr. Chairman, Ranking Member Rogers, and also Congressman Farr. Thank you for inviting me to appear today to talk about our partnership with the Department of Homeland Security in building out a consolidated headquarters at St. Elizabeths.

As you know, the headquarters will reside at the former St. Elizabeths Hospital in southeast Washington, a national historic landmark. As Under Secretary Duke noted, DHS is currently in more than 40 locations owned and leased in the Washington area. The consolidation is necessary, in the opinion of DHS, to facilitate its headquarters operation, communication, command and control of the Department.

It is our honor at GSA to have as our clients more than 100 Federal agencies. And one of the things that is amazing about this job is the people in the Federal Government who everyday perform functions important to our national defense and to Homeland Security; it is our honor to work on this project. We are enthusiastic about it. And I am here to assure you today that we are going to seek the greatest efficiencies possible and to maintain the schedule and budget that this project needs and deserves.

Housing DHS in government-owned facilities compared to the comparable cost of housing them in leased facilities over 30 years represents a savings of \$600 million to the taxpayers. It is important to maintain the schedule that we are currently on with this project for two reasons. In the private and public sector, I have been involved in projects that have gone on time, and projects that have gone over time and over budget. And more often than not, when projects go over time and over budget, it is because we change our minds about what the scope is during the course of the project and because funding gets interrupted. Particularly in the current climate, in which bids for design and construction are coming in under estimates because—this is both good and bad—there is a soft economy, but an advantage to us in bidding, it is important for us to maintain the current schedule because we are realizing economies as we let contracts all over the country.

I will also note, to put this in context, that at the same time that we are building the headquarters here, we are building new land ports of entry all over the country for Customs and Border Protection. We are putting CIS and ICE in projects all over the country that also allow them to operate more efficiently, so this isn't just a headquarters-versus-the-field business.

As Under Secretary Duke noted and you have noted, the total cost of the project is going to be \$3.4 billion, funded both by GSA and DHS. During the peak period of construction, there will be over 1,000 workers on the site, and approximately 100 subcontractors and vendors. We estimate the project overall will create over 30,000 jobs. Our share of the construction budget of \$3.4 billion—which is \$2 billion—alone is estimated to provide regional economic benefits of up to \$3.8 billion.

Now, I know that your job is to provide funding for DHS headquarters and not just to stimulate economic development, but there

are so many side benefits of this project, including restoring a national historic site and bringing economic development that it is worth mentioning.

We have begun construction of phase 1A, which includes the 1.2 million square foot headquarters for the Coast Guard, and 700,000 feet of structured parking. We are on schedule to complete it in 2013. Phase 1B, which involves the adaptive reuse and renovation of seven historic campus buildings as well as the construction of a perimeter security fence gate house and underground utility tunnels is being accelerated.

The next two phases construct 3.75 million square feet of office space and structured parking on the west campus and, importantly, the construction of a 750,000 square foot office building for FEMA and its structured parking on what is known as the east campus, a property owned by the District of Columbia, and which will serve as the anchor for a new community on the east campus in Anacostia. We intend a secured underground passageway from the west campus to the east campus to allow easy access without going outside the security perimeter, but also to help DHS employees on the west campus provide the economic stimulus that will make the east campus community work. The entire project is scheduled for completion in 2016.

In line with President Obama's executive order of last October, EO 13514, we are ensuring that the headquarters facility will be environmentally sustainable. We are striving for LEED Gold certification on all of our buildings, and we are well on the way to achieving that. We are using small businesses and providing opportunities for minority and small business contractors.

On April 1, I should note, in addition to the headquarters consolidation, we plan to issue a solicitation for offers for 1.1 million square feet of leased space to consolidate mission support functions of DHS that will not be housed at St. Elizabeths. I have to say that during my private sector employment previous to working here, I was working on that lease for a private contractor, and so while I can tell you in general terms what is happening, if you have detailed questions, I am going to have to defer, under government ethics rules, for someone else to answer.

We will also retain, as you have noted, a number of other lease locations, principally the headquarters of the Transportation Security Administration in northern Virginia, and leased office space for Immigration and Customs Enforcement in the District of Columbia. We are procuring some interim leases for Coast Guard and CBP in the meantime, but they will be moving to the campus.

We are proud of our opportunity to work with DHS on this project. And finally, I would just say to you, I would invite you to visit the site—I was there yesterday morning. You will see amazing earth moving going on, sheeting and shoring for the project. We are well underway. It is going to be a project of which we can all be proud, and mostly one that will help the Department coordinate its operations in a new modern advanced environment.

I am happy to answer your questions. Thank you.

Mr. PRICE. Thank you very much. Thanks to both of you.

[The information follows:]

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**STATEMENT OF**

**ROBERT A. PECK**

**COMMISSIONER  
PUBLIC BUILDINGS SERVICE  
U.S. GENERAL SERVICES ADMINISTRATION**

**BEFORE THE**

**COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON HOMELAND SECURITY**

**HEARING ON ST. ELIZABETHS AND DHS  
CONSOLIDATION**

**MARCH 25, 2010**



Good morning, Chairman Price, Ranking Member Rogers and members of the subcommittee. My name is Robert A. Peck, and I am the Commissioner of the U.S. General Services Administration's (GSA) Public Buildings Service (PBS). Thank you for inviting me to appear before you today to discuss the progress with the new Department of Homeland Security (DHS) Headquarters at St. Elizabeths and the DHS consolidation.

GSA, in partnership with DHS, is now undertaking the largest, most complex construction project in our history. The consolidation of DHS is necessary to facilitate communication, coordination and cooperation across the Agency and optimize operational efficiency. DHS identified its most critical components that need to be located within one functional campus. This campus will serve as the DHS Headquarters, which will reside on the former St. Elizabeths Hospital in southeast Washington, D.C. The decision to create this headquarters at the former St. Elizabeths hospital was based on the DHS National Capital Region Housing Master Plan<sup>1</sup>, which was developed by DHS with GSA's assistance.

DHS is currently housed in more than 40 locations around the Washington, D.C. metropolitan region, involving multiple buildings and leases. The Master Plan advocates for the Agency's consolidation into seven to ten locations. Three of these locations already exist as federally owned sites. Components of DHS are currently located at the Nebraska Avenue Complex, the Ronald Reagan Building/International Trade Center, and the U.S. Secret Service Headquarters building. St. Elizabeths will add a fourth federally owned location. As various DHS organizational components move from these federally owned sites into St. Elizabeths, other DHS components currently housed in leased locations will be able to move into these owned buildings. Housing DHS in government owned facilities is projected to cost approximately \$600 million<sup>2</sup> less compared to the cost of leasing the same amount of space over the next thirty years. This is the optimal solution for the Agency, city, and American taxpayers.

The Master Plan outlines priorities of implementation and addresses the mission fragmentation caused by the headquarters elements being scattered throughout the National Capital Region. The St. Elizabeths campus will accommodate the Agency's mission execution functions. The remaining mission support functions not to be housed in federally owned buildings or sites will be located off campus in leased space.

#### **DHS Mission Execution at St. Elizabeths Campus**

The DHS Headquarters at St. Elizabeths is the largest Federal construction project to occur in the Washington metropolitan area since the Pentagon was built during World War II. The project will create 4.5 million square feet of new space, in addition to 1.5 million square feet of structured parking to bring together

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<sup>1</sup> The DHS Housing Master Plan was presented to Congress in 2006

<sup>2</sup> \$600 million represents the total amount in present value terms.

the mission execution components DHS requires in its headquarters facility. A total of 14,000 people will be employed on campus.

The total cost for the project totals \$3.4 billion and will be funded by GSA and DHS. During the peak period of construction, there will be over 1,000 workers on site and approximately 100 subcontractors and vendors supporting the prime general contractors. The project is expected to generate more than 30,000 jobs in both direct and indirect employment through its duration. During construction, the economy would gain payroll earnings of approximately \$1.2 billion, and regionally there would be a gain from total output during construction of approximately \$3.8 billion.

St. Elizabeths is the only federally owned site in Washington large enough to accommodate the mission execution functions for the DHS Headquarters. Due to the size and location of the site, St. Elizabeths is fitting for such an important Cabinet level agency. The property is only two miles from our nation's Capitol and is located on a hill with a commanding view of Washington and Northern Virginia. The creation of this headquarters complex presents the best opportunity available for preserving, reusing, and revitalizing the historic buildings and landscapes at this National Historic Landmark.

#### Project History

Currently, more than \$1 billion has been appropriated to GSA and DHS for the St. Elizabeths project. The appropriations include American Recovery and Reinvestment Act of 2009 (Recovery Act) funds. The Recovery Act provided GSA with \$450 million and DHS with \$200 million in funding for the St Elizabeths consolidation. GSA has accepted \$199,000,000 in reimbursable Recovery Act funds from DHS and has awarded \$50,500,000 of that money.

GSA has just begun construction of Phase 1a, which includes a new 1.2 million square foot headquarters building for the U.S. Coast Guard (USCG) and 700,000 square feet of structured parking. This headquarters, which is being designed by Perkins & Will and constructed by Clark Design-Build LLC, will be complete in 2013. Phase 1b will involve the adaptive reuse and renovation of seven campus buildings, as well as the construction of a perimeter security fence, gatehouses, and underground utility tunnels.

The next two phases will be the construction on the west campus totaling 2.4 million square feet of space plus structured parking, as well as the construction on the east campus, totaling an additional 750,000 square feet of space plus structured parking. The selection of the east campus to house the headquarters of the Federal Emergency Management Agency (FEMA) is the result of our close coordination with the District on this project. The District has owned the east campus since 1987, utilizing it to house its mental health facility. At this time, however, the District no longer requires the entire site for that purpose.

In December 2008, the District adopted a plan for the site that called for the development of a mixed use community on those portions of the east campus not required for their mental health program. GSA's commitment to utilize a site on the east campus represents a major breakthrough in assisting the District to pursue its redevelopment, as well as enabling us to reduce the overall density proposed for the west campus. We are now in the process of amending our master plan to incorporate the east campus portion. The mixed use community on the east campus will include residential, retail, and office space. The influx of Federal employees will act as a catalyst for the beginning stages of this development and pave the way for future development in later stages.

The entire DHS Headquarters project is scheduled for completion in 2016.

#### Project Benefits

In addition to the economic growth resulting from this project and in line with President Obama's Executive Order 13514, GSA is also pursuing an environmentally sustainable campus. We are committed to achieving at least a Silver certification under the Leadership in Energy & Environmental Design (LEED) program of the U.S. Green Building Council, but we are striving for Gold certification. We will also be striving to meet the sustainable requirements outlined in Energy Independence and Security Act (EISA), Energy Policy Act (EPACT) and the sustainable guiding principles. The USCG Headquarters will have a green roof and a series of landscaped gardens and retention basins that will absorb storm water runoff. It will have an abundance of natural light, sophisticated heating ventilation and air conditioning systems, as well as a utilization of local and recycled materials.

GSA is also undertaking extraordinary measures to protect and enhance the many historic components of this National Historic Landmark. We have held multiple meetings and negotiations with the historic preservation community. We will reuse 51 of the 62 buildings on the west campus that contribute to the site's historic character. The most historic building on site, the Center Building, will house the Office of the Secretary of Homeland Security. This building will remain the highest building on campus. The location of new construction has been determined so that the main cluster of historic buildings will remain physically and visually intact. Views to and from the campus will be preserved as well.

Finally, GSA has undertaken widespread meetings and discussions with the District of Columbia Ward 8 community where St. Elizabeths is located. We want to ensure the community is supportive of the new campus and that we provide them the opportunity to benefit from its development. Our outreach has included more than 50 meetings, hearings, and training labs. Close to half of these meetings were with the Advisory Neighborhood Commissions that serve the area. We have also met with the neighboring Barry Farm Resident Council, the Anacostia Coordinating Council, and the Ward 8 Business Council. Additionally,

there were six public hearings and a Town Hall meeting sponsored by Representative Eleanor Holmes Norton.

GSA also provided five days of training for Section 8 (a) small businesses and another general session on conducting business with GSA. The general contractor for the Coast Guard project, Clark Design-Build LLC, has identified \$224 million in possible subcontracting opportunities as part of the construction. They have adopted the following goals for the \$224 million:

- 40% subcontracted to Small Businesses
- 3% to HUBZone firms
- 8% to Small Disadvantaged Businesses
- 5% to Women-owned Businesses
- 5% to Veteran-owned Small Businesses
- 3% to Service Disabled Veteran-owned Businesses

GSA and Clark Design-Build LLC are committed to using Section 8 (a) small businesses for this project. In addition to GSA's small business outreach, Clark Design-Build LLC has hosted two small business training seminars and will continue to do so throughout construction. The first \$13 million we spent on site stabilization, maintenance and security was all awarded to Section 8 (a) contractors, who have continued to work on site up to this time. Another 8 (a) firm was selected to demolish the warehouse where the Coast Guard building will be located.

GSA is also committed to providing as many employment opportunities on this project as possible. GSA has established a pre-apprenticeship training program funded by the Recovery Act, as well as required Clark Design-Build LLC to begin an apprenticeship program for the project. The pre-apprenticeship program is being run by the AFL-CIO. They are conducting six-week classes that include on-the-job-training, classroom training, and work-life training in the construction industry. The first graduating class of 20 was held last December. Representative Eleanor Holmes Norton and I spoke at the graduation.

Clark has also established an Opportunities Center on the west campus. This large facility, which consists of four double-wide trailers joined together, is being used to provide employment and training information available to individuals and companies. The facility is staffed and consists of an information kiosk, conference room, computer lab area, restroom, storage room, and break room. On-site contractors have access to the trailer to conduct training sessions while government agencies can hold small business assistance and training sessions. Rooms are also available for the AFL-CIO to conduct pre-apprenticeship training programs.

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